

**Housing Authority of Avon Park**  
**Board of Commissioners Regular Meeting**  
North Central Heights Community Building  
709 Juneberry Street, Avon Park, Fl.  
Tuesday, November 18, 2014, 7:00 PM

**AGENDA**

- A. Opening Prayer, Roll Call by Secretary
- B. Public Comments/Presentation
- C. Consent Agenda
  - 1. Regular Meeting Minutes, October 21, 2014
  - 2. Occupancy Report; October 2014
  - 3. Lakeside Park I Transitional Housing FSS Program Report; October/November 2014
  - 4. TAR & Maintenance Reports; October 2014
  - 5. Fee Accounting Report; Sept. 2014, Consolidated Financial Statement & APHA Projects Report; October 2014 Account Cash Analysis Schedules
  - 6. Communications- Harbor Community Bank change over notice from Highlands Independent Bank
- D. Secretary Reports & Old Business
  - 7. Project Status Reports;
    - a. North Central Heights; project operational status report.
    - b. Lakeside Park I; project operational status report.
    - c. APHA Rental Assistance Demonstration (RAD) Application status report.
    - e. Cornell Colony; project development status report.
    - f. Main Street Brickell Building Acquisition Committee Report; Chair Barnard
- E. New Business;
  - 9. Resolution No. 14-12; Resolution Authorizing APHA to Engage Wind Water and Energy, Inc. for Public Housing Energy Conservation Services.
  - 10. Resolution No. 14-13; Resolution authorizing adoption of 2015 APHA Operating Budget.
  - 11. Resolution No. 14-14; Resolution Authorizing Final approval of APHA 2015 and 5 Year Plan Update.
- F. Unfinished Business, Concerns of Commissioners
- G. Next Meeting: December 16, 2014; Regular Board Meeting
- H. Adjournment

Any person who might wish to appeal any decision made by the Avon Park Housing Authority, in public hearing or meeting, is hereby advised that he/she will need a record of the proceedings, and for such purpose, he/she may need to ensure that a verbatim record of the proceedings is made which will include the testimony and evidence upon which such an appeal is to be based. In accordance with the American Disabilities Act and Section 286.26 Florida Statutes, any person with disabilities requiring reasonable accommodations to participate in this meeting should call the Housing Authority offices five days prior to the meeting.

**Avon Park Housing Authority Board of Commissioners Meeting  
Summary of Agenda Items  
November 18, 2014**

**Public Comments/Presentations: None**

**Consent Agenda:**

Minutes: Regular Meeting Minutes of October 21, 2014 will be considered for acceptance.

Occupancy Report/Vacancy Reports; October 2014: Lakeside Park Transitional Housing/Homeless P.H. Units; 0 move-ins, 1 move-outs & 1 vacancy during the period. Lakeside Park II; 2 move-ins, 2 move-outs, 2 Vacancies during the period; Ridgedale; 3 move-ins, 1 move-out, 0 vacancies during the period; Delaney Heights 2 move-outs, 0 move-ins, 2 vacancies during the period. NCH I had 2 move-outs and 0 move-ins and 3 vacancies; NCH II had 3 move-out and 1 Move-in and 6 vacancies. Vacant unit turnaround days in Management on units appear in acceptable ranges. Wait list summary; D.H. currently has 45; Lakeside Park II 290; Lakeside Park I (E & T Housing Program) 98; Ridgedale 295, NCH; 230 Combined Wait List Totals; 827 decrease of 131 from last report; decrease primarily due to purge of Wait List applicants during vacancy lease up and result of closing of Lakeside Park II & Ridgedale Waiting List. Case Management Report activity report for October/November 2014 Transitional Housing & Family Self Sufficiency (FSS) Program activities included in Board packet.

TAR Report, October 2014: Tenants Accounts Receivable combined for PH in was \$1,120.27, with the highest amount of TARs related to two Security Deposit s & 2 large Work Orders. Ridgedale total for receivables were \$627.44 primarily for 1 unreported income and 1 Security Deposit. North Central Heights I TAR was \$252, North Central Heights II TAR; \$-0-.

Maintenance Report, October 2014- Over the reporting period; Maintenance performed 17 PH Annual and Preventive Maint. Inspections. Ridgedale 4 Preventative & Annual Inspections. NCH I & II had 4 Preventative & Annual Insp., Lakeside Park I had 1 Preventative/Annual Inspections. Preventative maintenance performed for fall months included continued cutback of trees from building rooflines for Hurricane season, playground and Community Building HVAC servicing & common area repair/replacement & pest control. Upgrade and general servicing to security camera system @ both Main Office and Ridgedale Apartments. Front screen door locks being changed out @ Delaney Heights dwellings to accommodate EMS access; 50% complete. NCH exterior painting by previous contractor underway and expected to be completed mid-November.

Executive Summary-Financial Statement/Report September 2014: Comprehensive report on the Budgeted Income Statement and Agency's October Bank Account Cash Analysis circulated in Board Packet. Fee Accountant Consolidated Financial Statement on operations for October, 2014 included in report. 2015 Operating Budget posted on APHA website for Commissioner review. Boards to consider Budget adoption for January 1, 2015 effective date this Meeting.

Communications; Letter from Harbor Community Bank introducing themselves as replacement Bank for Highlands Independent Bank.

**Old Business Secretary/Executive Directors Report:**

North Central Heights; The ED will provide an oral report on status of project's operations.

Lakeside Park I; The ED will provide an oral report on the operational status of the project.

Rental Assistance Demonstration (RAD) Program Application; The ED will brief the Board on any status change of its application to participate in the HUD RAD Program.

Cornell Colony Underwriting- Qualifying; The ED will update the Board on the current joint initial credit underwriting process for proposed Cornell Colony project.

Main Street Brickell Building Acquisition Committee Report; Committee Chair Barnard will present & review the Committee's recommendation to the Board regarding provide consideration of potential acquisition of Brickell Building from City of Avon Park.

**New Business:**

Resolution No. 14-12; The ED will present and review a Resolution authorizing the Executive Director to engage the second ranked ESCO company under RFP 10-03 to negotiate an Energy Services Agreement with Wind, Water & Energy Conservation, Inc. for the APHA's Public Housing inventory.

Resolution No. 14-13; The Board will consider adoption of Resolution adopting the APHA's Operating Budget for 2015.

Resolution No. 14-14; The Board will consider final adoption of the APHA's 2015 Annual and 5 Year Plan Update.

THE HOUSING AUTHORITY OF AVON PARK  
BOARD OF COMMISSIONERS REGULAR MEETING MINUTES  
North Central Heights Community Center  
709 Juneberry Street  
Avon Park, FL 33825

**October 21, 2014, 7:00 P.M.**

**A. Opening/Roll Call:** Chairman Longshore called the Board Meeting to order and offered the prayer. Following the Prayer, the Secretary called the member attendance roll: Commissioners Present: Commissioners Eric Longshore, Lester Roberts, Greg Wade, Dora Smith, Cameron Barnard and Michael Eldred. Commissioners Absent; Theresa Whiteside. Also attending; APHA staff Executive Director (ED) Larry Shoeman, Facilities Manager David Herbert, Housing Specialist Bea Gillians and new FSS Coordinator Toni Salvaggio. Quorum was declared by the Secretary and Chairman Longshore called the meeting to Order at 7:01 pm.

**B. Public Comments/Presentations:** Secretary Shoeman recognized Housing Specialist Bea Gillians who introduced Toni Salvaggio as the APHA's new FSS Coordinator. Ms. Salvaggio provided the Board with a brief background of her credentials and expressed her optimism for great accomplishments ahead for the APHA's FSS Program. Chairman Longshore thanked Ms. Salvaggio for her introduction and on behalf of the Board wished her well in her new position with the APHA.

Secretary Shoeman then requested Chairman Longshore step forward, presented Longshore with a framed Proclamation and read the Proclamation into the record, acknowledging his contributions as Commissioner & Board Chairman over his four year term. Longshore thanked the Board for their support and privilege to serve with them on accomplishing great achievements in housing for the Avon Park Community.

**C. Consent Agenda:** Next Chairman Longshore requested a motion to approve the Consent Agenda as circulated, Moved by Commissioner Roberts to accept the Consent Agenda as circulated, seconded by Commissioner Wade; motion carried unanimously.

**D. Secretary Report & Old Business:**

North Central Heights I & II- The ED provided an oral update report to the Board regarding project's operational status.

Lakeside Park I- The ED provided the Board with an oral status report regarding the project.

Arcadia Housing Authority Housing Management Assistance; The ED advised the Board that the APHA had now received notice from the Miami HUD Field Office Acting Director that the Arcadia HA had made sufficient improvement in their operations that the Management Agreement with the APHA was no longer needed and thanked the APHA for all their help and support provided over the past 3 year period. This item will now be removed from future Agenda items. The Chair congratulated staff for providing the requisite guidance to the AHA and wished them well on all their future endeavors.

Rental Assistance Demonstration Application; The ED informed the Board that the applications for both Delaney Heights & Lakeside Park remains outstanding at this time until funding for the coming year is appropriated by Congress to include additional participation expansion.

Cornell Colony; project development status report; The ED advised the Board that APHDC-Cornell Colony LLC is now in the process of qualifying for project underwriting qualifying with FHFC for project funding for the 44 single family unit development. The APHDC will continue working with Marty Wohl of Marmer Construction and Chris Shear of Housing Trust Group as Co-Developers on progression through the project underwriting process.

Main street Brickell Building Acquisition Consideration: The ED informed the Board that he had met with City Manager Julian Deleon to discuss further details and potential regarding the building, performed a walk- through of the building with APHA Facilities Manager and Realtor and stated his opinion that such endeavor would be a viable business opportunity of mutual benefit to both the City and the APHA. Chairman Longshore then appointed Commissioners Lester Roberts and Dora Smith to join APHDC Directors Vinson, Barnard and Wade to serve on a Brickell Acquisition Committee. The Chair advised the Committee Members that their assignment was to convene a Committee meeting prior to the next APHA Regular Board Meeting and provide their recommendation to both APHDC and APHA Boards regarding purchase consideration at the next Regular Meetings of the Boards.

Draft Request for Applications 2014-112; Smaller Permanent Supportive Housing Properties for Persons with Developmental Disabilities; The ED informed the Board that he had met with ARC Executive Director, reviewed the application requirements and determined that there was insufficient need by ARC to grant demonstrate funding eligibility. Respectively, no application will be submitted when the RFA is published.

**E. New Business:**

Proposed 2015 Draft APHA Operating Budget: The advised the Board that the draft 2015 Operating Budget was now posted on the APHA's Website under the "News-Recent Posts" banner menu for their review. The draft will be included in the Board's November Meeting Agenda for final consideration and the ED requested Board Members review the Budget and contact his office for recommendations or questions prior to the next meeting for final adoption.

Resolution No. 14-10: Authorizing Preliminary approval of APHA 2015 Annual and 5 Year Plan Update; The ED advised the Board that the Annual Plan and 5 Year Plan Update was required at this time, residents are to be consulted and Board to circulate to the Public the proposed agency Plan for 2015 and update its 5 Year Plan. Moved by Commissioner Barnard, seconded by Commissioner Eldred Resolution No. 14-10 adopted as circulated; motion carried unanimously.

Resolution No. 14-11: Resolution adopting Amendment and restatement of APHA Employer Retirement Plan Addendum Agreement. The ED informed the Board that it was required by IRS rules that the APHA update its current Retirement Plan and restate said Plan as Addendum Agreement. Moved by Commissioner Barnard, seconded by Commissioner Roberts to adopt Resolution No. 14-11 as circulated; motion carried unanimously.

**F. Unfinished Business, Concerns of Commissioners-** Commissioner Roberts informed the ED that the apartment complex located off of Verona St. near the APHA Office was for sale and might be a possibility for acquisition consideration. The ED advised the Board that he would meet with the listing Realtor, check out the property and report back his findings to the Board at next Meeting.

**H. Next Regular meeting date;** Next Regular Board Meeting scheduled for November 18, 2014,

Being no further business to come before the Board, Chairman Longshore adjourned the meeting at 8:00 pm.

Accepted \_\_\_\_\_

Attest \_\_\_\_\_  
SEAL

**OCCUPANCY/VACANCY REPORT**  
October 2014

**Public Housing**

**Delaney Heights**

<u>Unit #</u>	<u>Brms.</u>	<u>Move-Out</u>	<u>Move-In Date</u>	<u># days in Mgmt</u>	<u>#days in Maint</u>	<u># vacancydays</u>	<u>Reason for Vacancy</u>
21(501)	1	10/2			25		Deceased
22(317)	1	10/27					Abandoned

**Lakeside Park**

<u>Unit #</u>	<u>Brms.</u>	<u>Move-Out</u>	<u>Move-In Date</u>	<u># days in Mgmt</u>	<u>#days in Maint</u>	<u># vacancydays</u>	<u>Reason for Vacancy</u>
324(337)	1	9/5	10/8	18	16	34	Numerous lease violations
313(350)	1	9/25			1		Transferred to bigger unit
205(224)	2	10/2	10/17	1	15	16	Lease violations
321(349)	2	10/20					Moved to CT

**TOTAL PUBLIC HOUSING VACANT - 4**

**Transitional/Homeless**

<u>Unit #</u>	<u>Brms.</u>	<u>Move-Out</u>	<u>Move-In Date</u>	<u># days in Mgmt</u>	<u>#days in Maint</u>	<u># vacancydays</u>	<u>Reason for Vacancy</u>
413(31)	5	10/6					Abandoned

**TOTAL TRANSITIONAL/ HOMELESS VACANT - 1**

**OCCUPANCY/VACANCY REPORT**  
October 2014

<u>Ridgedale</u>		<u>Move-Out</u>	<u>Move-In Date</u>	<u># days in Mgmt</u>	<u>#days in Maint</u>	<u># vacancydays</u>	<u>Reason for Vacancy</u>
<u>Unit #</u>	<u>Brms.</u>						
18(710)	3	8/29	10/2	19	16	35	No notice given
31(713)	2	9/22	10/10	1	18	19	Non pmt rent/abandoned
26(723)	2	10/1	10/21	8	13	21	Unreported income

**TOTAL RIDGEDALE VACANT—0**

<u>North Central Heights I - (40 units total)</u>			
<u>Unit#</u>	<u>Brms</u>	<u>Move-Out</u>	<u>Move-In</u>
701	2	6/2	10/1
626	3	9/8	10/1
650	3	9/17	10/16

<u>Unit#</u>	<u>Brms</u>	<u>Move-Out</u>	<u>Move-In</u>	<u># days in Mgmt</u>	<u>#days in Maint</u>	<u># vacancydays</u>	<u>Reason for Vacancy</u>
701	2	6/2	10/1	121	2	123	Over income
626	3	9/8	10/1	1	23	24	Over income
650	3	9/17	10/16	1	29	30	Abandoned unit

**TOTAL NCH I VACANT—0**

<u>North Central Heights II - (32 units total)</u>			
<u>Unit #</u>	<u>Brms</u>	<u>Move-Out</u>	<u>Move-In</u>
660	4	6/2	10/1
740	4	8/4	
406	3	8/29	
304	3	9/30	
404	3	10/31	
726	3	10/31	
656	3	10/31	

<u>Unit #</u>	<u>Brms</u>	<u>Move-Out</u>	<u>Move-In</u>	<u># days in Mgmt</u>	<u>#days in Maint</u>	<u>#vacancy days</u>	<u>Reason for Vacancy</u>
660	4	6/2	10/1	121	2	123	No Notice
740	4	8/4					Over income
406	3	8/29					Working less/cannot afford
304	3	9/30					Transferred to 650 (10/1)
404	3	10/31					Abandoned unit
726	3	10/31					Abandoned unit
656	3	10/31					Transferred to 740 (11/1)

**TOTAL NCH II VACANT—6**

**OCCUPANCY/VACANCY REPORT**  
October 2014

Intent to Vacate

Evictions-

Abandoned Units

WAITING LIST FOR LAKESIDE PARK

1-BRM 62  
2-BRM 100  
3-BRM 48  
4-BRM 25  
5-BRM 11  
TOTAL 246

WAITING LIST FOR RIDGEDALE

1-BRM 90  
2-BRM 92  
3-BRM 49  
4-BRM 31  
TOTAL 262

HOMELESS

1-BRM 0  
2-BRM 49  
3-BRM 22  
4-BRM 13  
5-BRM 5  
TOTAL 89

WAITING LIST FOR DELANEY HEIGHTS

1-BRM 51  
TOTAL 51

WAITING LIST FOR NORTH CENTRAL HEIGHTS

2-BRM 90  
3-BRM 50  
4-BRM 39  
179

*327 Total*





# AVON PARK TRANSITIONAL HOUSING

## October/November, 2014

Monthly Board Report

### **Case Management Updates**

FSS Clients meeting and assessments with new FSS Case Manager

### **FSS Enrollment- 27 Participating Households**

- Lakeside Park – 10 Clients
- Emergency Transitional Housing- 17 Clients – Enrolled in FSS

### **Property Updates:**

LPI – 1 vacant unit

### **No Training Sessions for October/November**

Trainings scheduled for early December

### **Resident Activities**

- Community Garden Re-vitalization Scheduled
- Shaddai Ministry – Feeding the Homeless: November 15th

### **Employment Update:**

- 10 out of 17 HOUSEHOLDS currently employed
- 9-Enrolled in School – GED & Secondary Education
- Lakeside Park- 7 out of 10 currently employed – 3 enrolled in GED & ESOL

### **Education Update:**

6 FSS Residents enrolled in GED Classes

3 FSS Residents enrolled in SFSC – Continuing Education  
(Medical/Office Management/Elementary Education)

### **Community Partners:**

Hardee County Inter-Agency Meeting on November 10<sup>th</sup> - Resource interagency sharing exchange.  
Continued monthly participation.

**APHA MISSION**-The Mission of the Avon Park Housing Authority is to assist low-income families with safe, decent and affordable housing opportunities as they strive to achieve self-sufficiency and improve the quality of their lives. The Housing Authority will create and maintain partnerships with its clients and appropriate community agencies in order to accomplish this mission

**Tenants Accounts Receivable**  
**October 31, 2014**

**Lakeside Park**

Richard Flores	\$ 50.00	Security Deposit (pmts)
Bridget Henderson	199.36	Work order/transfer charges (pmts)
Lakeia Jones	5.94	Electric
Lakeia Jones	250.00	Security Deposit (pmts)
Awilda Marrero	100.00	Security Deposit (pmts)
Wilencia Perry	130.10	Move out charges/transferred (pmts)
Sol Rivera	166.87	Work order (pmts)
LP Total	\$902.27	

**Delaney Heights**

Esteban Reyna	\$218.00	Rent, late fee, NSF fee
DH Total	\$218.00	

**Transitional**

Tocarra Morris	\$ 150.00	Security deposit (pmts)
Homeless Total	\$150.00	

**NCH I**

Hilda Cruz	\$252.00	Move out charges/transferred (pmts)
NCH I Total	\$252.00	

**NCH II**

NCH II Total	\$0
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**Ridgedale**

Jeanine Davis	\$ 275.00	Security deposit (pmts)
Alba Pineiro	77.44	Work order (pmts)
Chiquita Wooden	275.00	Unreported income (pmts)
RD Total	\$627.44	

**GRAND TOTAL    \$2,149.71**

**\*WRITE OFFS for APHA**  
 Edna Perez \$74.42  
 Sandra Brown \$165.50  
**Total APHA \$239.92**

**\*WRITE OFFS for NCH**  
**Total NCH \$0**

**\*WRITE OFFS for Ridgedale**  
 Joe Ramos \$1,108.00  
**Total RD \$1,108.00**

**\*WRITE OFFS for Homeless**  
 Patricia Pritchard \$442.50  
**Total HM \$442.50**

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Approved—Larry Shoeman, Executive Director

**October 2014**

**MAINTENANCE MONTHLY REPORT**

**Daily tasks:**

General cleaning of Admin./Maintenance Bld. & grounds, work orders.

**Special Work:**

**Preventive Maintenance:**

Work from preventive maintenance inspections are on-going. 3 hours were taken during the month of October for sick, annual and holiday leave.

Public Hsg Preventive Maintenance Inspections:	17
Ridgedale Preventive/Annual Inspections	4
North Central Heights I Preventive/AI	2
North Central Heights II Preventive/AI	2
Lakeside Park I Preventive/Annual Inspections	1
Public Hsg Vacancies completed:	4
Ridgedale Vacancies	2
North Central Heights I Vacancies	2
North Central Heights II Vacancies	0
Lakeside Park I Vacancies	1
Public Hsg Move-In's:	2
Ridgedale Move Ins	3
North Central Heights I Move Ins	3
North Central Heights II Move Ins	1
Lakeside Park I Move Ins	0
Public Hsg Move-Out's:	4
Ridgedale Move Outs	1
North Central Heights I Move Outs	0
North Central Heights II Move Outs	3
Lakeside Park I Vacancies	1

Submitted by: Penny Pieratt, Comptroller

**AVON PARK**  
**HOUSING AUTHORITY**

**FISCAL YEAR ENDING December 31, 2014**

**CONSOLIDATED**

**Financial Statements**

**SEPTEMBER 30, 2014**

# AVON PARK HOUSING AUTHORITY

## PUBLIC HOUSING

### INCOME

1. Total income is up by \$75,537. Total tenant rental revenue is up by \$28,302. Other tenant revenue is up by \$289.

### EXPENSES

2. Total operating expense is up by \$26,185 compared to the budgeted amount.
3. Administrative expenses are up by \$12,083.
4. Maintenance expenses are up by \$21,316.
5. Utility expenses are up by \$6,247.
6. Total insurance expense is down by \$3,531.
7. Total General expense is down by \$9,709.

**Public Housing's projected net income is scheduled YTD to be (\$75,654). Current net income is \$6,435.**

## OTHER BUSINESS ACTIVITIES

### NORTH CENTRAL HEIGHTS I

#### INCOME

1. Total income is up by \$39,633 compared to budgeted amounts. Total tenant revenue is up by \$18,231.

#### EXPENSES

2. Total operating expense is down by \$26,636 compared to the budgeted amount.
3. Administrative expenses are up by \$7,894.
4. Maintenance expenses are down by \$16,395.
5. Utility expense is up \$102.
6. Total insurance expense is down by \$1,799.
7. Total General expense is down by \$16,985.

**North Central Heights I projected net income is scheduled YTD to be (\$12,239). Current net income is \$43,944.**

# AVON PARK HOUSING AUTHORITY

## NORTH CENTRAL Height II

### INCOME

1. Total income is up by \$7,229 compared to budgeted amounts. Total tenant revenue is up by \$4,786.

### EXPENSES

2. Total operating expense is down by \$32,717, compared to the budgeted amount.
3. Administrative expenses are down by \$11,337.
4. Maintenance expenses are down by \$14,797.
5. Utility expense is down by \$457.
6. Total insurance expense is down by \$531.
7. Total General expense is down by \$6,000.

North Central Heights II projected net income is scheduled YTD to be (\$25,070). Current net income is \$14,875.

## RIDGEDALE

### INCOME

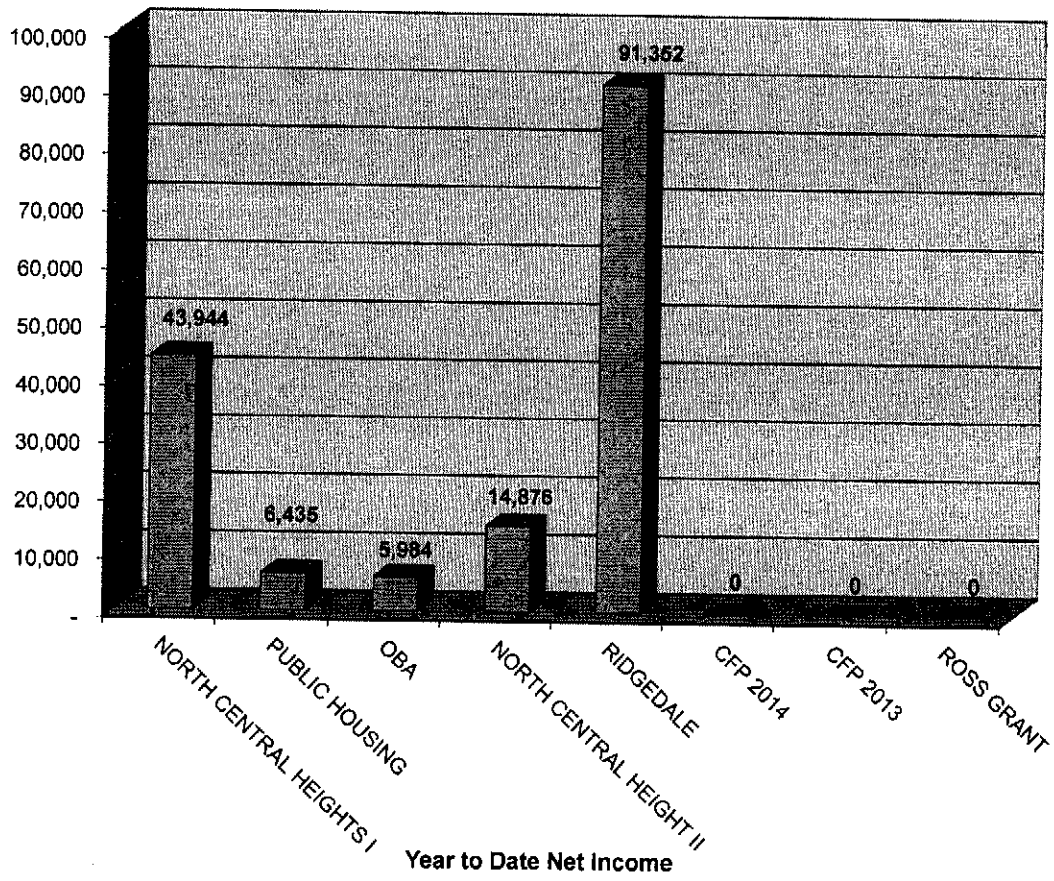
1. Total income is up by \$9,650 compared to budgeted amounts. Total tenant revenue is up by \$10,384. Grant subsidy is down compared to budgeted amounts by (\$217). Other revenue is down by (\$2,763).

### EXPENSES

2. Total operating expense is down by (\$51,746) compared to the budgeted amount.
3. Administrative expense is down by \$14,874.
4. Maintenance expenses are down by \$8,110.
5. Utility expense is up \$3,060.
6. Total insurance expense is down by \$3,613.
7. Total General expense is down by \$33,261.

Ridgedale's projected net income is scheduled YTD to be \$35,794. Current net income is \$91,352.

# Avon Park Housing Authority



**AVON PARK HOUSING AUTHORITY**  
**SCHEDULE OF CASH/INVESTMENT ACCOUNT BALANCES**  
**AS OF SEPTEMBER 30, 2014**

**PUBLIC HOUSING**

1111.01 GENERAL FUND CHECKING	248,006
1111.02 PNC ACCOUNT	2,906
1111.06 UTILITY DEPOSIT ESCROW FUND	2,570
1111.09 S8 FUNDS	-
1114.00 SECURITY DEPOSITS	28,870
1162.10 INVESTMENTS - CD HIGHLANDS BNK	42,870
1162.01 LAKESIDE PARK 1 ESCROW	5,629
1162.02 LAKESIDE PARK I RESERVES	8,537
1162.60 NEW INVESTMENT ACCOUNT	1,092,522

TOTAL 1,431,911

**OTHER BUSINESS ACTIVITY**

1111.3 APHDC--OBA	15,314
	<u>15,314</u>

**NORTH CENTRAL HEIGHTS I**

1111.01 GENERAL FUND CHECKING	43,622.51
1114.00 SECURITY DEPOSITS	13,300.00
1162.1 ESCROW - BONNEVILLE-TAXES	4,051.32
1162.11 ESCROW-BONNEVILLE-INSURANCE	68,401.58
1162.12 ESCROW-BONNEVILLE-REPL RS	30,041.43
TOTAL	<u>159,416.84</u>

**NORTH CENTRAL HEIGHT II**

1111.01 GENERAL FUND CHECKING	72,351.55
1114.00 SECURITY DEPOSITS	10,700.00
1162.1 ESCROW-BONNEVILLE-TAXES	3,272.68
1162.11 ESCROW-BONNEVILLE - INSURANCE	53,026.43
1162.12 ESCROW-BONNEVILLE-REPL RES	24,038.57
TOTAL	<u>163,389.23</u>

**RIDGEDALE**

1111.01 GENERAL FUND CHECKING	70,200.36
1114.00 SECURITY DEPOSITS	5,672.00
1162.05 ESCROW MIP	4,705
1162.06 ESCROW RESERVE REPLACEMENT	70,627
1162.07 ESCROW INSURANCE	5,393
TOTAL	<u>156,597.14</u>

**GRAND TOTAL CASH ACCOUNTS 1,926,629**



**AVON PARK HOUSING AUTHORITY**  
**SCHEDULE OF UNRESTRICTED NET ASSETS**  
**AS OF SEPTEMBER 30, 2014**

**NORTH CENTRAL HEIGHTS I**

UNRESTRICTED NET ASSETS	7,080
YEAR TO DATE EARNINGS	43,944
TOTAL	<u>51,024</u>

**NORTH CENTRAL HEIGHTS II**

UNRESTRICTED NET ASSETS	64,446
YEAR TO DATE EARNINGS	14,876
TOTAL	<u>79,322</u>

**PUBLIC HOUSING**

UNRESTRICTED NET ASSETS	1,420,193
YEAR TO DATE EARNINGS	6,435
TOTAL	<u>1,426,628</u>

**RIDGEDALE**

UNRESTRICTED NET ASSETS	243,176
YEAR TO DATE EARNINGS	91,352
TOTAL	<u>334,528</u>

**OTHER BUSINESS**

UNRESTRICTED NET ASSETS	11,735
YEAR TO DATE EARNINGS	5,984
TOTAL	<u>17,719</u>

**CAPITAL FUND 2013**

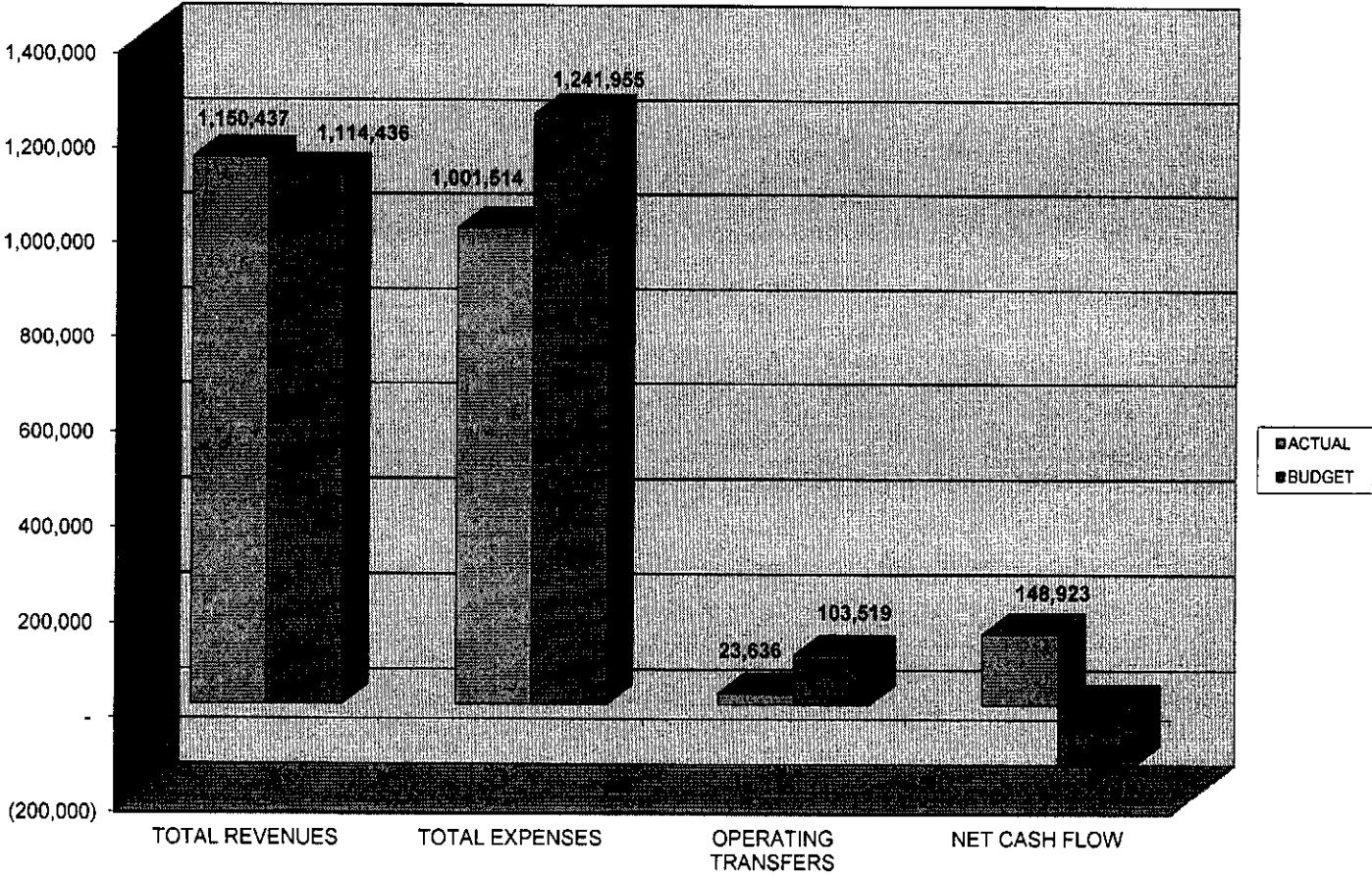
UNRESTRICTED NET ASSETS	-
YEAR TO DATE EARNINGS	-
TOTAL	<u>-</u>

**CAPITAL FUND 2014**

UNRESTRICTED NET ASSETS	-
YEAR TO DATE EARNINGS	-
TOTAL	<u>-</u>

TOTAL RESERVE BALANCES **1,909,221**

# APHA CONSOLIDATED



## **APHA CONSOLIDATED- BALANCE SHEET**

### ASSETS

<b>Current Assets:</b>	
<u>Cash</u>	
111	Unrestricted
115	Cash - Restricted for Payment of Current Liabilities
112	Cash - Restricted Mod and Development
113	Cash - Other restricted
114	Cash - Tenant Security Deposits
100	<b>Total Cash</b>
<u>Receivables</u>	
121	Accounts Receivable - PHA Projects
122	Accounts Receivable - HUD Other Projects
124	Accounts Receivable - Other Government
125	Accounts Receivable - Miscellaneous
126	Accounts Receivable - Tenants Dwelling Rents
128.1	Allowance for Doubtful Accounts - Dwelling Rents
128.2	Allowance for Doubtful Accounts - Other
127	Notes and Mortgages Receivable - Current
128	Fraud Recovery
128.i	Allowance for Doubtful Accounts - Fraud
129	Accrued Interest Receivable
120	<b>Total Receivables - Net of Allowances for doubtful accts</b>
131	Investments - Unrestricted
135	Investments - Restricted for Payments of Current Liabilities
132	Investments - Restricted
142	Prepaid Expenses and Other Assets
143	Inventories
143.1	Allowance for Obsolete Inventory
144	Interprogram Due From
145	Assets Held for Sale
148	Amounts To Be Provided
<b>Total Other Current Assets</b>	
<b>Total Current Assets</b>	
<b>Non-current Assets:</b>	
<u>Fixed Assets</u>	
161	Land
166	Infrastructure
162	Buildings
163	Furniture, Equipment & Machinery- Dwellings
164	Furniture, Equipment & Machinery - Administration
165	Leasehold Improvements
166	Accumulated Depreciation
167	Construction in Progress
160	<b>Total Fixed Assets - Net of Accumulated Depreciation</b>
171	Notes, Loans, Mortgages Receivable - Non Current
172	Notes, Loans, Mortgages Receivable - Non Current - Past Due
173	Grants Receivable - Non Current
174	Other Assets
176	Investments in Joint Ventures
180	<b>Total Non-Current Assets</b>
190	<b>Total Assets</b>

### LIABILITIES AND EQUITY

<b>Current Liabilities:</b>	
311	Bank Overdraft
312	Accounts Payable <= 90 Days
315	Accounts payable >90 Days Past Due
321	Accrued Wage/Payroll Taxes Payable
322	Accrued Compensated Absences - Current Portion
324	Accrued Contingency Liability
325	Accrued Interest Payable
331	Accounts Payable - HUD PHA Programs
332	Accounts Payable - PHA Projects
333	Accounts Payable - Other Government
341	Tenant Security Deposits
342	Deferred Revenue
343	Current Portion of Long-term Debt - Capital Projects
344	Current Portion of Long-term Debt - Operating Borrowings
348	Loan Liability - Current
345	Other Current Liabilities
346	Accrued Liabilities - Other
347	Interprogram Due To
310	<b>Total Current Liabilities</b>
<b>Non-current Liabilities:</b>	
351	Long-term Debt, Net of Current - Capital Projects
352	Long-term Debt, Net of Current - Operating Borrowings
354	Accrued Compensated Absences - Non Current
355	Loan Liability - Non Current
353	Noncurrent Liabilities - Other
350	<b>Total Noncurrent Liabilities</b>
300	<b>Total Liabilities</b>
<b>Equity:</b>	
501	Investment in General Fixed Assets
<u>Contributed Capital</u>	
502	Project Notes (HUD)
503	Long-term Debt - HUD Guaranteed
504	Net HUD PHA Contributions
505	Other HUD Contributions
507	Other Contributions
508	<b>Total Contributed Capital</b>
506.1	Invested in Capital Assets, Net of Related Debt
<b>Reserved Fund Balance:</b>	
509	Fund Balance Reserved for Encumbrances/
	Designated Fund Balance
510	Fund Balance Reserved for Capital Activities
511	<b>Total Reserved Fund Balance</b>
511.1	Restricted Net Assets
512	Undesignated Fund Balance/Retained Earnings
512.1	Unrestricted Net Assets
513	<b>Total Equity</b>
600	<b>Total Liabilities and Equity</b>

# APHA CONSOLIDATED

LINE	ACCT	DESCRIPTION	CURRENT MONTH ACTUAL	CURRENT MONTH BUDGET	DIFF	% OF MTD BUDGET	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	DIFF	% OF YTD BUDGET	ANNUAL BUDGET	BUDGET BALANCE REMAINING
<b>OPERATING INCOME</b>												
703	3110	GROSS POTENTIAL RENT	43,587	38,295	5,292	114%	406,357	344,655	61,702	118%	459,540	53,183
		NET TENANT REVENUE	<u>43,587</u>	<u>38,295</u>	<u>5,292</u>	<u>114%</u>	<u>406,357</u>	<u>344,655</u>	<u>61,702</u>	<u>118%</u>	<u>459,540</u>	<u>53,183</u>
3401		TENANT REVENUE - OTHER	3,310	2,143	1,168	155%	25,360	19,283	6,078	132%	25,710	350
3404		TENANT REVENUE - EXCESS UTILITY	-	-	-	-	9	-	9	-	-	(9)
3430		TENANT REVENUE - MAINTENANCE	-	-	-	-	-	-	-	-	-	-
3450		TENANT REVENUE - LATE CHARGES	-	-	-	-	-	-	-	-	-	-
3431		NET OPERATING REVENUE	<u>46,898</u>	<u>40,438</u>	<u>6,460</u>	<u>116%</u>	<u>431,727</u>	<u>363,938</u>	<u>67,789</u>	<u>119%</u>	<u>485,290</u>	<u>53,523</u>
706		HUD PHA OPERATING GRANT CFP	33,742	50,469	(16,727)	67%	402,890	454,222	(51,332)	89%	605,626	202,696
708		OTHER GOVERNMENT GRANTS	30,296	27,245	3,051	111%	244,888	245,205	(217)	100%	328,940	61,952
711		INVESTMENT INCOME - UNRESTRICTED	212	203	8	104%	1,888	1,830	58	103%	2,440	582
		MANAGEMENT FEE INCOME	4,980	4,281	699	116%	39,517	38,528	990	103%	51,370	11,553
		BOOKKEEPING FEE INCOME	-	-	-	-	-	-	-	-	-	-
		ASSET MANAGEMENT FEE INCOME	-	-	-	-	-	-	-	-	-	-
714		FRAUD RECOVERY	-	-	-	-	-	-	-	-	-	-
715		OTHER REVENUE	850	1,182	(332)	72%	29,525	10,635	18,890	278%	14,180	(16,345)
720		INVESTMENT INCOME - RESTRICTED	25	9	16	286%	103	80	23	129%	106	3
700		<b>TOTAL REVENUES</b>	<b><u>117,003</u></b>	<b><u>123,826</u></b>	<b><u>(6,823)</u></b>	<b><u>94%</u></b>	<b><u>1,150,437</u></b>	<b><u>1,114,436</u></b>	<b><u>36,001</u></b>	<b><u>103%</u></b>	<b><u>1,485,915</u></b>	<b><u>335,479</u></b>
<b>OPERATING EXPENDITURES</b>												
<b>ADMINISTRATIVE</b>												
911	4110	ADMINISTRATIVE SALARIES	18,003	16,314	1,688	110%	176,245	146,829	29,416	120%	195,772	19,527
912	4182	EBC - ADMIN	6,043	7,202	(1,159)	84%	75,846	64,817	11,029	117%	96,423	16,577
4171		AUDITING FEES	-	2,625	(2,625)	0%	25,460	23,625	1,835	108%	31,500	6,040
		MANAGEMENT FEES	4,980	4,473	507	111%	38,517	40,256	(739)	98%	53,674	14,157
		BOOKKEEPING FEES	-	-	-	-	-	-	-	-	-	-
		ADVERTISING & MARKETING	688	-	688	-	7,797	-	7,797	-	-	(7,797)
		OFFICE EXPENSE	11,199	11,017	182	102%	77,010	99,150	(22,140)	78%	132,200	55,180
		LEGAL EXPENSE	1,365	2,727	(1,362)	50%	5,994	24,540	(18,547)	24%	32,720	26,727
		TRAVEL	133	715	(582)	19%	4,774	6,436	(1,661)	74%	8,580	3,586
916	4190	OTHER	-	12,281	(12,281)	0%	6,158	35,243	(29,085)	17%	16,170	12,012
		<b>TOTAL ADMINISTRATIVE</b>	<b><u>42,391</u></b>	<b><u>57,353</u></b>	<b><u>(14,963)</u></b>	<b><u>74%</u></b>	<b><u>418,800</u></b>	<b><u>440,894</u></b>	<b><u>(22,094)</u></b>	<b><u>95%</u></b>	<b><u>659,038</u></b>	<b><u>140,239</u></b>
<b>TENANT SERVICES</b>												
921	4210	SALARIES	-	44	(44)	0%	328	398	(70)	82%	530	202
923	4222	EBC - TNT SVCS	-	-	-	-	1,590	-	1,590	-	-	(1,590)
924	4230	OTHER	-	109	(109)	0%	-	983	(983)	0%	1,310	1,310
		<b>TOTAL TENANT SERVICES</b>	<b><u>-</u></b>	<b><u>153</u></b>	<b><u>(153)</u></b>	<b><u>0%</u></b>	<b><u>1,918</u></b>	<b><u>1,380</u></b>	<b><u>538</u></b>	<b><u>139%</u></b>	<b><u>1,640</u></b>	<b><u>(728)</u></b>
<b>UTILITIES</b>												
931	4310	WATER	1,894	1,194	499	142%	11,870	10,748	1,123	110%	14,330	2,450
932	4320	ELECTRICITY	4,211	3,058	1,154	138%	34,499	27,518	6,982	125%	36,690	2,191
933	4330	NATURAL GAS	99	98	0	100%	996	865	111	113%	1,180	194
938	4390	SEWER AND OTHER	2,133	1,549	584	138%	14,679	13,943	737	105%	18,590	3,911
		<b>TOTAL UTILITIES</b>	<b><u>8,137</u></b>	<b><u>6,899</u></b>	<b><u>2,237</u></b>	<b><u>138%</u></b>	<b><u>62,045</u></b>	<b><u>53,083</u></b>	<b><u>8,953</u></b>	<b><u>117%</u></b>	<b><u>70,790</u></b>	<b><u>8,748</u></b>

## APHA CONSOLIDATED

LINE	ACCT	DESCRIPTION	CURRENT MONTH ACTUAL	CURRENT MONTH BUDGET	DIFF	% OF MTD BUDGET	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	DIFF	% OF YTD BUDGET	ANNUAL BUDGET	BUDGET BALANCE REMAINING
<b>ORDINARY MAINT &amp; OPERATIONS</b>												
941	4410	LABOR	11,997	14,184	(2,786)	80%	109,262	127,652	(18,391)	86%	170,203	90,941
945	4433	EMPLOYEE BENEFITS - MAINTENANCE	5,868	6,022	(155)	97%	55,369	54,201	1,168	102%	72,288	(6,969)
943	4420	MATERIALS	5,550	5,320	230	104%	49,944	47,880	2,064	104%	63,640	(13,996)
<b>CONTRACT COSTS</b>												
943		GARBAGE & TRASH	1,387	1,425	(38)	97%	10,067	12,825	(2,758)	78%	17,100	7,059
		COOLING / AIR CONDITIONING	265	458	(193)	58%	2,684	4,125	(1,241)	70%	5,500	2,818
		ELEVATOR MAINTENANCE	-	-	-	-	-	-	-	-	-	-
		LANDSCAPE & GROUNDS	2,265	2,638	(373)	86%	18,325	23,738	(5,413)	77%	31,650	13,325
		UNIT TURNAROUNDS	2,318	2,418	(100)	96%	15,145	21,758	(6,613)	70%	29,010	13,865
		ELECTRICAL	-	-	-	-	-	-	-	-	-	-
		PLUMBING	-	458	(458)	0%	2,141	4,125	(1,984)	52%	5,500	3,359
		EXTERMINATION	772	813	(41)	95%	8,948	7,320	(372)	95%	9,780	2,812
		JANITORIAL	-	350	(350)	0%	3,150	3,150	-	0%	4,200	4,200
		ROUTINE MAINTENANCE	2,210	292	1,918	758%	30,976	2,625	28,351	1180%	3,500	(27,476)
943	4430	OTHER MISCELLANEOUS CONTRACT COSTS	-	1,083	(1,083)	0%	-	9,750	(9,750)	0%	13,000	13,000
<b>TOTAL ORDINARY MAINT &amp; OPER</b>			<b>37,031</b>	<b>35,461</b>	<b>(1,570)</b>	<b>90%</b>	<b>301,060</b>	<b>319,148</b>	<b>(18,088)</b>	<b>94%</b>	<b>425,531</b>	<b>124,471</b>
<b>PROTECTIVE SERVICES</b>												
4480 PROTECTIVE SERVICES CONTRACT COSTS			-	-	-	-	5,250	-	5,250	-	-	(5,250)
PROTECTIVE SERVICES OTHER			-	-	-	-	-	-	-	-	-	-
<b>TOTAL PROTECTIVE SERVICES</b>			<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,250</b>	<b>-</b>	<b>5,250</b>	<b>-</b>	<b>-</b>	<b>(5,250)</b>
<b>INSURANCE</b>												
961	4510	PROPERTY	4,962	6,372	(1,410)	78%	45,171	57,347	(12,176)	79%	76,462	31,291
		GENERAL LIABILITY	558	375	184	149%	4,865	3,375	1,490	144%	4,500	(385)
		WORKER'S COMPENSATION	790	890	(100)	89%	7,110	8,012	(901)	89%	10,682	3,672
		AUTO INSURANCE	-	-	-	-	-	-	-	-	-	-
		OTHER INSURANCE	450	167	284	270%	3,684	1,500	2,184	246%	2,000	(1,584)
969	<b>TOTAL INSURANCE EXPENSES</b>		<b>6,761</b>	<b>7,804</b>	<b>(1,042)</b>	<b>87%</b>	<b>60,830</b>	<b>70,233</b>	<b>(9,403)</b>	<b>87%</b>	<b>93,644</b>	<b>32,814</b>
<b>GENERAL EXPENSES</b>												
962	4590	OTHER GENERAL EXPENSES	40	2,996	(2,956)	1%	20,041	26,968	(6,925)	74%	25,050	6,009
		COMPENSATED ABSENCES	-	-	-	-	-	-	-	-	-	-
		PAYMENTS IN LIEU OF TAXES	-	3,389	(3,389)	0%	-	30,587	(30,587)	0%	40,782	40,782
		BAD DEBTS	2,348	1,227	1,121	191%	23,156	11,047	12,109	210%	14,730	(8,426)
		INTEREST EXPENSE	7,405	12,781	(5,376)	58%	74,804	115,028	(40,423)	65%	163,370	78,798
<b>TOTAL GENERAL EXPENSES</b>			<b>9,793</b>	<b>20,403</b>	<b>(10,610)</b>	<b>48%</b>	<b>117,801</b>	<b>183,627</b>	<b>(65,826)</b>	<b>64%</b>	<b>233,832</b>	<b>116,131</b>
969	<b>TOTAL OPERATING EXPENDITURES</b>		<b>99,113</b>	<b>127,073</b>	<b>(27,960)</b>	<b>78%</b>	<b>967,703</b>	<b>1,088,375</b>	<b>(100,672)</b>	<b>91%</b>	<b>1,354,775</b>	<b>417,073</b>
970	<b>CASH FLOW FROM OPERATIONS</b>		<b>17,890</b>	<b>(9,247)</b>	<b>27,137</b>	<b>-551%</b>	<b>182,734</b>	<b>46,061</b>	<b>136,673</b>	<b>397%</b>	<b>101,141</b>	<b>(81,598)</b>
<b>OTHER FINANCIAL ITEMS-SOURCES &amp; (USES)</b>												
		OPERATING TRANSFERS IN	-	(18,972)	18,972	0%	(23,636)	(170,744)	147,108	14%	(227,658)	(204,022)
		OPERATING TRANSFERS OUT	-	11,502	(11,502)	0%	23,636	103,519	(79,883)	23%	136,025	114,389
		HUD GRANTS - CAPITAL CONTRIBUTIONS	-	3,665	(3,665)	0%	-	32,985	(32,985)	0%	43,980	43,980
		DEBT SERVICE PAYMENT - INTEREST	3,349	-	3,349	-	33,811	-	33,811	-	-	(33,811)
		DEBT SERVICE PAYMENT - PRINCIPAL	-	3,804	(3,804)	0%	-	34,240	(34,240)	0%	45,653	45,653
971	4610	EXTRAORDINARY MAINTENANCE	417	417	-	0%	3,750	3,750	-	0%	5,000	5,000
		CAPITAL EXPENDITURES	-	18,870	18,870	0%	-	188,830	(189,830)	0%	226,440	226,440
		OTHER ITEMS	-	-	-	-	-	-	-	-	-	-
<b>TOTAL OTHER EXPENSES</b>			<b>3,349</b>	<b>19,287</b>	<b>(15,938)</b>	<b>17%</b>	<b>33,811</b>	<b>173,680</b>	<b>(139,769)</b>	<b>19%</b>	<b>237,440</b>	<b>197,529</b>
900	<b>TOTAL EXPENDITURES</b>		<b>102,462</b>	<b>146,360</b>	<b>(43,898)</b>	<b>70%</b>	<b>1,001,514</b>	<b>1,241,955</b>	<b>(240,441)</b>	<b>81%</b>	<b>1,618,214</b>	<b>814,702</b>
<b>NET CASH FLOW</b>			<b>14,542</b>	<b>(22,534)</b>	<b>37,076</b>	<b>-65%</b>	<b>148,923</b>	<b>(127,819)</b>	<b>276,442</b>	<b>-117%</b>	<b>(130,289)</b>	<b>(279,224)</b>

## **APHA CONSOLIDATED ACCOUNT DETAIL**

LINE ITEM	ACCT #	DESCRIPTION	CURRENT MONTH ACTUAL	CURRENT MONTH BUDGET	DIFF	% OF MTD BUDGET	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	DIFF	% OF YTD BUDGET	ANNUAL BUDGET	BUDGET BALANCE REMAINING
<b>INCOME</b>												
<b>HUD PHA GRANTS</b>												
	3401	CAPITAL FUND REVENUE - SOFT COSTE	-	50,469	(50,469)	0%	44,687	454,222	(409,535)	10%	605,629	560,942
	3401.1	CFP CAPITAL EXPENDITURES	-	-	-	-	-	-	-	-	-	-
	3410	SECTION 8 HAP INCOME	-	-	-	-	-	-	-	-	-	-
	3410.1	ADMINISTRATIVE FEES EARNED	-	-	-	-	-	-	-	-	-	-
	3410.2	PORT IN ADMINISTRATIVE FEES EARNE	-	-	-	-	-	-	-	-	-	-
<b>TOTAL HUD PHA GRANTS</b>			<b>-</b>	<b>50,469</b>	<b>(50,469)</b>	<b>0%</b>	<b>44,687</b>	<b>454,222</b>	<b>(409,535)</b>	<b>10%</b>	<b>605,629</b>	<b>560,942</b>
<b>EXPENSES</b>												
<b>ADMINISTRATIVE OFFICE EXPENSES</b>												
	4140	STAFF TRAINING	-	763	(763)	0%	667	6,863	(6,196)	10%	9,150	8,483
	4170	ACCOUNTING	5,732	5,667	85	101%	44,922	51,000	(6,078)	88%	68,000	23,078
	4190	SUNDRY	1,289	3,178	(1,890)	41%	13,289	28,605	(15,306)	46%	38,140	24,841
	4190.2	TELEPHONE/COMMUNICATIONS	982	773	210	127%	8,308	6,953	1,356	119%	9,270	962
	4190.3	POSTAGE	184	267	(83)	69%	3,166	2,400	766	132%	3,200	34
	4190.5	OFFICE EQUIPMENT	-	-	-	-	-	-	-	-	-	-
	4190.4	PORT OUT ADMINISTRATIVE EXPENSES	3,012	1,634	1,378	184%	11,886	14,708	(2,821)	81%	19,610	7,724
<b>TOTAL ADMINISTRATIVE</b>			<b>11,199</b>	<b>12,281</b>	<b>(1,082)</b>	<b>91%</b>	<b>82,249</b>	<b>110,528</b>	<b>(28,279)</b>	<b>74%</b>	<b>147,370</b>	<b>65,121</b>
<b>TOTAL GENERAL EXPENSES</b>												
	4590	OTHER GENENERAL EXPENSE	40	1,997	(1,957)	2%	20,041	17,970	2,071	112%	23,961	3,920
	4590.5	ASSET MANAGEMENT FEE	-	1,000	(1,000)	0%	-	8,996	(8,996)	0%	11,994	11,994
	4590.6	OTHER FEES	-	-	-	-	-	-	-	-	-	-
<b>TOTAL OTHER GENERAL EXPENSES</b>			<b>40</b>	<b>2,997</b>	<b>(2,957)</b>	<b>1%</b>	<b>20,041</b>	<b>26,966</b>	<b>(6,925)</b>	<b>74%</b>	<b>35,955</b>	<b>15,914</b>

11/5/2014 11:00:19 AM COH

NORTH CENTRAL HEIGHTS I

PHA: 02

Project: '001'

CASH Analysis

As Of Date: 10/31/2014

Balance

General Fund	43,155.59
Section 8 PH Funds	0.00
Security Deposits	14,200.00
PNC Account	0.00
Petty Cash	0.00
Investment CD at Highlands Bank	0.00
Investment CD at PNC	0.00
Investment MM at Highlands Bank	0.00
Investment MM	0.00
Utility Deposit Escrow Fund	0.00
FSS Escorw	0.00
Development Corporation	0.00

11/5/2014 11:00:53 AM COH

NORTH CENTRAL HEIGHTS II

PHA: 02

Project: '002'

CASH Analysis

As Of Date: 10/31/2014

Balance

General Fund	75,164.28
Section 8 PH Funds	0.00
Security Deposits	10,700.00
PNC Account	0.00
Petty Cash	0.00
Investment CD at Highlands Bank	0.00
Investment CD at PNC	0.00
Investment MM at Highlands Bank	0.00
Investment MM	0.00
Utility Deposit Escrow Fund	0.00
FSS Escorw	0.00
Development Corporation	0.00

11/5/2014 10:58:23 AM COH  
PHA: 01  
Project: '001','002','003','100'

AVON PARK PUBLIC HOUSING

CASH Analysis  
As Of Date: 10/31/2014

Balance

General Fund	251,434.97
Section 8 PH Funds	0.00
Security Deposits	28,195.00
PNC Account	0.00
Petty Cash	100.00
Investment CD at Highlands Bank	42,882.69
Investment CD at PNC	0.00
Investment MM at Highlands Bank	0.00
Investment MM	1,092,707.26
Utility Deposit Escrow Fund	2,390.42
FSS Escrow	2,906.59
Development Corporation	17,717.85

11/5/2014 10:59:41 AM COH  
PHA: 07  
Project: '002'

RIDGEDALE

CASH Analysis  
As Of Date: 10/31/2014

Balance

General Fund	80,704.79
Section 8 PH Funds	0.00
Security Deposits	5,881.00
PNC Account	0.00
Petty Cash	0.00
Investment CD at Highlands Bank	0.00
Investment CD at PNC	0.00
Investment MM at Highlands Bank	0.00
Investment MM	0.00
Utility Deposit Escrow Fund	0.00
FSS Escrow	0.00
Development Corporation	0.00



**AVON PARK HOUSING AUTHORITY**  
**Budgeted Income Statement**  
**AVON PARK PUBLIC HOUSING**

Fiscal Year End Date:	12/31/2014	ACCOUNT		1 Month(s) Ended	10 Month(s) Ended	Budget	Variance
				October 31, 2014	October 31, 2014		
<b>Operating Expenses</b>							
Administrative Salaries	01 001 4110	5	10,724.78	116,628.51	119,923.30	3,294.79	
Legal Expense	01 001 4130	5	0.00	362.50	8,333.30	7,970.80	
Legal Expense-Cornell Colony	01 001 4130.1	5	1,014.00	1,014.00	0.00	(1,014.00)	
Legal Expense--CHODO	01 001 4130.2	5	475.00	1,227.50	0.00	(1,227.50)	
Training	01 001 4140	5	0.00	378.00	5,833.30	5,455.30	
Travel	01 001 4150	5	26.94	4,519.87	5,833.30	1,313.43	
Accounting Fees	01 001 4170	5	0.00	10,224.36	20,416.60	10,192.24	
Computer Support/Licensing Fees	01 001 4170.2	5	71.00	16,840.83	8,333.30	(8,507.53)	
Audit Fees	01 001 417100	5	0.00	13,748.40	14,060.80	312.40	
Employee Benefits Cont - Admin	01 001 4182	5	3,458.88	51,821.63	51,673.30	(148.33)	
Sundry	01 001 4190	5	760.89	10,679.82	19,050.00	8,370.18	
Misc. Expense for CHODO	01 001 4190.17	5	937.00	1,188.25	0.00	(1,188.25)	
Advertising	01 001 4190.18	5	564.19	3,686.06	0.00	(3,686.06)	
Bank Fees	01 001 4190.19	5	79.98	93.98	0.00	(93.98)	
Telephone/Communications	01 001 4190.2	5	980.58	7,706.18	6,166.60	(1,539.58)	
Postage	01 001 4190.3	5	1,027.42	3,611.80	2,566.60	(1,045.20)	
Eviction Costs	01 001 4190.4	5	0.00	450.00	416.60	(33.40)	
Contract Costs- Copier	01 001 4190.6	5	59.25	643.32	1,250.00	606.68	
Contract Costs-Admin Security	01 001 4190.7	5	120.00	950.00	1,033.30	83.30	
Pre-employment testing	01 001 4190.8	5	94.00	187.00	0.00	(187.00)	
Contract Costs-Admin	01 001 4190.9	5	50.00	6,849.44	12,500.00	5,650.56	
Ten Services - RAB	01 001 4220	5	93.20	270.90	441.60	170.70	
Water	01 001 4310	5	320.59	3,612.15	3,000.00	(612.15)	
Electricity	01 001 4320	5	550.36	25,687.85	24,166.60	(1,521.25)	
Natural Gas	01 001 4330	5	0.00	996.33	983.30	(13.03)	
Sewer & Other	01 001 4390	5	577.53	5,284.10	4,666.60	(617.50)	
Maintenance Salaries	01 001 4410	5	7,475.20	73,010.58	65,168.30	(7,842.28)	
Maintenance Materials	01 001 4420	5	4,727.11	38,016.02	33,333.30	(4,682.72)	
Contract Costs	01 001 4430	5	695.00	2,495.00	833.30	(1,661.70)	
Pest Control	01 001 4430.1	5	895.00	5,125.00	5,000.00	(125.00)	
Contract Costs-Lawn	01 001 4430.3	5	1,300.00	11,700.00	11,375.00	(325.00)	
Contract Costs-Air Conditioning	01 001 4430.4	5	0.00	578.00	1,250.00	672.00	
Contract Costs-Plumbing	01 001 4430.5	5	275.00	2,148.50	2,500.00	351.50	
Contract Costs - Vacancy Turnaround	01 001 4430.6	5	680.00	10,210.00	10,000.00	(210.00)	
Garbage/Trash Removal	01 001 4431	5	373.14	3,449.84	5,000.00	1,550.16	
Emp Benefit Cont - Maintenance	01 001 4433	5	3,715.76	36,907.60	34,063.30	(2,844.30)	
General Insurance--Property, Contents	01 001 4510	5	2,524.98	25,763.72	29,166.60	3,402.88	
Worker's Comp Insurance	01 001 4510.1	5	800.17	5,347.95	5,833.30	485.35	
Other Insurance-Crime, Auto, Direc&Offic	01 001 4510.2	5	450.27	4,134.74	4,416.60	281.86	
Liability Insurance	01 001 4510.3	5	286.56	3,264.14	3,281.60	17.46	
Payment in Lieu of Taxes	01 001 4520	5	0.00	0.00	5,241.60	5,241.60	
Collection Losses	01 001 4570	5	682.42	9,258.06	4,166.60	(5,091.46)	
Other General Expense	01 001 459000	5	1,369.23	2,089.06	11,708.30	9,619.24	
Extraordinary Maintenance	01 001 4610	5	0.00	0.00	4,166.60	4,166.60	
<b>Total Operating Expenses</b>			<b>48,235.43</b>	<b>522,160.99</b>	<b>547,152.80</b>	<b>24,991.81</b>	
<b>Operating Revenues</b>							
Dwelling Rental	01 001 3110	5	9,160.50	105,607.15	75,716.60	29,890.55	
Excess Utilities	01 001 3120	5	0.00	9.44	0.00	9.44	
Operating Subsidy	01 001 3401.00	5	36,450.00	367,558.00	354,218.30	13,339.70	
<b>Total Operating Revenues</b>			<b>45,610.50</b>	<b>473,174.59</b>	<b>429,934.90</b>	<b>43,239.69</b>	
<b>Income from Operations</b>			<b>(2,624.93)</b>	<b>(48,986.40)</b>	<b>(117,217.90)</b>	<b>68,231.50</b>	

**AVON PARK HOUSING AUTHORITY  
Budgeted Income Statement  
AVON PARK PUBLIC HOUSING**

Fiscal Year End Date:	12/31/2014	ACCOUNT		1 Month(s) Ended October 31, 2014	10 Month(s) Ended October 31, 2014	Budget	Variance
<b>Other Revenues and Expenses</b>							
RESTRICTED INTEREST	01 001 3431.00	5	0.00	0.00	8.30	(8.30)	
Investment Income - Unrestricted	01 001 3610	5	197.93	1,967.07	1,916.60	50.47	
Other Income - Tenant	01 001 3690	5	1,856.53	11,707.87	10,625.00	1,082.87	
Other Income - Satellite Accident	01 001 3690.08	5	0.00	2,189.28	0.00	2,189.28	
Other Income-Leave with no Notice	01 001 3690.1	5	0.00	400.00	0.00	400.00	
Other Income - Rent for Tulane Ave Bldg	01 001 3690.13	5	0.00	8,250.00	0.00	8,250.00	
Other Income - Copies & Fax	01 001 3690.2	5	10.00	25.00	0.00	25.00	
Other Inc -Ridgedale-	01 001 3690.3	5	0.00	5,153.67	0.00	5,153.67	
Other Income - Scrap Metal Salvage	01 001 3690.4	5	26.00	317.00	0.00	317.00	
Other Income - Misc - Non Tenant	01 001 3690.6	5	0.00	1,141.29	20,596.60	(19,455.31)	
Other Income - Community Rm Rent	01 001 3690.8	5	0.00	100.00	0.00	100.00	
Operating Transfer In	01 001 9110	5	0.00	23,635.59	151,670.80	(128,035.21)	
<b>Total Other Revenues and Expenses</b>			<b>2,090.46</b>	<b>54,886.77</b>	<b>184,817.30</b>	<b>(129,930.53)</b>	
<b>Net Income (Loss)</b>			<b>(534.47)</b>	<b>5,900.37</b>	<b>67,599.40</b>	<b>(61,699.03)</b>	

**AVON PARK HOUSING AUTHORITY**  
**Budgeted Income Statement**  
**AVON PARK PUBLIC HOUSING**  
**OTHER BUSINESS ACTIVITIES**

Fiscal Year End Date:	12/31/2014	ACCOUNT	1 Month(s) Ended October 31, 2014	10 Month(s) Ended October 31, 2014	Budget	Variance	
<b>Operating Expenses</b>							
Admin Salaries - NCH I		01 100 4110.01	5	668.84	7,153.86	7,348.30	194.44
Admin Salaries - NCH II		01 100 4110.02	5	551.18	5,895.55	6,056.60	161.05
Admin Salaries - Ridgedale		01 100 4110.03	5	767.94	8,214.17	8,454.10	239.93
Legal Expense		01 100 4130	5	0.00	0.00	4,166.60	4,166.60
Travel		01 100 4150.00	5	0.00	0.00	58.30	58.30
Accounting Fees		01 100 4170.00	5	0.00	150.00	0.00	(150.00)
Accounting Fees - NCH I		01 100 4170.01	5	0.00	1,104.78	5,000.00	3,895.22
Accounting Fees - NCH II		01 100 4170.02	5	0.00	962.76	5,000.00	4,037.24
Accounting Fees - Ridgedale		01 100 4170.03	5	0.00	2,836.10	2,125.00	(711.10)
Audit Fees		01 100 4171.00	5	0.00	0.00	416.60	416.60
Employee Benefits Cont - Admin/Ridgedale		01 100 4182	5	320.78	3,990.88	3,193.30	(797.58)
Employee Benefits Cont - Admin - NCH I		01 100 4182.1	5	145.91	2,353.10	2,755.00	401.90
Employee Benefits Cont - Admin - NCH II		01 100 4182.2	5	121.86	1,955.01	2,285.80	330.79
SUNDRY		01 100 4190	5	0.00	122.50	458.30	335.80
MARKETING/ADVERTISING		01 100 4190.18	5	0.00	0.00	383.30	383.30
Contract Costs/Admin		01 100 4190.90	5	0.00	0.00	300.00	300.00
Insurance - Workers Comp		01 100 4510.40	5	220.34	1,461.38	2,626.60	1,165.22
Other General Expense		01 100 4590	5	0.00	0.00	833.30	833.30
Cornell Colony Expense		01 100 4590.01	5	0.00	130.00	0.00	(130.00)
<b>Total Operating Expenses</b>				<b><u>2,796.85</u></b>	<b><u>36,330.09</u></b>	<b><u>51,461.10</u></b>	<b><u>15,131.01</u></b>
<b>Income from Operations</b>				<b>(2,796.85)</b>	<b>(36,330.09)</b>	<b>(51,461.10)</b>	<b>15,131.01</b>
<b>Other Revenues and Expenses</b>							
Revenue - Management fees - Ridgedale		01 100 3690	5	2,905.74	25,635.86	25,000.00	635.86
Revenue - Management Fees - NCH I		01 100 3690.1	5	988.04	8,400.26	8,333.30	66.96
Revenue - Management Fees - NCH II		01 100 3690.2	5	1,101.89	10,476.55	8,386.60	2,089.95
Other Income - Ridgedale Contribution		01 100 3690.50	5	0.00	0.00	7,416.60	(7,416.60)
<b>Total Other Revenues and Expenses</b>				<b><u>4,995.67</u></b>	<b><u>44,512.67</u></b>	<b><u>49,136.50</u></b>	<b><u>(4,623.83)</u></b>
<b>Net Income (Loss)</b>				<b><u>2,198.82</u></b>	<b><u>8,182.58</u></b>	<b><u>(2,324.60)</u></b>	<b><u>10,507.18</u></b>

**AVON PARK HOUSING AUTHORITY**  
**Budgeted Income Statement**  
**RIDGEDALE**  
**RIDGEDALE APARTMENTS LLC**

Fiscal Year End Date:	12/31/2014	ACCOUNT	1 Month(s) Ended October 31, 2014	10 Month(s) Ended October 31, 2014	Budget	Variance	
<b>Operating Expenses</b>							
Non-Technical Salaries		07 002 4110	5	587.68	6,817.42	7,017.50	200.08
Legal Expense		07 002 4130	5	0.00	0.00	4,166.60	4,166.60
Staff Training		07 002 4140	5	0.00	289.00	833.30	544.30
Travel		07 002 4150	5	0.00	131.97	833.30	701.33
Accounting Fees		07 002 4170	5	0.00	3,154.00	0.00	(3,154.00)
COMPUTER SUPPORT/LICENSING FEE		07 002 4170.2	5	170.00	1,324.40	2,083.30	758.90
Audit Fees		07 002 4171	5	0.00	3,819.00	3,924.10	105.10
Consulting Fees		07 002 4180	5	0.00	0.00	5,833.30	5,833.30
Employee Benefit Contributions-Admin.		07 002 4182	5	214.09	3,856.54	3,983.30	126.76
Sundry		07 002 4190	5	0.00	528.46	1,083.30	554.84
Advertising		07 002 4190.08	5	148.85	1,017.62	1,083.30	65.68
Bank Fees		07 002 4190.18	5	6.13	48.10	100.00	51.90
Administrative Contracts		07 002 4190.19	5	0.00	50.00	0.00	(50.00)
Telephone		07 002 4190.2	5	98.77	882.02	841.60	(40.42)
TENANT BACKGROUND CHECKS		07 002 4190.20	5	0.00	17.90	0.00	(17.90)
Postage		07 002 4190.3	5	0.00	520.00	33.30	(486.70)
Eviction Costs		07 002 4190.4	5	0.00	450.00	0.00	(450.00)
Contract Costs - Admin		07 002 4190.9	5	0.00	225.00	1,100.00	875.00
Ten Services - RAB		07 002 4220	5	0.00	0.00	50.00	50.00
Water		07 002 4310	5	778.83	8,440.35	7,541.60	(898.75)
Electricity		07 002 4320	5	489.42	4,348.66	3,916.60	(432.06)
Sewer		07 002 4390	5	1,048.30	10,483.00	9,625.00	(858.00)
Labor		07 002 4410	5	3,379.96	28,308.34	18,102.50	(10,205.84)
Materials and Other		07 002 4420	5	579.77	6,638.44	17,475.00	10,836.56
Contract Costs		07 002 4430	5	165.00	765.00	8,333.30	7,568.30
Pest Control		07 002 4430.1	5	122.00	1,220.00	1,216.60	(3.40)
Contract Costs-Lawn		07 002 4430.3	5	425.00	3,825.00	5,000.00	1,175.00
Contract Costs-Air Conditioning		07 002 4430.4	5	150.00	1,217.00	2,083.30	866.30
Contract Costs-Plumbing		07 002 4430.5	5	0.00	267.25	833.30	566.05
Contract Costs - Vacancy Turnaround		07 002 4430.6	5	930.00	6,545.00	6,258.30	(286.70)
Contract Costs-Camera Security		07 002 4430.7	5	0.00	5,099.50	2,666.60	(2,432.90)
Garbage and Trash Collection		07 002 4431	5	678.10	6,781.00	6,750.00	(31.00)
Employee Benefit Cont.-Ordinary Mainten.		07 002 4433	5	1,491.60	14,189.71	8,998.30	(5,191.41)
Insurance-Property, Contents		07 002 4510	5	756.04	7,560.71	8,575.00	1,014.29
Insurance - Workers Comp		07 002 4510.1	5	81.18	582.11	541.60	(40.51)
Insurance - Liability		07 002 4510.3	5	81.46	710.52	700.00	(10.52)
Collection Losses		07 002 4570	5	1,090.50	12,583.56	3,333.30	(9,250.26)
Interest Expense-Heartland		07 002 4580.01	5	0.00	416.81	0.00	(416.81)
Interest on Notes Payable-Centennial		07 002 4580.03	5	3,341.96	37,152.85	45,833.30	8,680.45
Management Fee		07 002 4590	5	2,905.74	25,635.86	23,490.00	(2,145.86)
Other General Expense		07 002 4590.01	5	0.00	5,153.67	18,883.30	13,729.63
MIP Annual Premium to HUD		07 002 4590.03	5	5,015.51	5,015.51	0.00	(5,015.51)
<b>Total Operating Expenses</b>				<b>24,735.89</b>	<b>216,071.28</b>	<b>233,123.10</b>	<b>17,051.82</b>
<b>Operating Revenues</b>							
DWELLING RENTAL		07 002 3110	5	2,966.00	32,414.63	21,183.30	11,231.33
HAP Subsidy		07 002 3110.01	5	28,484.00	273,472.00	272,450.00	1,022.00
Other Income - Leave with No Notice		07 002 3690.1	5	0.00	241.42	0.00	241.42
<b>Total Operating Revenues</b>				<b>31,450.00</b>	<b>306,128.05</b>	<b>293,633.30</b>	<b>12,494.75</b>
<b>Income from Operations</b>				<b>6,714.11</b>	<b>90,056.77</b>	<b>60,510.20</b>	<b>29,546.57</b>
<b>Other Revenues and Expenses</b>							

**AVON PARK HOUSING AUTHORITY**  
**Budgeted Income Statement**  
**RIDGEDALE**  
**RIDGEDALE APARTMENTS LLC**

Fiscal Year End Date:	12/31/2014	ACCOUNT	1 Month(s) Ended	10 Month(s) Ended	Budget	Variance
			October 31, 2014	October 31, 2014		
Investment Income-Unrestricted	07 002 3430	5	0.00	0.00	83.30	(83.30)
Interest - Restricted	07 002 3431.00	5	24.54	114.90	41.60	73.30
Interest Earned on Gen Fund Investments	07 002 3610	5	3.87	82.05	0.00	82.05
Other Income - Tenant	07 002 3690	5	332.99	6,603.57	4,533.30	2,070.27
Other Income - Refinance	07 002 3690.10	5	0.00	1,564.65	0.00	1,564.65
Other Income - Scrap Metal Salvage	07 002 3690.4	5	0.00	6.00	0.00	6.00
Other Income	07 002 3690.6	5	0.00	0.00	5,083.30	(5,083.30)
<b>Total Other Revenues and Expenses</b>			<b>361.40</b>	<b>8,371.17</b>	<b>9,741.50</b>	<b>(1,370.33)</b>
<b>Net Income (Loss)</b>			<b>7,075.51</b>	<b>98,427.94</b>	<b>70,251.70</b>	<b>28,176.24</b>

**AVON PARK HOUSING AUTHORITY  
Budgeted Income Statement  
NORTH CENTRAL HEIGHTS  
N CENTRAL HEIGHTS MGMT**

Fiscal Year End Date:	12/31/2014	ACCOUNT		1 Month(s) Ended October 31, 2014	10 Month(s) Ended October 31, 2014	Budget	Variance
<b>Operating Expenses</b>							
Nontechnical Salaries	02 001 4110	5	666.06	7,726.72	7,952.50	225.78	
Legal Expense	02 001 4130	5	523.33	2,592.26	4,166.60	1,574.34	
Staff Training	02 001 4140	5	0.00	0.00	833.30	833.30	
Travel	02 001 4150	5	14.56	98.28	416.60	318.32	
Accounting Fees	02 001 4170	5	0.00	2,628.00	0.00	(2,628.00)	
COMPUTER SUPPORT/LICENSING FEE	02 001 4170.2	5	0.00	1,308.32	3,333.30	2,024.98	
Audit Fees	02 001 4171	5	0.00	4,328.20	4,360.00	31.80	
Employee Benefits Cont - Admin	02 001 4182	5	242.64	4,370.96	4,515.00	144.04	
Sundry	02 001 4190	5	0.00	504.23	0.00	(504.23)	
Advertising and Marketing	02 001 4190.08	5	168.71	2,005.59	0.00	(2,005.59)	
Bank Fees	02 001 4190.18	5	0.00	89.94	0.00	(89.94)	
Telephone	02 001 4190.2	5	73.82	783.13	833.30	50.17	
Tenant Background Checks	02 001 4190.20	5	0.00	31.84	0.00	(31.84)	
Postage	02 001 4190.3	5	0.00	34.00	33.30	(0.70)	
Eviction Costs	02 001 4190.4	5	0.00	0.00	833.30	833.30	
Contract Costs - Admin	02 001 4190.9	5	0.00	2,126.25	991.60	(1,134.65)	
Tenant Services	02 001 4220	5	0.00	150.00	0.00	(150.00)	
Ten Services - After School Program	02 001 4220.2	5	0.00	720.00	825.00	105.00	
Water	02 001 4310	5	124.28	731.64	1,175.00	443.36	
Electricity	02 001 4320	5	638.61	4,883.59	3,833.30	(1,050.29)	
Sewer	02 001 4390	5	100.30	547.73	900.00	352.27	
Labor	02 001 4410	5	0.00	8,950.50	20,515.80	11,565.30	
MAINTENANCE MATERIALS	02 001 4420	5	286.68	5,413.08	6,583.30	1,170.22	
Contract Costs	02 001 4430	5	0.00	1,785.00	2,083.30	298.30	
Contract Costs-Pest Control	02 001 4430.1	5	100.80	1,008.00	1,000.00	(8.00)	
Contact Costs-Plumbing	02 001 4430.2	5	4,976.03	4,976.03	833.30	(4,142.73)	
Contract Costs - AC	02 001 4430.4	5	1,110.00	1,884.00	833.30	(1,050.70)	
Contract Costs - Lawn	02 001 4430.5	5	320.00	3,045.00	2,916.60	(128.40)	
Contract Costs - Vacancy Turnaround	02 001 4430.6	5	1,290.00	4,652.50	6,800.00	2,147.50	
Contract Costs - Camera	02 001 4430.7	5	0.00	150.00	833.30	683.30	
Garbage and Trash Collection	02 001 4431	5	55.94	847.57	2,841.60	1,994.03	
Emp Benefit Cont - Maintenance	02 001 4433	5	0.00	5,157.33	10,197.50	5,040.17	
Insurance-Property, Contents	02 001 4510	5	942.50	9,424.70	10,833.30	1,408.60	
Insurance - Workers Comp	02 001 4510.1	5	11.60	579.41	833.30	253.89	
Insurance - Liability	02 001 4510.3	5	90.50	789.36	2,440.00	1,650.64	
Payment in Lieu of Taxes	02 001 4520	5	0.00	0.00	2,725.80	2,725.80	
Collection Loss	02 001 4570	5	0.00	3,110.11	1,991.60	(1,118.51)	
Bonneville Interest	02 001 4580.01	5	3,886.33	42,837.68	42,375.00	(462.68)	
Management Fees	02 001 4590	5	988.04	8,400.26	7,755.80	(644.46)	
Other General Expense	02 001 4590.00	5	0.00	5,278.00	833.30	(4,444.70)	
<b>Total Operating Expenses</b>			<b>16,610.73</b>	<b>143,949.21</b>	<b>160,228.20</b>	<b>16,278.99</b>	
<b>Operating Revenues</b>							
Dwelling Rent	02 001 3110	5	18,682.00	176,521.10	155,120.00	21,401.10	
<b>Total Operating Revenues</b>			<b>18,682.00</b>	<b>176,521.10</b>	<b>155,120.00</b>	<b>21,401.10</b>	
<b>Income from Operations</b>			<b>2,071.27</b>	<b>32,571.89</b>	<b>(5,108.20)</b>	<b>37,680.09</b>	
<b>Other Revenues and Expenses</b>							
Interest - Restricted	02 001 3431.00	5	0.00	15.30	21.60	(6.30)	
Other Income - Tenant	02 001 3690	5	354.98	4,048.09	2,341.60	1,706.49	
Other Income - Non Tenant	02 001 3690.3	5	0.00	3,808.22	0.00	3,808.22	
Other Income - Refunds	02 001 3690.4	5	0.00	5,126.54	0.00	5,126.54	

**AVON PARK HOUSING AUTHORITY  
Budgeted Income Statement  
NORTH CENTRAL HEIGHTS  
N CENTRAL HEIGHTS MGMT**

Fiscal Year End Date:	12/31/2014	ACCOUNT	1 Month(s) Ended October 31, 2014	10 Month(s) Ended October 31, 2014	Budget	Variance
Other Income - Community Rental	02 001 3690.5	5	0.00	800.00	0.00	800.00
<b>Total Other Revenues and Expenses</b>			<u>354.98</u>	<u>13,798.15</u>	<u>2,363.20</u>	<u>11,434.95</u>
<b>Net Income (Loss)</b>			<u>2,426.25</u>	<u>46,370.04</u>	<u>(2,745.00)</u>	<u>49,115.04</u>

**AVON PARK HOUSING AUTHORITY**  
**Budgeted Income Statement**  
**NORTH CENTRAL HEIGHTS**  
**NORTH CENTRAL HEIGHTS II**

Fiscal Year End Date:	12/31/2014	ACCOUNT	1 Month(s) Ended October 31, 2014	10 Month(s) Ended October 31, 2014	Budget	Variance	
<b>Operating Expenses</b>							
Nontechnical Salaries		02 002 4110	5	548.52	6,363.13	6,549.10	185.97
Legal Expense		02 002 4130	5	523.32	3,332.89	833.30	(2,499.59)
Staff Training		02 002 4140	5	0.00	0.00	833.30	833.30
Travel		02 002 4150	5	0.00	65.52	416.60	351.08
Accounting Fees		02 002 4170	5	0.00	3,552.50	2,500.00	(1,052.50)
COMPUTER SUPPORT/LICENSING FEE		02 002 4170.2	5	0.00	1,077.44	2,500.00	1,422.56
Audit Fees		02 002 4171	5	0.00	3,564.40	3,488.30	(76.10)
Employee Benefits Cont - Admin		02 002 4182	5	199.85	3,599.71	3,718.30	118.59
Sundry		02 002 4190	5	0.00	448.78	408.30	(40.48)
Advertising and Marketing		02 002 4190.08	5	138.93	2,108.62	2,500.00	391.38
Bank Service Fee		02 002 4190.18	5	0.00	432.80	0.00	(432.80)
Tenant Background Check		02 002 4190.20	5	0.00	31.81	0.00	(31.81)
Postage		02 002 4190.3	5	0.00	28.00	33.30	5.30
Eviction Costs		02 002 4190.4	5	0.00	0.00	833.30	833.30
Contract Costs - Admin		02 002 4190.9	5	0.00	2,151.25	833.30	(1,317.95)
Ten Services - After School Program		02 002 4220.20	5	0.00	870.00	516.60	(353.40)
Water		02 002 4310	5	30.00	339.76	408.30	68.54
Electricity		02 002 4320	5	84.02	1,341.63	1,750.00	408.37
Sewer		02 002 4390	5	11.20	101.73	191.60	89.87
Labor		02 002 4410	5	0.00	7,394.47	16,895.00	9,500.53
MAINTENANCE MATERIALS		02 002 4420	5	134.35	4,848.74	4,800.00	(48.74)
Contract Costs		02 002 4430	5	0.00	1,294.00	1,666.60	372.60
Contract Costs-Pest Control		02 002 4430.1	5	79.20	792.00	833.30	41.30
Contract Costs - Lawn		02 002 4430.3	5	240.00	2,040.00	2,500.00	460.00
Contract Costs - AC		02 002 4430.4	5	470.00	935.00	833.30	(101.70)
Contract Costs - Plumbing		02 002 4430.5	5	0.00	0.00	833.30	833.30
Contract Costs - Vacancy Turnaround		02 002 4430.6	5	0.00	4,291.25	4,641.60	350.35
Garbage and Trash Collection		02 002 4431	5	20.80	116.86	833.30	716.44
Emp Benefit Cont - Maintenance		02 002 4433	5	0.00	4,321.26	8,398.30	4,077.04
Insurance-Property, Contents		02 002 4510	5	738.33	7,383.27	8,333.30	950.03
Insurance - Workers Comp		02 002 4510.1	5	46.39	298.85	675.80	376.95
Insurance - Liability		02 002 4510.3	5	72.41	631.59	2,083.30	1,451.71
Payment in Lieu of Taxes		02 002 4520	5	0.00	0.00	2,166.60	2,166.60
Bad Debts - Tenant Rents		02 002 4570	5	0.00	(22.61)	2,791.60	2,814.21
Bonneville Interest		02 002 4580.01	5	3,515.63	38,751.63	38,933.30	181.67
Management Fees		02 002 4590	5	1,101.89	10,476.55	10,474.10	(2.45)
Other General Expense		02 002 4590.00	5	0.00	8,759.42	675.00	(8,084.42)
<b>Total Operating Expenses</b>				<b>7,954.84</b>	<b>121,722.25</b>	<b>136,681.30</b>	<b>14,959.05</b>
<b>Operating Revenues</b>							
Dwelling Rent		02 002 3110	5	13,620.00	136,242.88	130,930.00	5,312.88
<b>Total Operating Revenues</b>				<b>13,620.00</b>	<b>136,242.88</b>	<b>130,930.00</b>	<b>5,312.88</b>
<b>Income from Operations</b>				<b>5,665.16</b>	<b>14,520.63</b>	<b>(5,751.30)</b>	<b>20,271.93</b>
<b>Other Revenues and Expenses</b>							
INTEREST - RESTRICTED		02 002 3431.00	5	0.00	12.24	16.60	(4.36)
Investment Income - Unrestricted		02 002 3610	5	3.41	28.91	33.30	(4.39)
Other Income - Tenant		02 002 3690	5	263.13	5,808.36	3,925.00	1,883.36
Other Income - Non Tenant		02 002 3690.3	5	0.00	437.50	0.00	437.50
<b>Total Other Revenues and Expenses</b>				<b>266.54</b>	<b>6,287.01</b>	<b>3,974.90</b>	<b>2,312.11</b>
<b>Net Income (Loss)</b>				<b>5,931.70</b>	<b>20,807.64</b>	<b>(1,776.40)</b>	<b>22,584.04</b>





**HARBOR<sup>®</sup>**  
**COMMUNITY BANK**  
*Banking the way it used to be.*



Dear Highlands Independent Bank Customer:

**Great things are happening at our Bank!** On Friday, October 24<sup>th</sup>, Highlands Independent Bank will be merging with Harbor Community Bank. Although the signs will be changing it will be business as usual on Monday morning. You will be greeted by the same smiling faces you have come to know.

As Harbor community Bank, we will continue our commitment to great quality service and products, keeping us the best Bank in the market. The added strength of our new partner will enable us to offer more products and an expanded service area. Your deposits will remain FDIC insured with combined coverage of at least \$250,000.00 under the FDIC general coverage rules. For more information about FDIC coverage of deposit accounts, please visit [www.FDIC.gov](http://www.FDIC.gov).

Harbor Community Bank is a Florida headquartered, full-service community bank. Together we will have over \$1 billion in assets and 32 offices in Florida.

**What does this mean to you?**

**Service.** You will continue to receive the same great service you deserve from our committed associates. Throughout this transition we will keep you informed of the new and enhanced products that will become available to you.

**Strength.** Harbor Community Bank currently enjoys a top Five Star rating from the nationally recognized bank rating firm - Bauer Financial. This transaction will substantially increase our capital base, allowing the bank to grow and thrive by offering a more extensive product line and expanded branch system.

**Convenience.** In March 2015, the former Highlands Independent Bank branches will consolidate into the Harbor Community Bank branch network, allowing you access to all thirty-two (32) Branches throughout the Florida East Coast, Central Florida, Orlando and Northeast Florida.

**What do you have to do?**

**Absolutely nothing.** You can continue to use your same checks and debit cards. Direct deposits, auto-debits and electronic bill pay arrangements will continue as normal. The actual integration of your account(s) into Harbor Community Bank will occur over the weekend of March 6-8, 2015. While we expect this process to be largely transparent, we will send you information prior to this date regarding enhancements to our products and services as well as any actions you may need to take in preparation for integration.

We are looking forward to the great opportunities that will come with this change. We chose to merge with Harbor Community Bank because they maintain the same values as we do: a commitment to customers, providing excellent service, and a strong support for the communities in which we are located. We will keep this promise to you. If you have any questions, please call your local branch or the Main Office in Sebring at 863-385-8700.

Sincerely,

John C. Shoop  
President Highlands County Market

**The Housing Authority of Avon Park  
Board of Commissioners  
Brickell Building Acquisition Committee Meeting  
Wednesday November 5, 2014  
4:00 PM  
Delaney Heights Community Center  
541 Alton St.  
Avon Park, Florida**

Committee members: APHDC Bd. Directors Vinson, Wade, Barnard  
APHA Commissioners Roberts & Smith  
Committee Chair: Cameron Barnard, APHA Board Chairperson

**Committee Meeting Minutes**

**Roll call:** Chairperson Barnard opened the meeting at 4:00pm, requested Secretary Shoeman to record attendance; Committee Members present; Barnard, Roberts, Wade and Smith; Member absent; Vinson. The Secretary declared a quorum present.

Chair Barnard then turned the meeting over to Secretary Shoeman. Mr. Shoeman then provided the Board with a summary review of the Brickell Building Acquisition Concept Composition which included the following elements; Ownership Structure, City's Purchase Price, City's possible Mortgage Terms, Parking Lot Reservation/Allocation to City for Public use, Mixed Use Zoning issues for 2<sup>nd</sup> Floor Residential Rental & Permitted Density, City's concern and/or preference for leasing first floor commercial space to business that will not compete against existing Businesses on the mall, as well as leasing space to existing businesses (competing with existing owners).

The Board then deliberated on a number of building operational considerations, including but not limited to content & layout of first & second floor structure, parking lot residential & public use allocation, building rehabilitation finance sources, APHA Office relocations details, acquisition & phased occupancy timelines, and estimated building revenue & expense project details.

**Committee Recommendation:**

Upon completion of Board deliberations, moved by Commissioner Roberts, seconded by Commissioner Smith to recommend to both Avon Park Housing Authority and Avon Park Housing Development Corporation at the next Regular Meeting of the Boards November 18, 2014 that a Purchase Proposal be presented to the City of Avon Park for the purchase of the Brickell Building, incorporating the following contingencies & terms;

**City Contingencies/Terms:**

1. Buyer Entity; Avon Park Housing Development Corporation (APHDC)
2. Sales Price; \$320,000
3. Closing Costs; APHDC to pay 100% of closing costs
4. Mortgage; City holds Mortgage for 15yr. term  
Interest Rate: 2% fixed  
Deferred Principle Payment until January 1, 2016  
Interest Only Payments through 2015 (\$533.33/mo. = \$6,399.96/yr.)

No Pre-Payment Penalty for early mortgage retirement.

\*Note: Total term payment to City (16yr.) interest & (15yr.) principle payments = \$376,892.22

5. Facilitate any/all C-4 Mixed Use Zoning changes required to permit not less than 10 residential dwelling unit density on the 2<sup>nd</sup> Floor of the building.

APHDC Contingencies/Terms:

1. APHDC will execute 15 year Interlocal Agreement with City, renewable thereafter for equal periods upon mutual agreement of the parties, to include following terms;
  - (a) Perform Payment In Lieu of Taxes (PILOT) on 2<sup>nd</sup> Fl. Residential Rentals. Note\*; Seven 1<sup>st</sup>. Fl. Leased Business Outlets taxed.
  - (b) Provide Building 1<sup>st</sup>. Floor Rest Rooms to Public during any City sponsored events.
  - (c) Dedicate and maintain rear building parking lot as "Public Parking", with exception of parking spaces required for & allocated to 2<sup>nd</sup> Fl. Residential Rentals.
  
2. APHDC to stipulate, though separate Memorandum of Agreement with the City, to perform the following commitments as new Brickell Building owner;  
Conduct a Mall Merchant Survey and deliver a copy of the results to the office of City Manager, for the following purpose;
  - Ascertain Merchant recommendations on commercial business types desired in Brickell leasehold space that would serve to complement existing businesses on the Mall.
  
  - Inform such Merchants that the Brickell will not lease to like kind businesses of a competing operation.
  
  - Inform such Merchants that the Brickell will not be available for leasing to their business establishments due to agreed to non-compete restrictions with the City of Avon Park.

Motion carried unanimously.

Being no further business to come before the Committee, Chair Barnard adjourned the meeting at 5:08 pm.

Accepted \_\_\_\_\_

Attest \_\_\_\_\_  
SEAL

Any person who might wish to obtain a record of the proceedings for any purpose may need to ensure that a verbatim record of the proceedings is made should call the Housing Authority offices five days prior to the meeting to insure that an audio recording will be made of such meeting. In accordance with the American disabilities Act and Section 286.26 Florida Statutes, any person with disabilities requiring reasonable accommodations to participate in his meeting should call the Housing Authority offices five days prior to the meeting.

## **Larry Shoeman**

---

**From:** Larry Shoeman [Director@avonparkha.org]  
**Sent:** Wednesday, November 12, 2014 11:18 AM  
**To:** 'Shawn McMillin'  
**Subject:** EPC Services

**Importance:** High

Shawn- It has been quite some time since our last exchange regarding our failed attempts to effect a EPC project for our agency.

As all the performance benchmark terms applicable in the Energy Services Agreement previously executed between Pepco & APHA have since expired, I just wanted to verify & validate for the record that your company no longer has any interest in participating with our agency in the EPC endeavor.

FYI, the second ranked firm of Wind, Water & Energy has approached us requesting we engage their company per their response to our initial RFP.

I would appreciate a response to this inquiry at your earliest convenience.  
Hope all is well with your firm.

Respectfully,  
Larry Shoeman  
Avon Park Housing Authority

---

**From:** Shawn McMillin [mailto:smcmillin@pepcoenergy.com]  
**Sent:** Tuesday, October 16, 2012 11:28 PM  
**To:** director@avonparkha.org  
**Cc:** Kreischer Davis; Jenefer Russum; Jaime Frausto; Patrick Sweeney  
**Subject:** Florida Consortium Feasibility Update

October 16, 2012

Good evening, Larry:

I received your email today and apologize for not updating you before now, but some recent reorganization within our PHA group caused a minor delay in my being certain I had the most up-to-date information.

First, Max Bristol is no longer with Pepco Energy Services. All of his projects and tasks have now been assigned to other business development managers for completion and / or follow-up.

As to the Authorities which we were analyzing for a possible aggregation procurement with APHA; the news is not positive:

- Lake Wales MAY be viable, but not known for certain, as they have not submitted full billing information as requested.
- Punta Gorda is a borderline scenario and would need to utilize a minimum 15-year contract term
- Arcadia appears to have flat water rates – making it non-viable
- Estimated savings potential at Bartow is below the threshold required by PES to develop an EPC project

Thus, it's my opinion that an aggregation procurement including APHA and the above PHAs is simply not a viable endeavor (for APHA or PES) at this point.

We are currently attempting to organize a meeting with HUD leadership in Washington DC (in conjunction with other ESCos) to ask that they address / remediate many issues which seem to fly in the face of HUD's insistence that they want EPC to be attainable to ALL PHAs. (With some of the issues we plan to raise being those which directly affected our attempt to develop a project for APHA.) I will certainly keep you updated on the results of this meeting, with the expectation of helping you develop an EPC project in the not too distant future.

Best regards,

**Shawn McMillin, SPHM**  
**Director, Business Development – Public Housing**  
12505 S. Sopris Creek Drive  
Parker, CO 80134

Office: (720) 851-6835  
Mobile: (720) 810-6173  
[smcmillin@pepcoenergy.com](mailto:smcmillin@pepcoenergy.com)

## Larry Shoeman

---

**From:** Shawn McMillin [smcmillin@pepcoenergy.com]  
**Sent:** Monday, July 16, 2012 12:42 AM  
**To:** director@avonparkha.org  
**Cc:** Kreischer Davis; Thomas Wills; Max Bristol; Patrick Sweeney  
**Subject:** APHA Project Update (Factoring Most Recent HUD Directives)

July 15, 2012

Larry,

Our engineers have been working and reworking different scenarios for the Avon Park project in order to both; comply with the most recent HUD guidance (for which you have been involved in discussion) and, to maintain the largest and most advantageous project possible under said HUD guidance. Unfortunately, the results are far from what we expected when we began the EPC process many months ago.

In order to build the APHA project in keeping with HUD's (OFO) guidance, the project has been reduced from \$1,204,820 to approximately \$465,200, based on the following points:

- Reduction in value is related to procedural changes by HUD (OFO). These changes were to processes and approaches that had been used on previous projects and approved by HUD, such as:
  1. Past projects utilized utility rates reported by the Housing Authority to HUD for subsidy request for calculation of utility cost for both resident and HA paid utilities. We have now been instructed by HUD (OFO) that only marginal rates can be used even though the APHA still reports the total cost of the utilities for their subsidy
  2. HUD (OFO) rejected PES' recalculated resident paid utility allowances, which were calculated using the same process as all previous projects. HUD's explanation was that there was too much variation from the existing allowance and the actual bills.
  3. HUD (OFO) required APHA to provide utility data from resident's utility bills to compare with existing and calculated allowances. (Note: HUD has never required this on any previous PHA project for which PES has developed.) Under normal circumstances, calculated utility allowances are based on long term averages. In this particular case, the single year's utility bills examined by HUD represented a year which had abnormal weather patterns and were not representative of typical consumption.

**The result of HUD's procedural changes makes APHA's EPC project of insufficient size for PES to proceed into a construction phase.** In my opinion, however, there remain a couple of options which we can consider:

1. I will ask Max Bristol to investigate other PHAs in your area, with the purpose of developing an aggregated EPC program. If, by adding more PHAs and increasing the overall (combined) value of the projects, it is possible that a viable program can be developed to the benefit of all involved. Please keep in mind, though, that if we proceed down this path, that it will essentially re-set your project clock in order that any new PHA projects can be developed in conjunction with APHA's.
2. Secondly, my engineering team and I are willing to participate in any meetings or conversations you may wish to initiate with the OFO in order to determine if they will reverse what I believe are unreasonable directives in the development of your EPC program. I feel that based on HUD's insistence that "the PHA is our customer – not the ESCo" – that any request for further project review will be better received if it comes from you.

I will follow-up this email with a call tomorrow (Monday) – so that we can discuss how you wish to proceed.

Best regards,

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**Director, Business Development – Public Housing**  
12505 S. Sopris Creek Drive  
Parker, CO 80134

Office: (720) 851-6835

Mobile: (720) 810-6173

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[smcmillin@pepcoenergy.com](mailto:smcmillin@pepcoenergy.com)

## ESCO R.F.P. REVIEW COMMITTEE MINUTES & REPORT

October 7, 2010

Avon Park Housing Authority Administrative Office Conference Room

21 Tulane Drive

Avon Park, FL.

Call to order: Committee Chair Greg Wade called the meeting to order at 9:32 and Secretary Shoeman called roll with the following members present; G. Wade, G. Lampkin, L. Shoeman, M. Richardson. Absent: T. Marshall. Secretary declared a quorum present and meeting proceeded.

Mr. Shoeman briefly reviewed the elements of the proposals received and identified the proposing companies scheduled for Interview at the mornings meeting.

### PROPOSER INTERVIEWS

WIND, WATER, AND ENERGY Conservation (WW&E) - Company President Gene Overmyer introduced himself & staff, then proceeded to run through their formal presentation outlining the various services and principles on which WW&E based their operations. The WW&E presentation summarized project estimated potential savings, energy conservation measures, similar agency example comparison, business operating experience, company staffing assignments and HUD Incentive Options. Key considerations unique to WW&E;

- Small & Veteran Owned Business
- Florida office location; 90 miles from project site
- Familiar with Florida Weatherization Assistance Programs
- Insurance Protection available to warrant savings guarantee
- Project savings estimate/improvement(s) projection; \$450,000-\$550,000.

PEPCO ENERGY SERVICES (PES)- Company Business Manager Wilt Lee introduced himself & staff, then proceeded to run through their formal presentation outlining the various services and principles on which PES based their operations. The PES presentation summarized project estimated potential savings, energy conservation measures, similar agency example comparison, business operating experience, company staffing assignments and HUD Incentive Options. Key considerations unique to PES;

- National Co. w/ \$14B in Assets, fully bondable to warrant savings guarantee
- Over 50 HUD approved EPC projects; staff with 60yrs. PH administrative exp.
- Dedicated staff member solely responsible for resident training/contracting
- EPC Project includes Central Heat/Air in project saving forecast
- Project savings estimate/improvement(s) projection ; \$1,049,929.

Following proposer interviews, the Committee briefly discussed the various aspects of each company proposals and independently scored each company based on the rating criteria specified in the RFP. The Secretary then tabulated the combined individual committee member score sheets, with the following results;

	<u>WATER, WIND &amp; ENERGY</u>	<u>PEPCO ENERGY SERVICES</u>
Project Exp.	66	78
Staffing Plan	73	78
Tech. Capacity	147	159
Financial Terms	126	159
Proposed Schedule	64	80
Interview	77	78
<b>TOTAL(S)</b>	<b>553 (divided by 4)=138.25 average</b>	<b>632 (divided by 4)= 158 average</b>

**COMMITTEE RECOMMENDATION:** Conditionally award/engage Pepco Energy Services to perform Investment Grade Energy Audit Services based upon; 1). HUD approval & 2). Incorporation of IG Audit Fee waiver – redirect fee to project work scope of ESA Contract, IF awarded ESA Contract.

**AVON PARK HOUSING AUTHORITY**

**RESOLUTION NO. 14-12**

**A RESOLUTION AUTHORIZING APHA TO MOVE FORWARD WITH ENERGY IMPROVEMENTS FOR AVON PARK HOUSING AUTHORITY PUBLIC HOUSING DEVELOPMENT INCLUDING NEGOTIATING, EXECUTING AND DELIVERING AN ENERGY SERVICES AGREEMENT AND ANY ANCILLARY AGREEMENTS WITH THE SECOND RANKED CONTRACTOR FIRM WIND, WATER & ENERGY CONSERVATION, INC.**

**WHEREAS**, the Avon Park Housing Authority (“APHA”) desires to improve the energy and water efficiency of APHA’s housing complexes;

**WHEREAS**, APHA issued a Request for Proposal #10-03 to select an energy services company (“ESCO”) that is capable of providing comprehensive energy management and energy-related capital improvement services through an energy performance contract (i.e., a contract for energy efficiency services and equipment in which the payment of the obligation is guaranteed by the ESCo under contract to be less than the energy cost savings attributable to the services of equipment under the contract for the term of the contract) (the “RFP”); and

**WHEREAS**, APHA competitively initially selected Pepco Energy Services, Inc. (“Contractor”) pursuant to such RFP relying on Contractor’s Energy Performance Contracting Proposal submitted in response to the RFP and dated September 16, 2010; and

**WHEREAS**, Pepco Energy Services, Inc. submitted their projected energy savings projections to the U.S. Department of Housing Development (HUD) in the amount of \$1,204,820; and

**WHEREAS**, HUD engineers evaluation analysis of their savings projection reduced the overall potential savings to \$465,200; and

**WHEREAS**, both the APHA and Pepco have exhausted all options available to salvage the project now determined to be of insufficient size for Pepco’s interests, and;

**WHEREAS**, the second ranked Contractor respondent to the RFP; Wind, Water and Energy, Inc. has indicated a willingness to perform a comprehensive energy use and savings analysis (the “Energy Audit”) and produce a detailed engineering and economic report with respect to the Energy Audit to identify specifically the suggested energy improvements to be made (the “Report”); and

**WHEREAS**, APHA and second ranked Contractor desires to move forward with the suggested energy improvements set forth in the pending Report; and

**WHEREAS**, second ranked Contractor has provided a draft Energy Services Agreement to govern the relationship between APHA and second ranked Contractor going forward; and

**WHEREAS**, APHA desires to authorize the Executive Director to negotiate the final Energy Services Agreement and any ancillary agreements, including without limitation any documents

necessary in connection with the financing of the suggested energy improvements; provided that (a) a cost and price analysis is determined and the costs are determined to be reasonable and (b) the process and documents conform to the requirements of the RFP and receive the approval of the U.S. Department of Housing and Urban Development ("HUD") and legal counsel to APHA.

**NOW THEREFORE BE IT RESOLVED** that the Board of Commissioners of the Avon Park Housing Authority authorizes the Executive Director to negotiate, execute and deliver the Energy Services Agreement with the second ranked Contractor and any ancillary agreements, including without limitation any documents necessary in connection with the financing of the suggested energy improvements (collectively, the "Energy Performance Contracting Documents"), and take such actions as he may deem reasonably necessary to enter into, consummate and perform the transactions, rights and obligations contemplated by the Energy Performance Contracting Documents and, if applicable, to negotiate and finalize and to amend and modify such Energy Performance Contracting Documents to the extent he or APHA's legal counsel may deem necessary or appropriate, and to take all actions necessary in connection with the financing, purchase, implementation, operation, or otherwise of the energy improvements, provided that:

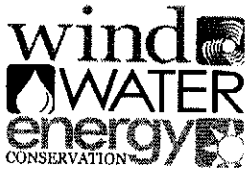
1. following the performance of a cost and price analysis, it is determined that the costs as set forth in the Energy Performance Contracting Documents are reasonable;
2. all procurement is done in compliance with the RFP and all applicable rules and regulations;
3. the Energy Performance Contracting Documents:
  - a. conform to the requirements of the RFP;
  - b. receive the approval of legal counsel to APHA; and
  - c. receive the approval of HUD.

ADOPTED THIS 18th DAY OF NOVEMBER 2014.

Accepted \_\_\_\_\_

Attest \_\_\_\_\_

SEAL



597A Corey Avenue  
St. Pete Beach, FL 33706

727.498.2950  
727.214.9330 Fax

November 11, 2014

Larry P. Shoeman, Executive Director  
Housing Authority of the City of Avon Park  
21 Tulane Drive  
Avon Park, FL 33826

Dear Mr. Shoeman:

Wind, Water, & Energy Conservation (WWEC) is pleased to be provided with an opportunity to address the Housing Authority of the City of Avon Park (HACAP) Board Members. WWEC looks forward to discussing WWEC's project development approach that will lead to a successful Energy Performance Contract (EPC) Program.

WWEC is an Energy Services Company (ESCO) dedicated to working with small to medium-sized housing authorities in reducing their overall utility consumption and cost and maintenance expenditures. We provide self-funded capital improvement projects and will create realized savings for your Authority's future goals. We specialize in project quality, personalized service and community partnerships.

After our initial review of the communications between PEPCO Energy Services' Mr. Shawn McMillin and the HUD Energy Office's Mr. Alan Spera and the additional audit summary documents provided by the HACAP, WWEC has identified the following key issues that need to be addressed in order to develop a viable EPC:

- **Item #1: Proper allocation of savings between CFFP funded and EPC funded energy efficiency measures.** WWEC will prepare the required narrative and spreadsheets as requested by HUD to display how savings are calculated and applied to the HUD Cost Summary spreadsheet. This will require additional discussions with HACAP staff and further on-site assessment of the measures implemented under CFFP funds.
- **Item #2: Separation of flat rate sewer and rubbish removal charges from water savings calculations.** In order to expedite the EPC approval process, WWEC will reassess and recalculate water reduction related measures applying only the volume related water rates and apply viable measures to the EPC. Additionally, WWEC will work with HACAP and the sewer service provider to investigate the possibility of creating alternative volume-based water and sewer rates more conducive to water conservation measures. WWEC has been successful with this approach with past clients. The net result will be additional savings above the guaranteed EPC savings.
- **Item #3: Application of current 52722 rates to HUD Cost Summary spreadsheet.** Current 52722 published rates will be utilized for the calculation of electricity and natural gas cost savings as required by HUD policy and procedures for EPC development. However, in situations where there is a large fixed-cost rate component, HUD retains the option to utilize the marginal rate for savings calculations. Alan Spera, of the HUD Energy Office has confirmed that marginal rates must be utilized for water and sewer savings calculations. WWEC preliminary projects incorporate that requirement.
- **Item #4: Proper sampling and development of resident-paid pre and post project utility allowances.** Contrary to statements found in communications from PEPCO, HUD has always required an Utility Allowance Study (UAS) as a component of the EPC if pre-project allowances are submitted that are 10% higher than the current PHA allowances. To comply with this requirement



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WindWaterEnergy.com

WWEC develops both consumption-based and engineering (model)-based utility allowances when evaluating RP related measures for EPC development. Our process for performing both types of allowance studies and applying the results to create truly representative utility allowances exceeds the requirements of the HUD EPC procedures. However, WWEC has learned from experience that allowances are closely scrutinized by the HUD Energy Office and our approach assures that the submitted allowances will be approved.

- **Item #5: Submitted EPC will provide positive cash flow for all years of the financing term.** WWEC will develop an EPC proposal that will provide for positive cash flow in each of the years financed. A Cash Flow example of an approved HUD IGEA has been developed and implemented by our company and will be presented for review and discussion.
- **Item #6: PEPCO recommendation to change to all-electric utilities.** WWEC questions the financial viability of the conversion from natural gas to all-electric utilities based on energy usage and cost savings alone. Although WWEC agrees that the application of heat pumps will reduce both summer cooling and winter heating costs, air conditioning energy usage/cost reductions are generally allowed in EPC development. In Florida, heating requirements are extremely low and the energy savings related to applying heat pumps for heating alone will not justify the cost of the installation. WWEC will review this option further taking into account other special circumstances HACAP may have for conversion to all-electric units and utilizing sophisticated whole-building energy modeling software to compare alternatives.

WWEC will approach the EPC development in the following steps:

- 1) Upon receipt of the existing IGEA and HUD submittal, WWEC will review the documents and make the following determination. *(Week 1)*
  - a. The existing IGEA and HUD submittal can be revised with minimal effort and resources and can be readily resubmitted to HUD for approval (Based on the initial review this approach is unlikely)
  - b. The existing IGEA and HUD submittal required significant revision and rework but can be salvaged and resubmitted to HUD
  - c. The existing IGEA and HUD submittal are inadequate and the IGEA and HUD submittal process is best approached by starting over including a new IGEA. (Based on the improvements and changes that have been implemented since the original IGEA and the effort required to revise the utility allowances and rate revisions, the reduction in overall project size due to erroneous assumptions, and WWEC's application of whole-building energy modeling techniques to accurate project ECM benefits, WWEC expects this to be the likely scenario. WWEC estimates the cost of this option at **\$15,000**.)
- 2) WWEC will submit a proposal to HACAP for revising the existing or creating a new IGEA and developing an EPC that will provide maximum benefit to the HACAP and meet HUD requirements. *(Week 2)*
- 3) Upon approval from the HACAP Board and execution of a IGEA/EPC development agreement, WWEC will complete an IGEA and upon review and approval of the HACAP develop an EPC package for HACAP board approval. *(Week 3-10)*
- 4) Upon approval of the EPC by the HACAP Board, WWEC will prepare and submit all necessary information and documentation to HUD for approval *(Week 11-25)*



- 5) Upon approval of the EPC by HUD, WWEC will manage the implementation of the EPC measures and provide all associated services necessary for the successful completion and operation of the measures approved. *(Week 25-45)*
- 6) WWEC will provide all measurement and verification services necessary to document savings and meet EPC performance requirements. *(Ongoing)*

WWEC has performed a "ballpark" analysis of the opportunities of energy reductions at the HACAP. The results suggest an EPC of approximately **\$232,000** can be expected with an annual savings estimate of around **\$30,590**. A project of this size can be financed for a term of ten (10) years with positive cash flow expected for each year. The EPC will include the implementation of water reduction measures as well as lighting upgrades. The savings from those measures will support additional discretionary projects totaling **\$80,000**. This project is conservative and as WWEC performs the IGEA and develops the EPC additional opportunities may be identified and developed.

We look forward to working with HACAP on this innovative water and energy conservation endeavor. It is our aim, through this project, to reduce HACAP's utility expenses, enhance residents' living conditions and improve your facilities and equipment. Please do not hesitate to contact Anthony Mackin at 512.638.3098 or [Anthony@WindWaterEnergy.com](mailto:Anthony@WindWaterEnergy.com) with any questions you may have regarding our proposal.

Sincerely,

*Anthony J. Mackin*

Anthony Mackin  
Business Development Manager





### WWEC VALUE-ADDED TOOLS AND METHODOLOGIES:

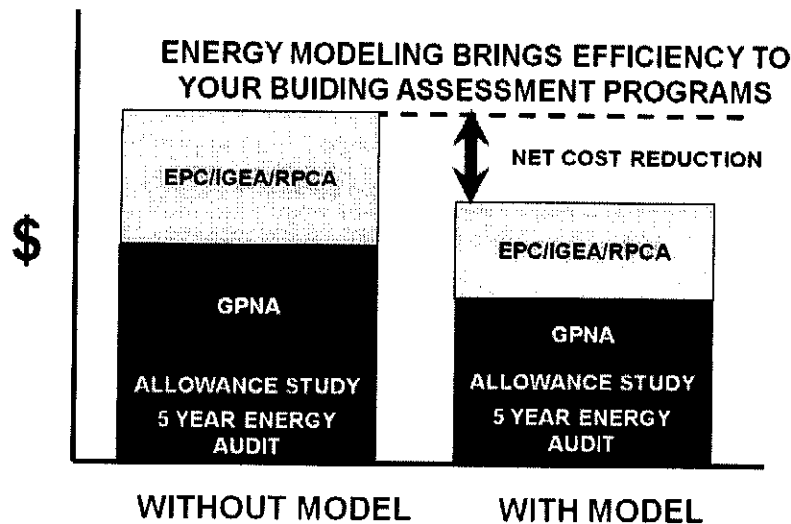
WWEC provides value added benefits to our PHA clients by incorporating additional tools, processes, and procedures in our EPC services. Three of these value-added tools include:

- Incorporating virtual building energy simulation modeling as an integral component of the IGEA process.
- Performing detailed life-cycle cost analysis on recommended measures to ensure the value and benefits of the measures over the life of the equipment.
- Utilizing our unique Benefits/Efforts Matrix tool to prioritize projects based on quantitative inputs that take into account outcomes (benefits) and risks (efforts) as they relate to the clients operations and goals. This tool is based on six-sigma practices.

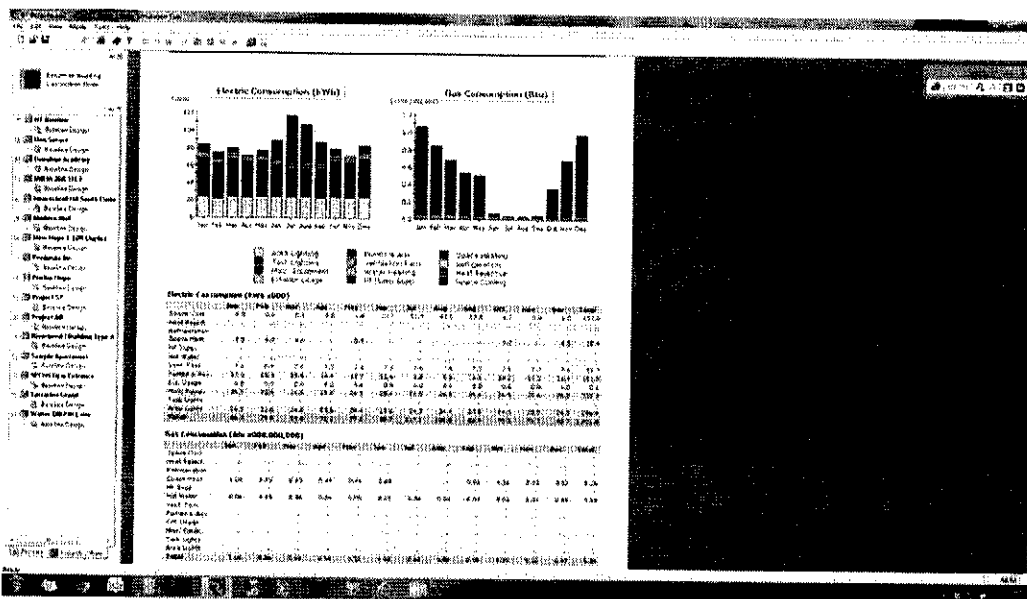
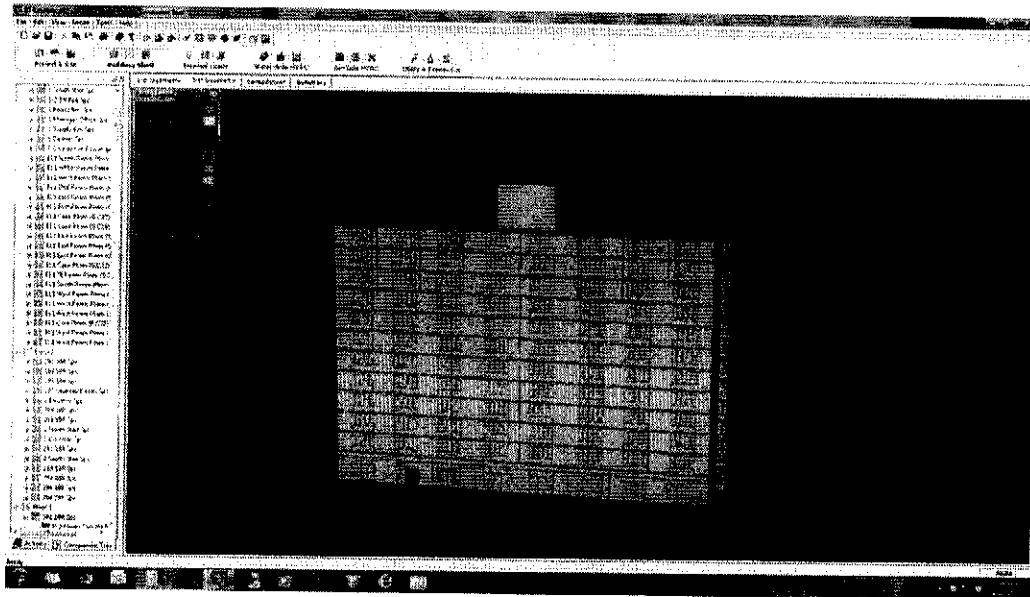
### eQUEST WHOLE BUILDING MODELING:

WWEC will utilize DOE developed eQUEST Building Modeling software to evaluate and quantify ECMs for all building types in the HACAP portfolio. Computerized building energy simulation provides the most accurate analysis of energy systems possible. Energy systems and ECMs will interact, either enhancing or detracting from the benefits and the cost savings value of each ECM. For example, a lighting retrofit project which reduced the electricity usage at a sight. However, electricity consumed by lighting also adds significant heat to the space. Reducing the lighting consumption will actually result in a increase in natural gas consumption during the heating season. In order to get a true estimate of the overall impact of the lighting system upgrade both utilities must be considered. The process is complicated exponentially when multiple energy upgrades are installed in a building. Imagine the interactivity when, for example, lighting, furnace, appliance, and hot water heating upgrades are all implemented simultaneously. Whole building modeling will provide accurate estimates of the net effect of all ECMs, ensuring the HACAP will have representative information from which to make energy conservation decisions.

Another significant benefit from having energy models available for the HACAP building inventory is the overall efficiency and cost benefit. Although the initial cost for performing an IGEA using models may be slightly higher than conventional approaches, once the models are completed they become the property of HACAP. These models can then be used to generate annual Utility Allowance Studies, 5-year energy audits, future GPNA/EA updates at a significantly reduced cost. All required information is already in the models. They only need to be update to reflect any modifications made to the building. The following chart pictorially represents the cost and efficiency benefits of whole building energy modeling.



The following pictures provide an example of whole building energy modeling as it was applied to a high-rise multi-family IGEA performed for a PHA in Michigan. The model incorporates all building components and materials, energy utilizing equipment, occupancy, operating and loads schedules to predict actual hourly energy consumption. Upon completion of the model an energy usage and cost profile is generated as shown below. The models developed for the HACAP will be much simpler than this example. However the value and functionality provided by the models will not be diminished.



WWEC would be pleased to prepare a session for the HACAP to review the modeling process and benefits in more detail.



### **FEMP BUILDING LIFE CYCLE COST ANALYSIS:**

The decision making process for O&M and capital funds allocation is a difficult one. Many needs are in competition with limited funding resources. In order to assist HACAP with prioritizing projects and understanding the long-term impact of the project under consideration, WWEC goes beyond basic initial implementation cost and simple payback calculations and incorporates project life-cycle cost analysis. WWEC utilize the FEMP BLCCA software developed by the DOE Federal Energy Management Program to perform the life-cycle cost analysis.

The FEMP BLCCA follows the requirements and guidelines presented in the NIST Handbook 135 Life-Cycle Cost Manual for Federal Energy Management Programs published by the U.S. Department of Commerce. Life-cycle cost analysis considers all aspects and components of a project from cradle to grave including inflation, O&M costs, depreciation, discount rate, etc. and provides valuable information on the overall financial feasibility and value of an individual project or a group of projects. As with ECMs, interactivity must be considered as the overall value financial performance of a group of projects can be significantly different than the sum of the individual ECM. More about the FEMP BLCCA software can be found at: [http://www1.eere.energy.gov/femp/information/download\\_blcc.html](http://www1.eere.energy.gov/femp/information/download_blcc.html).

The following page shows an example of a typical FEMP BLCCA report for the MI energy reduction project modeled above.



**PHA TOWER LCCA (AMP #2)**

PROJECT	PRESENT VALUE	ANNUAL VALUE
ECM-1: Base Case	\$ 2,281,711	\$ 194,398
ECM-1: Lighting	\$ 2,241,023	\$ 190,932
ECM VALUE (FAVORABLE)	\$ 40,688	\$ 3,466
ECM-2: Base Case	\$ 2,259,052	\$ 192,468
ECM-2: Water Conservation	\$ 2,263,006	\$ 192,805
ECM VALUE (UNFAVORABLE)	\$ (3,954)	\$ (337)
ECM-3: Base Case	\$ 2,262,389	\$ 192,752
ECM-3: Programmable Thermostats	\$ 2,295,152	\$ 195,543
ECM VALUE (UNFAVORABLE)	\$ (32,763)	\$ (2,791)
ECM-4: Base Case	\$ 2,265,290	\$ 192,999
ECM-4: Boilers	\$ 2,424,715	\$ 206,582
ECM VALUE (UNFAVORABLE)	\$ (159,425)	\$ (13,583)
ECM-5: Base Case	\$ 2,257,787	\$ 192,360
ECM-5: DW VFD	\$ 2,271,859	\$ 193,559
ECM VALUE (UNFAVORABLE)	\$ (14,072)	\$ (1,199)
ECM-6: Base Case	\$ 2,258,818	\$ 192,448
ECM-6: Exterior Light	\$ 2,276,811	\$ 193,981
ECM VALUE (UNFAVORABLE)	\$ (17,993)	\$ (1,533)
ECM-7: Base Case	\$ 2,256,528	\$ 192,253
ECM-7: Vending Mser	\$ 2,257,678	\$ 192,351
ECM VALUE (UNFAVORABLE)	\$ (1,150)	\$ (98)
ECM Base Case	\$ 2,299,182	\$ 195,887
ECM: All Bayshore Tower ECMs	\$ 2,497,348	\$ 212,770
ECM VALUE (UNFAVORABLE)	\$ (198,166)	\$ (16,883)

**PHA SCATTERED SITE LCCA (AMP #1)**

PROJECT	PRESENT VALUE	ANNUAL VALUE
ECM-13: Base Case	\$ 2,972,886	\$ 253,285
ECM-13: Lighting	\$ 2,940,744	\$ 250,547
ECM VALUE (FAVORABLE)	\$ 32,142	\$ 2,738
ECM-14: Base Case	\$ 2,969,626	\$ 253,008
ECM-14: Water Conservation	\$ 2,600,942	\$ 221,596
ECM VALUE (FAVORABLE)	\$ 368,684	\$ 31,412
ECM-16: Base Case	\$ 2,985,235	\$ 254,337
ECM-16: Boilers	\$ 3,092,068	\$ 263,439
ECM VALUE (UNFAVORABLE)	\$ (106,833)	\$ (9,102)
ECM-17: Base Case	\$ 2,967,886	\$ 252,859
ECM-17: Insulation	\$ 2,947,974	\$ 251,163
ECM VALUE (FAVORABLE)	\$ 19,912	\$ 1,696
ECM: Base Case	\$ 3,000,409	\$ 255,630
ECM: All Senior Center ECMs	\$ 2,700,199	\$ 230,053
ECM VALUE (FAVORABLE)	\$ 300,210	\$ 25,577

**PHA SENIOR CENTER LCCA (AMP #2)**

PROJECT	PRESENT VALUE	ANNUAL VALUE
ECM-8: Base Case	\$ 511,673	\$ 43,594
ECM-8: Lighting	\$ 502,599	\$ 42,821
ECM VALUE (FAVORABLE)	\$ 9,074	\$ 773
ECM-9: Base Case	\$ 485,616	\$ 41,374
ECM-9: Water Conservation	\$ 479,916	\$ 40,888
ECM VALUE (FAVORABLE)	\$ 5,700	\$ 486
ECM-10: Base Case	\$ 485,767	\$ 41,387
ECM-10: Programmable Thermostats	\$ 480,082	\$ 40,902
ECM VALUE (FAVORABLE)	\$ 5,685	\$ 485
ECM-11: Base Case	\$ 485,591	\$ 41,372
ECM-11: Refrigerator Heat Recovery	\$ 476,425	\$ 40,591
ECM VALUE (FAVORABLE)	\$ 9,166	\$ 781
ECM-12: Base Case	\$ 485,591	\$ 41,372
ECM-12: Strip Doors	\$ 482,771	\$ 41,131
ECM VALUE (FAVORABLE)	\$ 2,820	\$ 241
ECM Base Case	\$ 511,871	\$ 43,611
ECM: All Senior Center ECMs	\$ 479,492	\$ 40,852
ECM VALUE (FAVORABLE)	\$ 32,379	\$ 2,759

**EMHA ALL SITES LCCA**

PROJECT	PRESENT VALUE	ANNUAL VALUE
ECM: Base Case	\$ 5,812,680	\$ 495,231
ECM: All ECMs	\$ 5,709,549	\$ 486,445
ECM VALUE (FAVORABLE)	\$ 103,131	\$ 8,786

**WWEC BENEFITS AND EFFORTS PROJECT PRIORITIZATION TOOL (six-Sigma practice):**

The following figures are an example of the output from WWEC's Benefits and Efforts Matrix tool used to assign priorities to the projects and ECMs identified. WWEC understands that, in addition to energy reduction, there are many other parameters that a PHA must consider when evaluating the value of an individual project. By applying Six-Sigma techniques, a quantitative analysis of each individual ECM is performed and an overall B&E score is calculated. The scores are further prioritized in the "falling tree"



chart format with high priority ECMs in the upper left corner of the chart. As the "tree line" sweeps through the quadrant, it crosses additional projects in the recommended order as calculated by the B&E Matrix.

WWEC suggests that HACAP consider using the B&E Matrix on an ongoing basis when evaluating all projects and option while planning their capital expenditure programs and budgets. Projects can be added, removed or parked. New projects can be evaluated against existing projects and prioritized accordingly. This process removes much of the "emotion" out of the decision making process and provides documentation on why certain projects were chosen over other competing projects. The tool provides a quick, visual reference for discussing project prioritization and value with both senior management and interested employees or residents.

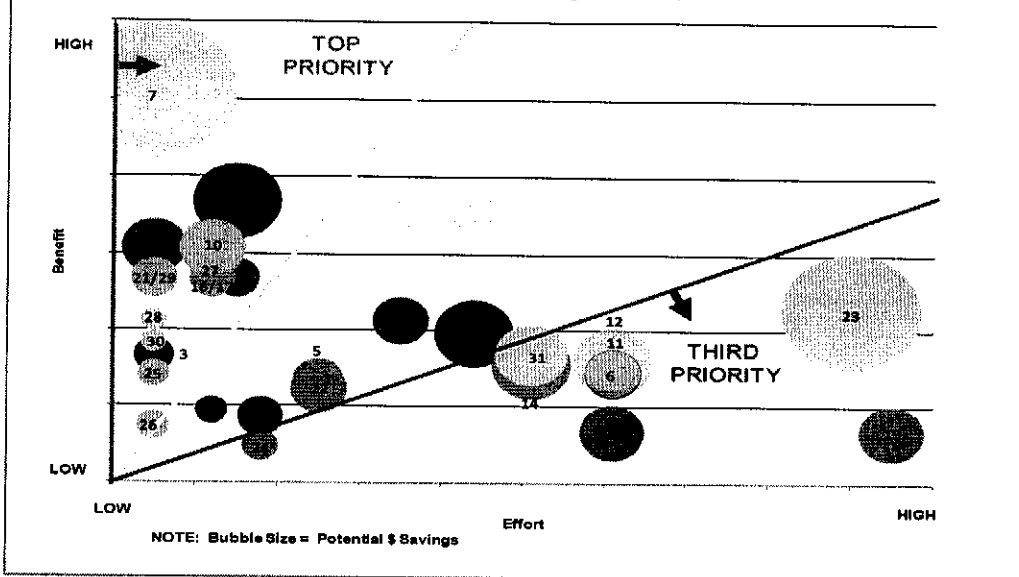
The numbers in each circle represent the project ID number and the size of the circle can be used to indicate any key parameter desired. In this case the circle size represents the total annual cost savings of the ECM.

XXXXXX XXXXX ENERGY AND SUSTAINABILITY BENEFIT AND EFFORT MATRIX

REPORT DATE

	Benefit					Effort					Benefit Score	Effort Score	Total
	Supports / Improves Site Safety	Return on Investment	Contribution to Carbon/GHG Reduction Goals - 10% CO2 (No/Low Cost) 20% GHG (Capital)	Cost per Lb of CO2 Reduced	Reduced Downtime/OSM Costs	Shutdown Requirements	Personnel Requirements	Product Quality / Recertification	Project Costs	Other Risk			
Potential Projects	10	7	10	7	3	7	5	10	10	3			
1	Implement employee involvement program/energy & sustainability KPI's	1	9	6	6	3	0	3	0	0	184	16	169
2	Meter facilities/production energy consumption / accountability	0	3	1	1	3	1	1	0	0	47	12	35
3	Some additional lighting control opportunities in areas like hallways, AHU rooms, cafeteria	1	6	1	3	0	0	1	0	0	83	5	78
4	Motion sensors/controls in warehouse	1	3	6	1	0	0	1	0	3	98	44	54
5	Install only energy efficient motors (when replaced)	0	3	3	1	3	1	1	0	1	67	26	42
6	Use process control system for reduced energy use in production (unnecessary running equipment, heaters)	1	1	3	1	6	1	3	0	3	72	61	11

XXXXXX, XXXXX Site - Project Priority, Benefit, and Effort Chart



**XXXX HOUSING AUTHORITY**  
 Financed Project \$985,000  
 Cash Flow - Net Effective Rate

Year	Energy Savings (@3.52% esc)	Water Savings (@4.53% esc)	Total Savings	Escrow	Debt Payment	Annual Fees		Replacement Costs	Total Liabilities	Annual Cash-Flow	Cumulative Cash-Flow
						M&V 1.5%	Maint. 3.0%				
Constr.	\$ -	\$ -	\$ -		\$ -	\$ -	\$0	\$0	\$ -	\$ -	\$ -
1	\$ 51,207	\$ 35,635	\$ 86,842		\$ 80,854	\$ 5,000	\$0	\$19	\$ 85,873	\$ 969	\$ 969
2	\$ 53,009	\$ 37,250	\$ 90,259		\$ 83,799	\$ 5,075	\$0	\$109	\$ 88,983	\$ 1,277	\$ 2,246
3	\$ 54,875	\$ 38,937	\$ 93,812		\$ 85,741	\$ 5,151	\$0	\$0	\$ 90,892	\$ 2,920	\$ 5,166
4	\$ 56,807	\$ 40,701	\$ 97,508		\$ 88,851	\$ 5,228	\$0	\$1,849	\$ 95,928	\$ 1,580	\$ 6,746
5	\$ 58,807	\$ 42,545	\$ 101,351		\$ 92,304	\$ 5,307	\$0	\$2,833	\$ 100,444	\$ 907	\$ 7,653
6	\$ 60,877	\$ 44,472	\$ 105,349		\$ 93,333	\$ 5,386	\$0	\$2,771	\$ 101,490	\$ 3,858	\$ 11,512
7	\$ 63,019	\$ 46,487	\$ 109,506		\$ 95,533	\$ 5,467	\$0	\$19	\$ 101,019	\$ 8,487	\$ 19,998
8	\$ 65,238	\$ 48,592	\$ 113,830		\$ 97,204	\$ 5,549	\$0	\$5,990	\$ 108,742	\$ 5,088	\$ 25,086
9	\$ 67,534	\$ 50,794	\$ 118,328		\$ 97,204	\$ 5,632	\$0	\$2,162	\$ 104,998	\$ 13,330	\$ 38,416
10	\$ 69,911	\$ 53,095	\$ 123,006		\$ 97,204	\$ 5,717	\$0	\$8,068	\$ 110,988	\$ 12,017	\$ 50,433
11	\$ 72,372	\$ 55,500	\$ 127,872		\$ 97,204	\$ 5,803	\$0	\$2,309	\$ 105,315	\$ 22,557	\$ 72,990
12	\$ 74,920	\$ 58,014	\$ 132,934		\$ 97,204	\$ 5,890	\$0	\$1,281	\$ 104,374	\$ 28,560	\$ 101,550
13	\$ 77,557	\$ 60,642	\$ 138,199		\$ 97,204	\$ 5,978	\$0	\$1,294	\$ 104,476	\$ 33,723	\$ 135,273
14	\$ 80,287	\$ 63,389	\$ 143,676		\$ 97,204	\$ 6,068	\$0	\$703	\$ 103,975	\$ 39,701	\$ 174,974
15	\$ 83,113	\$ 66,261	\$ 149,373		\$ 97,204	\$ 6,159	\$0	\$4,236	\$ 107,598	\$ 41,775	\$ 216,749
	\$ 989,532	\$ 742,313	\$1,731,845	\$ -	\$1,398,044	\$ 83,411	\$0	\$33,641	\$1,515,096	\$ 216,749	

## **ENERGY PERFORMANCE CONTRACT DEVELOPMENT AGREEMENT**

This Energy Performance Contract Development Agreement (the "Agreement") is made and entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 2014 at Avon Park, in the County of Highlands, State of Florida, by and between Wind, Water, & Energy Conservation, LLC, having its principal offices at 597A Corey Avenue, St. Pete Beach, FL 33706 (hereafter referred to as "Company") and Avon Park Housing Authority with its principal offices at 21 Tulane Drive, Avon Park, FL 33825 (hereafter referred to as "Client") for the purpose of developing a Revised Investment Grade Energy Audit Report (hereafter referred to as "Revised Report") and a HUD approved Energy Performance Contract (EPC) at Client's site. Company will incorporate, revise and complete the previous Investment Grade Energy Audit (hereafter referred to as "IGEA") produced by third party energy service provider (hereafter referred to as "ESCO") before their withdrawal from the project and subsequent termination of services. Client's Facilities as listed in Attachment A will be included in this Agreement. Water/Energy Conservation Measures (hereafter jointly referred to as "ECMs") identified by ESCO as well as additional measures as may be identified by Company will be further evaluated along with baseline energy and water usage and spend data. The complete Revised Report and Energy Performance Contract Proposal (EPC) will be presented to and approved by the Client's Board prior to being submitted to HUD for approval.

### **WITNESSETH**

WHEREAS, Client issued a Request for Proposals (RFP) to select an energy services company to implement an EPC at the Facilities listed in Attachment A and advertised in the RFP publicly; and

WHEREAS, ESCO was selected as the energy services company and agreed to fully comply with and perform the obligations and duties set forth in the subject RFP; and

WHEREAS, ESCO has withdrawn from the project and failed to meet contractual obligations and Company has been selected to complete the EPC development and will comply with, and perform the obligations and duties set forth in the subject RFP; and

WHEREAS, in accordance with HUD Regulations 24 CFR 965.300-308 and relevant guidance, Company will evaluate, revise, and complete the IGEA previously submitted by ESCO and submit Revised Report which must be produced in order to determine the feasibility of entering into an EPC to provide for the installation and implementation of ECMs at the Facilities, with competitively bid subcontractors and pricing, completion of the Revised HUD Checklist, and other detailed requirements for HUD approval; and

WHEREAS, if the EPC as described in the Revised Report is demonstrated to be feasible, i.e., if the amount of water/energy savings can be reasonably ascertained and guaranteed in an amount sufficient to cover all costs associated with the project at the Facilities, and in accordance with 24 CFR 990.185, 24 CFR 965.305 and 24 CFR 965.308 Performance Contract requirements, then the Parties intend to enter into a guaranteed EPC under which Company shall design, install, implement, maintain, and measure the savings from such ECMs at the Facilities, subject to review and approval by HUD;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, Client and Company (hereafter, collectively the "Parties") hereto covenant and agree as follows:

## **ARTICLE 1: SCOPE OF ENERGY PERFORMANCE CONTRACT PROPOSAL AND REVISED REPORT**

Company will review, evaluate and revise the existing IGEA and develop an updated detailed engineering and economic Revised Report in accordance with current HUD requirements as of the Commencement Date, and which specifically identifies the ECMs and operational changes which are recommended to be installed or implemented at the Facilities. The Revised Report shall contain detailed projections of water/energy consumption and cost savings to be obtained at the Facilities as a result of the installation of the recommended ECMs. The savings calculations in the Revised Report will utilize revised and updated assumptions, projections, and baselines which represent the value of future water and energy for the Facilities, including use of:

- a) Net Effective Rate or marginal cost, at Company's option, for each unit of savings at the time the Revised Report is developed; and
- b) Building modeling and/or calculations that account for the interactive effects of the recommended ECMs; and creation of a revised and updated detailed baseline based on Client's utility bill data and records and adjustments to the baseline to reflect current conditions at the Facilities compared to the historic base period as allowed by HUD, including but not limited to billing errors, recording errors, meter malfunctions and errors, weather conditions, occupancy, mal-functional and/or offline equipment, code requirements, and recently installed energy-efficient equipment.

The Revised Report shall include all anticipated costs associated with the installation and implementation of the ECMs. The primary purpose of the Revised Report is to provide an engineering and economic basis for negotiating the EPC between the Parties; however, Client shall be under no obligation to negotiate such a contract.

Company shall perform the following tasks in developing the Revised Report and EPC:

### **A. Review and Update General Facilities Information**

Company shall review previously reported general Facilities information such as: size, age, construction type, condition, and general use of the Facilities, and recent energy-savings improvements to the Facilities. Company shall also review and summarize Facilities utility cost and consumption data for the Baseline Period as defined presented in the existing Report. Client shall provide additional or confirming utility cost and consumption data as requested by Company. Company shall confirm or revise the impact on utility cost and consumption of any energy initiatives recently installed or currently being installed by Client in the Facilities, and shall determine the savings from these improvements and keep them separate from savings from EPC-installed improvements.

Client shall furnish (or cause its energy suppliers to furnish) updated data listed on Attachment B as requested by Company if the previously provided ESCO's data is inadequate. Requested occupancy, site, and utility-related data shall be furnished to Company within two (2) weeks of the Commencement Date (and such date shall be known as the Required Utility Data Submission Date), and all other requested data shall be furnished to Company within three (3) weeks of the Commencement Date (and such date shall be known as the Other Required Data Submission Date). Any delays by Client in submitting all required data to Company within these timeframes shall result in corresponding additions of time to the schedule for this Agreement. Client acknowledges that time is of the essence in furnishing all required data.



Client shall make its management, maintenance/operations, finance and other staff available upon request by Company, for interviews of staff, access to units for physical inspection, and access to mechanical/electrical areas of the Facilities.

**B. Analyze Existing Systems and Equipment**

Company shall review and revise analysis based on previous third party observations, data, and reports supplemented with a physical inspection of the major water, electrical and mechanical systems at the Facilities, including, as applicable:

- Heating, cooling, distribution and ventilation systems and related equipment;
- Automatic temperature control systems and equipment, if applicable;
- Outdoor ventilation systems and equipment;
- Kitchen and associated dining room equipment, if applicable;
- Exhaust systems and equipment;
- Hot water systems and equipment;
- Electric motors 5 HP and above, transmission and drive systems;
- Building envelope;
- Interior and exterior lighting;
- Laundry equipment, if owned by Client;
- Water consuming equipment;
- Potential for use of renewable and/or alternative energy; and
- Other major energy using systems, if applicable.

The analysis shall address the following considerations:

1. The loads, proper sizing, efficiencies or hours of operation for each system
2. Current operating condition for each system.

Company shall conduct interviews with Facilities operation and maintenance staff regarding the Facilities mechanical systems operation, occupancy patterns, and problems with comfort levels or equipment reliability.

**C. Establish Baseline for Authority-paid and Resident-paid Utilities**

For Authority-paid (AP) bills, Company shall examine the utility bills and Client's records and ESCO's data and calculations for the Baseline Period and establish a Baseline Consumption Level for electricity, fossil fuels, and water as adjusted as described above, so that the Baseline is a reasonable representation of the utilities consumed.

For Resident-paid (RP) bills, Company shall examine the current tenant utility allowance study as well as the revised utility allowances proposed by ESCO. If current cost and consumption allowances are determined to be reasonable pursuant to HUD regulations 24 CFR 965.501-508, then the current allowances shall be used as the baseline consumption allowances. If they are determined to be unreasonable pursuant to those HUD regulations, then Company shall evaluate and revise ESCO's proposed allowances or have a new tenant utility allowance study prepared, with both cost and consumption allowances that are reasonable pursuant to those HUD regulations, and those new allowances shall be implemented prior to the EPC closing and shall be the baseline consumption allowances. The sum of the baseline consumption allowances in place at the time of the EPC closing shall serve as the baseline consumption for that utility at that site.

D. Revised Report

In the Revised Report and associated Revised HUD Checklist, Company shall:

- a) Review and revise the ESCOs existing Report which describes the Facilities, possible measures evaluated, and a final list of all ECMs and savings.
- b) Provide updated savings estimates, taking into account interactivity of ECMs. Company shall review methodology, calculations and results and revise the cost and savings estimates where revisions to the initial report are required.
- c) Review, revise, or modify descriptions of planned installation/implementation for each ECM, including proposed equipment and anticipated implementation issues, if applicable.
- d) Review reported measures not evaluated in depth and confirm the explanation of why a detailed analysis was not performed.
- e) Provide a final revised and updated financial analysis of the EPC, including construction plan, cash flow, and amortization schedule, in the style required by HUD, if applicable.
- f) Provide revised and updated detailed estimates, pursuant to HUD requirements as of the Commencement Date, of all costs and fees associated with the installation and implementation of the ECMs.
- g) Revise and update the existing Baseline Report and Baseline Report Analysis that describes the Baseline, in compliance with HUD requirements as of the Commencement Date.
- h) Complete the Revised HUD Checklist as of the Commencement Date.
- i) Review and update information on incentives, grants, rebates, etc., that Company shall research and apply for, as it solely deems appropriate and relevant to this Agreement, and integrate incentives, grants, rebates, etc., into the construction plan and/or cash flow analysis for the EPC, if applicable.
- j) Review and update conclusions, observations, and caveats regarding cost and savings estimates.
- k) Review and update input data and all assumptions used to prepare the analysis.

E. Guaranteed Savings Estimates

Client has endeavored to provide Company with sufficient general and specific guidance in Article 1, Section A to develop the savings estimates for the Revised Report.

The following items will be allowed as savings or in the development of savings estimates:<sup>1</sup>

- Escalation rates of 3% for natural gas
- Escalation rates of 3% for electricity
- Escalation rates of 3% for water

<sup>1</sup>It should be noted that during the EPC, the actual value of fuel and water unit savings will be escalated using rate increases as they occur over the term of the contract. It is also noted that the base rate value for each fuel and water unit will not devalue in the event of any rate decrease; there shall be a floor rate within the EPC for each utility that Company can use at its option.

**ARTICLE 2: DATES AND SCHEDULE**

A. Term of Agreement

The term of this Agreement shall commence on the Commencement Date (as defined below) and shall not end earlier than four hundred (400) days after the Commencement Date, subject to all other provisions of this Agreement.

B. Commencement Date

The Commencement Date shall be the date a fully executed original of this Agreement is received by the Company.

C. Required Utility Data Submission Date

The Required Utility Data Submission Date shall be two (2) weeks after the Commencement Date.

D. Required Other Data Submission Date

The Required Other Data Submission Date shall be three (3) weeks after the Commencement Date.

E. Submission of the first draft of the Revised Report

Company shall submit the first draft of the Revised Report within sixty (60) days of said Commencement Date.

F. Acceptance of the Revised Report

Client shall have ten (10) business days from receipt of the first draft of the Revised Report to notify Company if any items need to be corrected. Upon such notification, Company shall have thirty (30) days to submit the second draft of the Revised Report, and Client shall have ten (10) business days to accept this draft as the Revised Report. The approved report shall be named the Revised Report, and Client shall sign a statement indicating its acceptance of the Revised Report.

G. Disclaimer

All timing and schedules shall be subject to corresponding adjustments for delays in Company's receipt of all required information, Notice to Proceed, and/or directions from Client by the Dates herein indicated, and subject to delays caused by other events beyond Company's control, including but not limited to material changes in HUD requirements for IGEAs, HUD Checklist documentation, and/or HUD requirements for EPCs.

### **ARTICLE 3: ENERGY PERFORMANCE CONTRACT**

The Parties intend to enter into an EPC, in accordance with all applicable HUD requirements in place at the Commencement Date, under which Company shall design, install, and implement ECMs which the Parties have agreed to, and provide certain measurement and verification services. However, nothing in this Agreement should be construed as an obligation on any of the Parties to execute such an EPC. The terms and provisions of such an EPC shall be set forth in a separate agreement; and such an EPC shall be subject to Board and HUD approval.

### **ARTICLE 4: COMPENSATION**

In consideration for completing the Revised Report and preparing the EPC for HUD approval as described in this Agreement, Company shall be paid fifteen thousand dollars (\$15,000), within forty-five (45) days of submission of invoice, except that if Client provides Board approval of the proposed EPC within forty-five (45) days of submission of the Revised Report, then Company shall delay the payment

date until the EPC is executed, and Client shall pay Company from the EPC financing. If Client does not provide Board approval of the proposed EPC within forty-five (45) days, then Client shall pay the invoice without further delay.

## **ARTICLE 5: STANDARD TERMS AND CONDITIONS**

### **A. Independent Contractor**

In performing the services required by this Agreement, Company will act as an Independent Contractor and not as an employee or agent of Client.

### **B. Compliance With Law**

Company shall perform its obligations hereunder in compliance with any and all applicable federal, state, and local laws, rules, and codes, regulations, in effect at the time of this agreement and in accordance with sound engineering and safety practices, and in compliance with any, and all reasonable rules of Client, relative to the Facilities.

Company shall comply with all statutes and regulations of the State concerning environmental quality. Company is responsible for any violations and shall secure all required permits.

### **C. Taxes**

Client is exempt from all excise taxes imposed by the Internal Revenue Service.

### **D. Patent, Copyright, And Trademark Indemnity**

Company warrants that it is the sole Client or author of, or has entered into a suitable legal agreement concerning either:

- a) the design of any product or process provided or used in the performance of this Agreement which is covered by a patent, copyright, or trademark registration or other right duly authorized by state or federal law or any copyrighted matter in any report document or other material provided to Client under the contract. Company shall defend any suit or proceeding brought against Client on account of any alleged patent, copyright or trademark infringement in the United States of any of the products provided or used in the performance of the Contract. This is upon condition that Client shall provide prompt notification in writing of such suit or proceeding:
- b) full right, authorization, and opportunity to conduct the defense thereof; and
- c) full information and all reasonable cooperation for the defense of same. As principles of governmental or public law are involved, Client may participate in or choose to conduct, in its sole discretion, the defense of any such action. If information and assistance are furnished by Client at Company's written request, it shall be at Company's expense, but the responsibility for such expense shall be only that within Company's written authorization.

### **E. Clientship Rights**

Company continues to own any submitted report, data, and materials that is designed or developed and delivered to Client. Client shall have unrestricted authority to reproduce, distribute, and use any submitted report, data, or material, and any software or modifications and any associated documentation that is designed or developed and delivered to Client as part of the performance of this Agreement. Company shall have no responsibility to Client or others for any use of information provided by Company unless it is implemented through a subsequently-executed EPC with Company.

F. Hold Harmless Provision

Company shall hold Client harmless from and indemnify Client against any and all claims, demands and actions based upon or arising out of any activities performed by Company and its employees and agents under this Agreement and shall, at the request of Client, defend any and all actions brought against Client based upon any such claims or demands.

Client shall hold Company harmless from and indemnify Company against any and all claims, demands and actions based upon or arising out of any activities performed by Client and its employees and agents under this Agreement and shall, at the request of Company, defend any and all actions brought against Company based upon any such claims or demands.

G. Audit Provisions

Client and its authorized agent shall have the right, at reasonable times and at a site designated by Client, to audit the books, documents and records of Company to the extent that the books, documents and records relate solely to costs or pricing data for this Agreement. Company agrees to maintain records which will support the prices charged and costs incurred for this Agreement. Company shall give full and free access to all records to Client and/or their authorized representatives.

H. Termination Provisions

a) By Company:

Company may terminate this Agreement prior to the completion of the Revised Report and EPC or subsequent to the completion of the Revised Report and EPC if:

After initial review of the existing IGEA Report, it determines that the energy cost savings would be insufficient to cover the costs associated with performing this analysis, ECMs and related measurement and verification services.

b) By Client:

Client may terminate this Agreement:

If Company fails to complete the Revised Report to Client by the date established in Article 2, above; or fails to obtain a written extension of that date from Client, except that if Client was delayed in providing Required Data then no written extension shall be required for the corresponding adjustment of days delayed. Termination under this subsection (i) shall be effective upon Company's receipt of written notification from Client that the deadline for submission of the Revised Report and EPC has past.

I. Applicable Law

This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the State of Florida (without regard to any conflict of law provisions) and the decisions of the Florida courts. Any dispute relative to this Agreement shall be exclusively venued in the Common Pleas Court of the Highlands County, Florida or in the United States District Court.

J. Integration

This Agreement, including all referenced documents, constitutes the entire Agreement between the Parties. No agent, representative, employee or officer of either Client or Company has authority to make, or has made, any statement, agreement or representation, oral or written, in connection with this Agreement, which in any way can be deemed to modify, add to or detract from, or otherwise

change or alter its terms and conditions. No negotiations between the Parties, nor any custom or usage, shall be permitted to modify or contradict any of the terms and conditions of this Agreement. No modifications, alterations, changes, or waiver to this Agreement or any of its terms shall be valid or binding unless accomplished by a written amendment signed by both Parties.

K. Materials, Equipment And Supplies

Company shall provide or cause to be provided all facilities, materials, equipment, and supplies necessary to develop the Revised Report and EPC.

L. Personnel

All personnel necessary for the effective development of the EPC and preparation of the Revised Report shall be employed by Company and its subcontractors and shall be qualified to perform the services required under this Agreement. Neither Company, nor its subcontractors, nor its personnel shall be considered to be agents or employees of Client.

M. Notice

Any written notice under this Agreement to Client is sufficient if mailed certified, return receipt or similar parcel delivery service method to:

Mr. Larry Shoeman, Executive Director  
Avon Park Housing Authority  
21 Tulane Drive  
Avon Park, FL 33825

Any written notice under this Agreement to Company is sufficient if mailed certified, return receipt or similar parcel delivery service method to:

Leo Radkowski, Vice President of Operations  
Wind, Water, & Energy Conservation, LLC  
4615 Gulf Blvd., Suite 214  
St. Pete Beach, FL 33706

N. Property/Casualty Insurance Indemnification, Workers Compensation, and Liability Insurance At all times during the terms of this Agreement, Company and Subcontractors shall maintain in full force and effect at its expense:

- a) Worker's Compensation Coverage/Certificate as required by the Florida Workers' Compensation Bureau sufficient to cover the employees of Company /employees of Subcontractors working to fulfill this Agreement; and
- b) Liability Insurance on the Equipment operation, and on service of the Equipment. The limits of such insurance shall be not less than \$1,000,000 for injury to or death of one person in a single occurrence and not less than \$1,000,000 for a single occurrence of property damage. Such policies shall name the Client as an Additional Insured.

Damage/Injury Responsibility Company shall be responsible for any damages to the Equipment or other property at the Facilities, and any personal injury, where such damage or injury occurs solely as a result of Company's performance or failure to perform under this Agreement.

O. Casualty Or Condemnation Of Premises

Any construction or restoration of Facilities, following or necessitated by fire, flood, or other Act of God or casualty, or any condemnation affecting any portion of Facilities, shall be deemed a Material Change and shall require an Amendment to this Agreement, at least in terms of the Schedule.

P. Conditions Beyond Control Of The Parties

Neither party shall be liable in damages or have the right to terminate this Agreement for any delay or default in performing hereunder if such delay or default is caused by conditions beyond its control including, but not limited to Acts of God, Government restrictions (including the denial or cancellation of any export or other necessary license), wars, insurrections and/or any other cause beyond the reasonable control of the party whose performance is affected, except that this Agreement may be terminated by Company at its sole discretion if (an) Act(s) of God make(s) it impossible for Company to perform its duties hereunder and in such case Client shall make payment to Company for all services rendered to date.

Q. Events Of Default

1. Events of Default by Client The following events or conditions shall each constitute an "Event of Default" by Client:

- a) any Material Failure by Client to perform or comply with the terms and conditions of this Agreement, including breach of any covenant contained herein; except that such failure if corrected or cured within one hundred twenty (120) days after Notice to Client demanding that such failure to perform be cured shall be deemed cured for purposes of this Agreement;
- b) the filing of bankruptcy, whether by Client or its creditors against Client, which proceedings shall not have been dismissed within one hundred twenty (120) days of its filing, or an involuntary assignment for the benefit of all creditors or the liquidation of Client; and
- c) any representation or warranty furnished by Client in this Agreement which, when made, was false or misleading in any material respect.

2. Events of Default by Company Each of the following events or conditions shall constitute an "Event of Default" by Company:

- a) any Material Failure by Company to perform or comply with the terms and conditions of this Agreement, including breach of any covenant contained herein except that such failure, if corrected or cured within one hundred twenty (120) days after Notice to Company demanding that such failure to perform be cured, shall be deemed cured for purposes of this Agreement;
- b) the filing of bankruptcy, whether by Company or its creditors against Company, which proceeding shall not have been dismissed within one hundred twenty (120) days of its filing, or an involuntary assignment for the benefit of all creditors or the liquidation of Company; and
- c) any representation or warranty furnished by Company in this Agreement which, when made, was false or misleading in any material respect.

R. Remedies Upon Default

Remedies upon Default by Client In the Event of Default by Client, Company may exercise all remedies available at law or in equity, or institute other appropriate proceedings including, without limitation, bringing an action or actions from time to time for specific performance, and/or for the

recovery of amounts due and unpaid by Client, and/or for damages, which shall include all costs and expenses reasonably incurred, including attorney's fees.

Remedies upon Default by Company In the Event of Default by Company, Client may exercise all remedies available at law or in equity, or institute other appropriate proceedings including, without limitation, bringing an action or actions from time to time for specific performance, and/or for the recovery of amounts due and unpaid by Company, and/or for damages, which shall include all costs and expenses reasonably incurred, including attorney's fees.

S. Representations And Warranties

Each Party warrants and represents to the other that:

- a) it has all requisite power, authority, licenses, permits, and franchises, corporate or otherwise, to execute and deliver this Agreement and all related Amendments and to perform its obligations hereunder;
- b) its execution, delivery, and performance – in accordance with its original instruments, and this Agreement and all related and/or Attachments – has been or shall be duly executed and delivered for it by the signatories so authorized, and it constitutes its legal, valid, and binding obligation;
- c) its execution, delivery and performance of this Agreement and related Amendments, Allowance Authorizations, or Attachments, shall not result in a breach or violation of, or constitute a default under, any Agreement, Tax-exempt Municipal Lease-Purchase Agreement, or instrument to which it is a party or by which it or its properties may be bound or affected; or
- d) it has not received any notice, nor to the best of its knowledge is there any pending or threatened notice, of any violation of any applicable laws, ordinances, regulations, rules, decrees, awards, permits or orders which would materially and adversely affect its ability to perform hereunder.

T. No Waiver

The failure of Company or Client to insist upon the strict performance of the terms and conditions hereof shall not constitute or be construed as a waiver or relinquishment of either Party's right to thereafter enforce the same in accordance with this Agreement in the event of a continuing or subsequent Default on the part of the other Party.

U. Severability

In the event that any clause or provision of this Agreement or any part thereof shall be declared invalid, void, or unenforceable by any court having jurisdiction, such invalidity shall not affect the validity or enforceability of the remaining portions of this Agreement unless the result would be manifestly inequitable or unconscionable.

V. Indemnity

Client agrees to indemnify and holds harmless Company, its officers, directors, employees, and other agents, against, and from any, and all claims of officers, directors, employees, staff, residents, and all other agents of client for personal injury, damages, or losses of any kind or description arising out of this Agreement or its implementation, except for only such injury or losses which are directly caused by and exclusively attributable to the negligence or willful misconduct of Company, its officers, directors, employees, or other agents.



W. Further Documents

The Parties shall execute and deliver all documents and perform all further acts that may be reasonably necessary to effectuate the provisions of this Agreement.

X. Headings

Headings, subtitles, and italics used throughout this Agreement are for the purpose of convenience only, and no heading, subtitle, or use of italicized text shall modify or be construed to interpret the text of any section.

**THE REMAINDER OF THIS PAGE  
HAS BEEN LEFT BLANK INTENTIONALLY.**

**IN WITNESS WHEREOF**, the Parties have executed this Agreement this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

**AVON PARK HOUSING AUTHORITY**

ATTEST:

\_\_\_\_\_  
Mr. Eric Longshore  
Board Chairperson

\_\_\_\_\_  
Mr. Larry Shoeman, Executive Director  
Avon Park Housing Authority

**WIND, WATER, & ENERGY CONSERVATION, LLC**

ATTEST:

\_\_\_\_\_  
Leo M. Radkowski, VP of Operations  
Wind, Water, & Energy Conservation, LLC

\_\_\_\_\_  
John E. Overmyer, President  
Wind, Water, & Energy Conservation, LLC

**ATTACHMENT A:  
LIST OF FACILITIES**

Client's Facilities to be evaluated are as follows:

Delaney Heights - Elderly	50
Lakeside Park I & II	79
<b><u>Grand Total</u></b>	<b><u>129</u></b>

**ATTACHMENT B:  
REQUIRED DATA CHECKLIST (AS REQUESTED BY COMPANY)**

See attached.

**Energy Services Agreement**

**ENERGY SERVICES AGREEMENT**

The Energy Services Agreement ("the Agreement") is made and entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 2013 at \_\_\_\_\_, by and between Wind, Water & Energy Conservation, LLC, having its principal offices at 4615 Gulf Blvd, Suite 214, St. Pete Beach, FL 33706 (hereafter referred to as "Company") and Traverse City Housing Commission with its principal offices at 150 Pine Street, Traverse City, MI 49684-7814 (hereafter referred to as "Client") for the purpose of implementing a Water/Energy Conservation Program (hereafter referred to as "Program") to reduce Client's water/energy consumption and cost at Client's Facilities (hereafter referred to as "Facilities") listed in Attachment 1 Schedule A (hereafter referred to as "Schedule A") which shall be accomplished by the following:

- a) Installing certain Water/Energy Conserving Equipment (hereafter referred to as "Equipment") as described in Attachment 1 – Schedule B (hereafter referred to as "Schedule B"); and

\_\_\_\_\_

WITNESSETH

WHEREAS, Client owns and operates Facilities incorporated in this Agreement which are in need of Equipment and services designed to reduce water/energy and consumption costs at said Facilities; and

WHEREAS, Company is an energy services company, and is knowledgeable and experienced regarding the reduction of water/energy consumption through the implementation of water/energy conservation measures (hereafter referred to as "ECMs") and installing related Equipment at other public housing authorities; and

WHEREAS, Company has made an assessment of Facilities' Commission-paid (hereafter referred to as "CP") and Resident-paid (hereafter referred to as "RP") water/energy Baseline Consumptions by Facility and Client's CP and RP net average rates for the Lag Year, which Client has approved and which are found in Attachment 1 – Schedule C (hereafter referred to as "Schedule C") for CP utilities and Attachment 1 – Schedule D (hereafter referred to as "Schedule D") for RP utilities; and

WHEREAS, Company has prepared and Client has reviewed and approved Attachment 2: the Final Report of the Investment-Grade Energy Audit dated June 6, 2012 (hereafter referred to as the "Final Report"); and

WHEREAS, Client has determined the list of improvements to be implemented as shown on the HUD Cost Summary Sheet shown in Schedule B Table 4 to be in Client's best interests; and

WHEREAS, Client desires to retain Company to manage installation of certain Equipment as described in Schedule B; and

WHEREAS, Company, with Client's approval, shall select the necessary Equipment and install it using Subcontractors and shall require Subcontractors to adhere to relevant requirements of this Agreement; and

WHEREAS, Client shall procure and obtain third-party financing of the Agreement's Total Implementation Cost; and

WHEREAS, Company shall provide other services for the purpose of reducing water/energy consumption and cost within Facilities as more fully set forth herein; and

## **Energy Services Agreement**

WHEREAS, to ensure the persistence of water/energy consumption and cost savings and to maintain Equipment in good, proper operating condition, Client shall perform its responsibilities as defined in this Agreement; and

WHEREAS, Client is authorized under the Constitution and the laws of the State of [REDACTED] to enter into this Agreement for the purposes set forth herein; and

WHEREAS, Client received Board approval on March 20, 2012 to enter into this Agreement; and

WHEREAS, Client is approved by the U.S. Department of Housing and Urban Development (HUD) to enter into this Agreement for an Energy Performance Contract (hereafter referred to as "EPC") funded by the Frozen Rolling Base and Resident-paid Incentives through HUD's Energy Incentive Program for Public Housing.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, Client and Company (hereafter collectively referred to as "the Parties") hereto covenant and agree as follows:

### SECTION 1 WATER/ENERGY MANAGEMENT PLAN ATTACHMENTS

Section 1.1 Water/Energy Conservation Program Company has developed the Program for Client to reduce water/energy consumption at Client's Facilities, which shall be accomplished by Company and Client each performing its responsibilities in this Agreement

Section 1.2 Attachment 1: Schedules Company has prepared and Client has approved and accepted the Schedules set forth in Attachment 1 hereto, copies of which are attached hereto and made a part hereof.

Section 1.3 Attachment 2: Final Report of the Investment-Grade Energy Audit Company has prepared the Final Report dated June 6, 2012, which has been approved and accepted by Client. The Final Report becomes Attachment 2 hereto of this Agreement by reference and is made a part hereof.

Section 1.4 Attachment 3: Energy Audit Agreement The Parties executed the Energy Audit Agreement on July 1, 2011. The Energy Audit Agreement becomes Attachment 3 hereto of this Agreement and is made a part hereof.

Section 1.5 HUD Checklist The HUD Checklist response submitted by Client to HUD for review and approval is not and shall not be an attachment to this Agreement.

### SECTION 2 REQUIRED ATTACHMENTS

Section 2.1 Attachment 4: HUD Form-5370 As required by current HUD guidance as of the Closing Date, HUD Form-5370 as published on 11/2006 has been completed, a copy of which is attached hereto and made a part hereof.

Section 2.2 Attachment 5: HUD Form-5369A As required by current HUD guidance as of the Closing Date, HUD Form-5369A as published on 11/1992 has been executed by Company on June 6, 2012, a copy of which is attached hereto and made a part hereof.

## **Energy Services Agreement**

Section 2.3 Attachment 6: Legal Review of Energy Services Agreement as required by current HUD guidance, a copy of which is attached hereto and made a part hereof.

Section 2.4 Attachment 7: Cost Reasonableness Certification as required by current HUD guidance, a copy of which is attached hereto and made a part hereof.

Section 2.5 Attachment 8: Condition Pre-approval for Related Energy Conservation Measures as required by current HUD guidance, a copy of which is attached hereto and made a part hereof.

### **SECTION 3 ORDER OF PRECEDENCE**

Section 3.1 In case of any discrepancy between this fully-executed Agreement, fully-executed Allowance Authorization(s), fully-executed Amendments, and/or any Attachments, the following Order of Precedence shall prevail:

- (i) Attachment 4 – HUD Form-5370 to this Agreement, followed by;
- (ii) Fully-executed Amendment(s) to this Agreement (most recent takes precedence), followed by;
- (iii) Fully-executed Allowance Authorization(s) to this Agreement (most recent takes precedence), followed by;
- (iv) The Agreement, followed by;
- (v) Attachment 1 – List of Schedules to this Agreement;
- (vi) Attachment 2 – Investment-Grade Energy Audit to this Agreement, followed by;
- (vii) Attachment 3 – Energy Audit Agreement to this Agreement;
- (viii) Attachment 5 – HUD Form-5369A to this Agreement;
- (ix) Attachment 6 – Legal Review of ESA to this Agreement;
- (x) Attachment 7 – Cost Reasonableness to this Agreement; and
- (xi) Attachment 8 – Conditional Pre-approval of Related Energy Conservation Measures to this Agreement.

### **SECTION 4 DEFINITIONS, AGREEMENT DATES, AND TERM**

Section 4.1 Closing Date The Closing Date shall be the day this Agreement is fully executed, and it shall be the beginning date of this Agreement. This Date shall also serve as the Notice to Proceed Date, and by executing this Agreement, Client has thereby provided Company with a Notice to Proceed.

## **Energy Services Agreement**

- Section 4.2 Term of Agreement The Term of this Agreement shall begin at the Closing Date and shall end on December 31<sup>st</sup> which is eleven (11) years after the Closing Date.
- Section 4.3 Baseline Period Pursuant to current HUD guidance as of the Closing Date, the Baseline Period for this Agreement shall be July 1, 2007 through June 30, 2010.
- Section 4.4 Lag Year Pursuant to current HUD guidance as of the Closing Date, the Lag Year for this Agreement shall be July 1, 2010 through June 30, 2011.
- Section 4.5 Interim Period The period from the Closing Date until the Commencement Date, i.e., the installation period and tenant utility post consumption and cost allowance implementation period, shall be known as the Interim Period.
- Section 4.6 Post-installation Period A term referring to any time after Client has executed the Certificate of Substantial Completion through the end of the Guarantee Effective Term.
- Section 4.7 Commencement Date The Commencement Date shall denote the first July 1<sup>st</sup> after all of the following has occurred:
- (i) Company has managed the installation of the Equipment specified in Schedule B;
  - (ii) Client has executed a Certificate of Substantial Completion in the format provided in Attachment 1 – Schedule G (hereafter referred to as “Schedule G”), thereby materially accepting the Equipment installation; and
  - (iii) Client has implemented the “post” utility allowances based upon the consumption allowances shown in Schedule D, as updated for rates as described in Schedule D.
- Section 4.8 Warranty Period The Warranty Period for any given piece of Equipment shall be one year after the installation of that piece of equipment, unless otherwise provided for in writing by Company. After the Company’s Warranty Period is over, Company shall ensure that any applicable equipment warranty from the manufacturer/client is transferred to Client.
- Section 4.9 Reporting Year Company shall measure the Baseline Period consumption and cost, Lag Year consumption and cost, Post-installation consumption and cost, and net average rates on a Reporting Year basis. In accordance with the current HUD Utility Year as of Closing Date, a Reporting Year shall be defined as July 1<sup>st</sup> of one year to June 30<sup>th</sup> of the following year.
- Section 4.10 Measurement and Verification Measurement and Verification (hereafter referred to as “M&V”) is a term used to describe the process by which Company evaluates the savings achieved for a given Reporting Year; this process is further described throughout this Agreement.
- Section 4.11 M&V Reporting Term Company’s analysis of Client’s utilities shall begin at Closing and shall continue throughout the end of the Guarantee Effective Term, and in the M&V Close-Out Period Company shall complete the Annual Report for the previous Reporting Year.
- Section 4.12 Guarantee Effective Year Subject to all other terms, conditions, limitations, and exclusions of this Agreement, the Guarantee shall become effective with the Reporting Year which begins on the Commencement Date.



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Section 4.13 Guarantee Effective Term Subject to all other terms, conditions, limitations and exclusions of this Agreement, the Guarantee shall be in effect starting with the Guarantee Effective Year and continue until the June 30<sup>th</sup> which is ten (10) years after the Closing Date.

Section 4.14 M&V Close-Out Period From the July 1<sup>st</sup> which is eleven (11) years after the Closing Date to the December 31<sup>st</sup> which is eleven (11) years after the Closing Date, the Agreement shall be in the M&V Close-Out Period, and the Parties shall only be responsible for performing the specific duties stated in Section 7.4 or therein referenced.

Section 4.15 Commission-paid utilities shall be prefaced by CP.

Section 4.16 Resident-paid utilities shall be prefaced by RP.

### SECTION 5 BASELINE DATA

Client has furnished or shall furnish to Company or has directed its utility providers to furnish to Company data needed by Company concerning water/energy consumption and related topics for Facilities, including but not limited to the data required in the Data Checklist attachment to Attachment 5: Energy Audit Agreement.

Client shall make agents and employees familiar with all such records available for consultations and discussions with Company.

### SECTION 6 OVERALL FINANCIAL ARRANGEMENTS

Section 6.1 Total Implementation Cost In consideration for installing the Equipment and performing the Services for which Implementation Fees are being charged according to Schedule B, Company shall be paid by Client for the Total Implementation Cost in the sum of two hundred, eighty-four thousand, eight hundred sixty dollars (\$284,860).

Section 6.2 Separate Tax-exempt Municipal Lease-Purchase Agreement To finance the Total Implementation Cost, Client shall execute a Tax-exempt Municipal Lease-Purchase Agreement and any necessary related agreements with a third-party lender totaling the amount of two hundred, eighty-four thousand, eight hundred sixty dollars (\$284,860).

(i) Funds from the Tax-exempt Municipal Lease-Purchase Agreement shall be placed in an escrow or similar account from which Client shall pay Company for approved invoices; and

(ii) Billing and payments shall be conducted according to Section 10, below.

(iii) The lender shall own the equipment during the term of the incentive/financing period.

Section 6.3 Tax-exempt Municipal Lease-Purchase Agreement Amortization The debt service to the third-party lender shall be amortized with the utility cost savings created by the Program. However, variable HUD funding levels, over which Company has no control, and expressly does not warrant, may cause Client to receive less funded annual cost savings than the Annual Cost Savings. Therefore, Client may have to pay some part of the Tax-exempt Municipal Lease-Purchase Agreement debt service with other Client funds.

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Should Client have to do so, it shall ask its fee accountant and/or HUD which source of funds it may use to do so, according to then-current HUD guidance.

Section 6.4 Transfer of Equipment Title from Third-Party Lender At the end of the Tax-exempt Municipal Lease Agreement, title to Equipment shall pass to Client for a fee to the third-party lender of one dollar (\$1) or as otherwise provided in that agreement.

Section 6.5 Procurement Delay Contingency Due to the length of time required for the HUD approval, which is substantively longer than when Company responded to Client’s RFP for an Energy Performance Contracting Program, and which extends the Closing Date beyond the date for which the equipment pricing is valid, [REDACTED]

[REDACTED] the shortage shall be made up via the project’s Contingency. Should that amount not be sufficient to cover the difference, the Parties shall discuss the best options to resolve the cost discrepancy and mutually agree upon a resolution.

**SECTION 7 SAVINGS MEASUREMENT AND VERIFICATION AND GUARANTEED COST SAVINGS**

Section 7.1 Annual Measurement and Verification Report Company shall produce an Annual Measurement and Verification Report (hereafter referred to as “Annual M&V Report”), which shall describe the Annual Consumption Savings and Annual Cost Savings during a given Reporting Year. Such report will be prepared according to Attachment 1: Schedule E (hereafter referred to as “Schedule E”).

- (i) So that Company can prepare the Annual M&V Report, Client shall report required data as listed in Attachment 1 – Schedule J (hereafter referred to as “Schedule J”) within sixty (60) days of each quarter-ending date from the Closing Date through the end of the Guarantee Effective Term. Should Client be delayed in providing required data, Company shall be allowed a corresponding delay in producing the subsequent Annual M&V Report;
- (ii) Provided that Client has provided all necessary data for a given Reporting Year by September 30<sup>th</sup> of the year in which the Reporting Year ends, Company shall provide Annual M&V Report to Client by the December 31<sup>st</sup> of that same year;
- (iii) The terms Annual Consumption Savings and Annual Cost Savings shall, by definition, include the cost savings for the given Reporting Year for all utilities, whether CP and/or RP, that are included within the Scope of this EPC, as shown on Schedule A Table 2, and these terms shall not include cost savings for a given Reporting Year for any utilities, whether CP and/or RP, that are not included within the Scope of this EPC, as shown on Schedule A Table 2;
- (iv) Company shall use the IPMVP M&V Protocols as stated in Schedule A Table 2 for each utility to be measured and verified; and

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- (v) Company shall not measure or verify any utility not included within the Scope of this EPC, as stated on Schedule A Table 2.

Section 7.2 Guaranteed Cost Savings Company has formulated and guaranteed the level of Annual Cost Savings which it warrants shall be achieved as a result of full implementation of this Program and Client's and Company's performance of all requirements of this Program, starting with the Guarantee Effective Year and continuing through the Guarantee Effective Term, and subject to Company's Limited Warranty found in Attachment 1 – Schedule L (hereafter referred to as "Schedule L") subject to all terms, conditions, limitations and exclusions of this Agreement; such amount shall be called the Guaranteed Cost Savings, and that amount is stated in Schedule L.

Section 7.3 Annual Review Report and Reimbursement After the Guarantee Effective Date, within ninety (90) days after the issuance of an Annual M&V Report, Company shall prepare an analysis, (hereafter referred to as the "Annual Review Report"), which shall compare the Annual Cost Savings to the Guaranteed Cost Savings as provided in Schedule L. Determination of Excess Cost Savings, Remaining Excess Cost Savings, Cost Savings Shortfall, and Net Cost Savings Shortfall and amount payable to Client (if any such payment is due) shall be as provided in Schedule L.

Section 7.4 M&V Close-Out Period Work During the M&V Close-Out Period, Company and Client shall perform only those requirements found within SECTION 7 or referenced therein as they relate to the prior (and last) Reporting Year of this Agreement.

### SECTION 8 PROCUREMENT

Section 8.1 Procurement Process Due to HUD cost reasonableness requirements, procurement of Subcontractors has already occurred as of the Closing Date.

Section 8.2 Selection of Subcontractors Company is responsible for the selection of Subcontractors, with review and approval already provided by Client.

### SECTION 9 PRICING

Section 9.1 Pricing The Equipment and Fees pricing for this Agreement shall be as stated for the Installed Prices of the Equipment and Fees Pricing on Schedule B, unless otherwise agreed upon through (a) fully-executed Allowance Authorization(s).

Section 9.2 Allowance Authorization(s) Pricing in this Agreement may be modified through (a) fully-executed Allowance Authorization(s) to revise the Installed Prices and/or Quantities of the Equipment and/or Fees, if Concealed or Unknown Conditions as described in Section 14.2 cause Company to require Contingency and/or Procurement Delay Contingency to complete installation of the Equipment and/or for any other reasons as provided for within this Agreement. Any and all Allowance Authorization(s) shall be for the amount of the documented increase in Company's costs and/or time, plus Company's standard markup.

Section 9.3 Measurement and Verification Fee Company shall be paid an Annual M&V Fee (hereafter referred to as "M&V fee") according to Schedule B throughout the Term of this Agreement.

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### **SECTION 10 BILLING AND PAYMENTS TO COMPANY**

- Section 10.1 Payments Due at Closing On the Closing Date, Company shall invoice Client for all Fees due at Closing as stated in Table 5. Company may also invoice for a percentage of material costs, as stated in HUD 5370, at its sole option. Client shall make all Payments Due at Closing within five (5) days of Closing.
- Section 10.2 Installation Progress Billing and Payments Company shall invoice by AMP, where applicable, on a progress basis for the Installed Price of all Equipment as stated on Schedule B for all installed Equipment, as modified by (an) Allowance Authorization(s), Contingency used, Procurement Delay Contingency used, if applicable, and for all Fees due at that time. Company shall invoice on a semi-monthly basis. Client shall pay each invoice within thirty (30) days of invoice date.
- Section 10.2 M&V Billing and Payments Company shall invoice quarterly for one-fourth the amount of the M&V fee that year, according to Schedule B. Client shall pay each invoice within thirty (30) days of the invoice date.
- Section 10.3 Interest Company shall invoice Client for Interest in the amount of one-and-one-half percent (1.5%) per month for any and all amounts outstanding more than thirty (30) days after the invoice date, and Client shall pay all invoices for Interest owed within thirty (30) days of the invoice date.
- Section 10.4 Impact of Client's Failure to Pay on Guaranteed Cost Savings Should Client fail to pay (an) invoice(s) within sixty (60) days of the invoice date(s), then Company's Guaranteed Cost Savings (if in effect for a given Reporting Year) shall be held in abeyance until such time as all Company invoices outstanding have been paid in full, and Company shall have the right to reduce any Amount Payable to Client per Schedule L by any amounts overdue more than sixty (60) days, at Company's sole option.

### **SECTION 11 CONSTRUCTION SCHEDULE**

- Section 11.1 Construction Schedule Equipment installation shall proceed in accordance with the Approximate Construction Schedule approved by Client and attached hereto as Attachment 1 – Schedule F (hereafter referred to as “Schedule F”). The Parties agree to hold regular progress meetings, subject to the availability of the Parties, relevant holidays, and other scheduling conflicts that may arise.

### **SECTION 12 ACCEPTANCE OF EQUIPMENT AND WARRANTIES**

- Section 12.1 Certificate of Substantial Completion The Parties shall execute the Certificate of Substantial Completion as provided in Schedule G to indicate Client's inspection and material acceptance of the installed Equipment.
- Section 12.2 Equipment Warranty During the Warranty Period, Company shall provide a Warranty of all Equipment installed, and on behalf of Client, Company shall require Subcontractors to do the following in regard to all Equipment installed through this Agreement:
- a) Covenant and agree that all Equipment installed as part of this Agreement is new; in good, operating condition; and is protected by appropriate written warranties covering all parts and performance;

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- b) Pursue rights and remedies against manufacturer and seller of the Equipment under the warranties in the event of Equipment malfunction, improper, or defective function, and/or defects in parts, workmanship and performance;
- c) Notify the Parties in writing whenever defects in parts of performance occur which give rise to such rights and remedies; and
- d) Transfer all warranties to Client as owner of the Equipment.

### **SECTION 13 PERMITS AND APPROVAL AND COORDINATION OF ACTIVITIES**

Section 13.1 Permits and Approvals Company and its Subcontractors shall meet all local, state, and federal requirements with regard to permits, codes, and approvals.

Section 13.2 Coordination during Installation Company shall coordinate the activities of Subcontractors with those of Client, its employees, residents, and agents.

### **SECTION 14 PERFORMANCE BY COMPANY**

Section 14.1 Performance of Construction Tasks Company and Subcontractors shall perform construction-related tasks under this Agreement, including management of construction and/or installation of the Equipment, in such a manner so as not to harm the structural integrity of Facilities. Client reserves the right to review and approve the work performed by Company and Subcontractors and to direct Company to take certain corrective action if, in the opinion of Client, the structural integrity of Facilities is or shall be harmed. On behalf of Client, and at no cost to Client, Company shall repair and restore to its previous condition any area of damage to the structural integrity of Facilities caused by Subcontractors' performance under this Agreement.

Section 14.2 Concealed and/or Unknown Conditions During installation of the Equipment, if Company encounters Concealed and/or Unknown Condition(s) that could not have been discovered as part of reasonable industry standard design activities, Company shall notify Client of such Condition(s) promptly and in no event later than twenty-four (24) hours after first observing the Condition(s). If such Condition(s) could not have been discovered as part of industry standard design activities and cause an increase in Company's costs or time, then Client shall execute (an) Allowance Authorization(s) so that Company is paid for all documented increases plus its standard markup. Industry standard design activities include a 5-15% inspection rate of materials and equipment during the project development and design phase; thus, actual unit counts of materials and equipment may differ slightly from estimated totals, requiring adjustment at unit cost plus Company's standard markup via (an) Allowance Authorization(s) during Construction to match actual installed totals.

Section 14.3 Asbestos and Hazardous Materials Where applicable and warranted, Client shall inform Company of all known asbestos and hazardous materials in areas affected by the work. As of the Closing Date, Client did not anticipate any interference of the Program due to abatement. If Company discovers asbestos during its implementation of this Agreement then:

- (i) Client shall identify the funds, not including Contingency, to be used for any necessary abatement;

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- (ii) Client shall procure for an abatement company which shall perform all work;
- (iii) Company shall not have any responsibility for any abatement activities and/or any impact on this Agreement as a result of abatement activities, including but not limited to changes to Company's costs and/or time and/or any impact on Company's Guaranteed Cost Savings; and
- (iv) If abatement causes Company's costs and/or time to increase, then Client shall execute (an) Allowance Authorization(s) so Company is paid for all documented increases plus its standard markup.

### **SECTION 15 EXISTING EQUIPMENT**

Section 15.1 Ownership of Existing Equipment Equipment and materials presently existing at Facilities on the Closing Date of this Agreement shall remain the property of Client, even if replaced or its operation made unnecessary by work performed by Company pursuant to this Agreement, unless Client states in writing that it wishes Company to dispose of such Equipment and materials. Client must indicate its decision on ownership of Equipment within five (5) days of the Closing Date.

Section 15.2 Removal of Existing Equipment Client may retain existing equipment/unneeded materials or not, at its preference. As stated in Section 15.1 within five (5) days of the Closing Date, Client shall indicate in writing its preference as to whether the existing equipment/materials should be placed on its Facilities and specifically where it should be placed, or whether Company's Subcontractors should remove and dispose of it. Should Client repeatedly modify the instructions relating to existing equipment and/or materials and if such modification causes Company's costs and/or time to increase, then Client shall execute (an) Allowance Authorization(s) so Company is paid for all documented increases plus its standard markup.

### **SECTION 16 LOCATION AND ACCESS**

Section 16.1 Onsite Storage Upon Company's request, Client shall allow Company to place storage units or trailers on Client's property. Company is responsible for construction site security.

Section 16.2 Access Client shall be responsible for providing reasonable access to Facilities for Company and Subcontractors to perform any function related to this Agreement during regular business hours or such other reasonable hours as may be requested by Company and acceptable to Client. Company and Subcontractors shall be granted immediate access to make emergency repairs or corrections as, in their discretion, they may determine are needed. Company and Subcontractors shall be granted access for non-emergency repairs after the required forty-eight (48) hour waiting period.

### **SECTION 17 EQUIPMENT SERVICE**

Section 17.1 Malfunctions and Emergencies Client shall notify Company or its designee by telephone and fax as soon as reasonably possible and at least within one working day after it becomes aware of:

- (i) any malfunction in the operation of Equipment or any other consuming Equipment that might materially impact upon the Guaranteed Cost Savings; and

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- (ii) any interruption or alteration to the water/energy supply to Facilities.

Notwithstanding the foregoing, Client may take reasonable step(s) to protect the Equipment if, due to an emergency, it is not possible or reasonable to notify Company before taking such action(s). In the event of such an emergency, Client shall take reasonable step(s) to protect the Equipment from damage or injury and shall follow instructions for emergency action provided in advance by Company.

Section 17.2 During Warranty Period During Warranty Period, Company shall be responsible for all service, repairs, and adjustments to the Equipment installed under terms of this Agreement pursuant to Schedule B. However, when the need for maintenance or repairs principally arises due to the negligence of Client, employee, resident or other agent of Client, and Company can demonstrate such causal connection, Company may charge Client for the actual cost of maintenance or repair insofar as such cost is not covered by any warranty or insurance proceeds.

Section 17.3 After Warranty Period To ensure the persistence of Annual Cost Savings and to extend the Equipment's useful life, after the Warranty Period Client shall be responsible for:

- (i) performing regular service, repairs and adjustments to installed Equipment to keep it in good, proper operating condition;
- (ii) maintaining Facilities in good repair and protecting and preserving all portions thereof which may in any way affect the operation or maintenance of the Equipment;
- (iii) providing Preventative Maintenance as indicated in Attachment 1 - Schedule I (hereafter referred to as "Schedule I");
- (iv) providing any other maintenance to prevent waste of water/energy, including repairs and regular and emergency maintenance required to keep buildings and other water/energy consuming equipment in good, proper operating condition;
- (v) implementing policies that are conservation-oriented if policies are relevant to water/energy consumption; and
- (vi) performing water line tests within thirty (30) days if required by Company and/or if site conditions indicate the presence of (a) water leak(s) and remedying (the/all) water line leak(s) within thirty (30) days of test date.

## **SECTION 18 UPGRADING OR ALTERING THE EQUIPMENT**

Section 18.1 By Company Company shall at all times have the right, subject to Client's prior written approval which shall not be unreasonably withheld, to change the Equipment, revise any procedures for the operation of the Equipment, or implement other water/energy saving actions in Facilities. Subject to Client's approval and acceptance which shall not be unreasonably withheld, all replacements, deletions, alterations, or additions of Equipment, or revisions to the procedures shall be described in a supplemental Amendment to be fully-executed by the Parties and to be attached to this Agreement and made part hereof.

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Section 18.2 By Client Client shall not move, remove, modify, alter, or change in any way the Equipment or any part thereof without prior written approval of Company, except removal for repair or renovation to keep Equipment maintained in good, proper operating condition, or except as defined in Section 17.1 and Section 17.3 above.

### **SECTION 19 MATERIAL CHANGES**

Section 19.1 Material Changes Client shall deliver to Company a written Notice describing and explaining all actual or proposed Material Changes in Facilities or in the operations of Facilities and their anticipated effect on energy use. Said Notice must be delivered to Company no less than thirty (30) days before any actual or proposed Material Change occurs. For purposes of this provision, a Material Change is defined as any change in the following, which reasonably could be expected to increase or decrease water/energy consumption at Facilities by more than three (3) percent, including but not limited to changing the:

- (i) manner of use of Facilities by Client;
- (ii) hours of operation of any Equipment or energy systems contained in Facilities;
- (iii) occupancy of Facilities;
- (iv) structure of Facilities;
- (v) types of Equipment used in Facilities; and/or
- (vi) other conditions affecting water and/or energy consumption in Facilities.

Section 19.2 Adjustment for Material Changes In the event of any increase or decrease in water/energy consumption for any month resulting from (a) Material Change(s), except for those instances specified below if Company opts to effectuate one or more of them, the amount of that increase or decrease shall be, respectively, subtracted from or added to the total water/energy consumption for that month prior to the calculation of Annual Consumption Savings and Annual Cost Savings.

- (i) If any of Facilities are sold and are replaced by another facility of equal size and occupancy, the Baseline Period and Reporting Year consumption of the facility being replaced may be substituted for the Baseline Period and Reporting Year consumption for the new property for the purpose of calculating the Annual Consumption Savings and Annual Cost Savings, at Company's sole option and with HUD's approval; and/or
- (ii) If Client demolishes, sells, or otherwise disposes of any of Facilities or units, the applicable Baseline Consumption, Estimated Cost Savings, and Company's Guaranteed Cost Savings may be reduced to reflect the change(s), at Company's sole option; and/or
- (iii) If any construction or restoration of Facilities is necessary following or necessitated by fire, flood, or (an) other Act(s) of God or casualty, then Company may adjust its Annual Consumption Savings and Annual Cost Savings to reflect an annualized period of savings, at Company's sole option; and/or



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- (iv) If a Material Change affected water/energy consumption in the same calendar month of a given Reporting Year, the next preceding Reporting Year where a Material Change did not occur may be used to compute the Annual Consumption Savings and Annual Cost Savings, at Company's sole option, and/or Company may use another method of substituting data that is compliant with IPMVP M&V Guidance Version 3 and HUD M&V Guidance.

**SECTION 20 PROPERTY/CASUALTY INSURANCE INDEMNIFICATION**

Section 20.1 Workers Compensation and Liability At all times during the terms of this Agreement, Company and Subcontractors shall maintain in full force and effect at its expense:

- (i) Workmen's Compensation Insurance sufficient to cover the employees of Company and employees of Subcontractors working to fulfill this Agreement, respectively, and
- (ii) Casualty and Liability Insurance on the Equipment operation, and on service of the
- (iii) Equipment. The limits of such insurance shall be not less than \$1,000,000 for injury to or death of one person in a single occurrence and not less than \$1,000,000 for a single occurrence of property damage. Such policies shall name Client as an Additional Insured.

Prior to commencement of work under this Agreement, Company shall provide Client with current Certificates of Insurance as specified above. These Certificates shall contain a provision that coverage afforded under the policies shall not be canceled or changed until at least thirty (30) days prior written notice has been given to Client.

Section 20.2 Damage/Injury Responsibility Company shall be responsible for any damages to the Equipment or other property at Facilities, and any personal injury at Facilities, where such damage or injury occurs solely as a result of Company's performance or failure to perform under this Agreement.

Section 20.3 Performance Bonds Company shall purchase payment and performance bonds for the installation of the Equipment. These Bonds shall not provide any coverage for any Guaranteed Cost Savings by Company to Client for this project.

**SECTION 21 CASUALTY OR CONDEMNATION OF PREMISES**

Any construction or restoration of Facilities following or necessitated by fire, flood, or other Act(s) of God or casualty, or any condemnation affecting any portion of Facilities, shall be deemed a Material Change, and the provisions of SECTION 19 shall be applicable. Parties acknowledge that adjustments to this Agreement may be required if SECTION 19 were to be put into effect for these reasons, and that the Annual Consumption Savings, Annual Cost Savings, and/or Guaranteed Cost Savings would have to be reduced accordingly.

**SECTION 22 CONDITIONS BEYOND CONTROL OF THE PARTIES**

Neither party shall be liable in damages or have the right to terminate this Agreement for any delay or default in performing hereunder if such delay or default is caused by conditions beyond its control including, but not limited to (an) Act(s) of God,

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Government restrictions (including the denial or cancellation of any export or other necessary license), wars, insurrections and/or any other cause beyond the reasonable control of the party whose performance is affected, except that this Agreement may be terminated by Company at its sole discretion if (an) Act(s) of God make it impossible for Company to perform its duties hereunder and Company terminates this Agreement accordingly then Company shall invoice Client for all services and Equipment installed and services rendered to date and Client shall pay such invoice within thirty (30) days, and except that if (an) Act(s) of God necessitate(s) the demobilization and remobilization of Company, in Company's sole judgment, then Client shall execute (an) Allowance Authorization(s) so Company is paid for all documented increases plus its standard markup.

### **SECTION 23 EVENTS OF DEFAULT**

Section 23.1 Events of Default by Client The following events or conditions shall each constitute an "Event of Default" by Client:

- (i) any Material Failure by Client to perform or comply with the terms and conditions of this Agreement, including breach of any covenant contained herein, except that such failure if corrected or cured within one hundred twenty (120) days after Notice to Client demanding that such failure to perform be cured shall be deemed cured for purposes of this Agreement;
- (ii) the filing of bankruptcy, whether by Client or its creditors against Client, which proceedings shall not have been dismissed within one hundred twenty (120) days of its filing, or an involuntary assignment for the benefit of all creditors or the liquidation of Client; and
- (iii) any representation or warranty furnished by Client in this Agreement which when made was false or misleading in any material respect.

Section 23.2 Events of Default by Company Each of the following events or conditions shall constitute an "Event of Default" by Company:

- (i) any Material Failure by Company to perform or comply with the terms and conditions of this Agreement, including breach of any covenant contained herein, except that such failure, if corrected or cured within one hundred twenty (120) days after Notice to Company demanding that such failure to perform be cured, shall be deemed cured for purposes of this Agreement;
- (ii) the filing of bankruptcy, whether by Company or its creditors against Company, which proceeding shall not have been dismissed within one hundred twenty (120) days of its filing, or an involuntary assignment for the benefit of all creditors or the liquidation of Company; and
- (iii) any representation or warranty furnished by Company in this Agreement which when made was false or misleading in any material respect.

### **SECTION 24 REMEDIES UPON DEFAULT**

Section 24.1 Remedies upon Default by Client In the Event of Default by Client, Company may exercise all remedies available at law or in equity, or institute other appropriate

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proceedings including, without limitation, bringing an action or actions from time to time for specific performance, and/or for the recovery of amounts due and unpaid by Client, and/or for damages, which shall include all costs and expenses reasonably incurred, including attorney's fees.

Section 24.2 Remedies upon Default by Company In the Event of Default by Company, Client may exercise all remedies available at law or in equity, or institute other appropriate proceedings including, without limitation, bringing an action or actions from time to time for specific performance, and/or for the recovery of amounts due and unpaid by Company, and/or for damages, which shall include all costs and expenses reasonably incurred, including attorney's fees.

### **SECTION 25 DISPUTE RESOLUTION: BINDING ARBITRATION**

Any dispute, controversy, or claim arising out of, in connection, or relating to this Agreement, or any breach or alleged breach hereof, shall, upon the request of any Party involved (and without regard to whether or not any provision of this Agreement expressly provides for arbitration), be submitted to and settled by arbitration in Grand Rapids, Michigan in conformance with the rules of the American Arbitration Association then in effect for commercial disputes (or at any other place or under any other form of arbitration mutually acceptable to the Parties). Any award rendered thereon may be entered in the highest court of a forum, state or federal, having jurisdiction. The expenses of the arbitration shall be borne equally by the Parties to the arbitration, provided that each Party shall pay for and bear the cost of its own experts, evidence, and counsel.

### **SECTION 26 REPRESENTATIONS AND WARRANTIES**

Each Party warrants and represents to the other that:

- (i) it has all requisite power, Commission, licenses, permits, and franchises, corporate or otherwise, to execute and deliver this Agreement and all related Amendment(s), Allowance Authorization(s), and/or Attachments, and to perform its obligations hereunder;
- (ii) its execution, delivery, and performance – in accordance with its original instruments, and this Agreement and all Amendment(s), Allowance Authorization(s) and/or Attachments – has been or shall be duly executed and delivered for it by the signatories so authorized, and it constitutes its legal, valid, and binding obligation;
- (iii) its execution, delivery and performance of this Agreement and related Amendments, Allowance Authorizations, or Attachments, shall not result in a breach or violation of, or constitute a default under, any Agreement, Tax-exempt Municipal Lease-Purchase Agreement, or instrument to which it is a party or by which it or its properties may be bound or affected; or
- (iv) it has not received any notice, nor to the best of its knowledge is there any pending or threatened notice, of any violation of any applicable laws, ordinances, regulations, rules, decrees, awards, permits or orders which would materially and adversely affect its ability to perform hereunder.

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### SECTION 27 ADDITIONAL REPRESENTATIONS AND WARRANTIES OF THE PARTIES

Client hereby warrants, represents and promises that:

- (i) it has provided or shall provide in a timely manner to Company all records relating to water/energy consumption of Facilities requested by Company as described in SECTION 5 and Section 7.1, and that information set forth therein is and all information to be subsequently provided pursuant to this Agreement shall be, true and accurate in all material respects; and
- (ii) it has not entered into (a) Tax-exempt Municipal Lease-Purchase Agreement(s) or Agreement(s) with other person(s) or entity regarding the leasing of water/energy efficiency equipment or the provision of a similar Program for Facilities or with regard to servicing any of the water/energy-related equipment located on Facilities. Client shall provide Company with copies of any successor or additional Agreements (for water/energy efficiency equipment and contracts for management or servicing of all equipment at Facilities which may be executed from time to time hereafter) within thirty (30) days after execution thereof.
- (iii) Client acknowledges and agrees that Company has entered into this Agreement in reliance upon the prospect of saving water/energy based on the utility data submitted by Client and Company's proposed Program.
- (iv) Client acknowledges and agrees that Client must fully perform its responsibilities within this Agreement on a regular and continual basis or the Guaranteed Cost Savings would not likely be achieved.
- (v) Client agrees that it shall adhere to and perform all of its responsibilities contained within this Agreement on a regular and continual basis, so as to ensure the persistence of Annual Cost Savings and to prolong the useful life of the Equipment.
- (vi) Client agrees that Company shall have the right to inspect Facilities on a monthly basis with forty-eight (48) hour prior notification to determine if Client is performing its responsibilities. Client shall make Facilities available to Company for and during each inspection and Client shall have the right to witness each inspection and receive a copy of a report stating Company's determination of Client's compliance within four (4) weeks of each inspection.
- (vii) Client agrees that it shall implement post-installation tenant utility consumption allowances prepared by Company as stated in Schedule D valued at then-current rates the year following Client's execution of the Certificate of Substantial Completion, and to implement annually updated tenant utility cost allowances prepared by Company, which shall be based upon the post-implementation tenant utility consumption allowances (unless Client installs other equipment resulting in Material Changes at those sites, requiring new post-implementation tenant utility consumption allowances to be prepared by Company, which shall incur an additional cost) as stated in Schedule D valued at then-current rates.
- (viii) The Parties agree that Client must submit Utility Expense Level, Operating Budget, and other related administrative reporting Forms and documents to HUD which accurately reflect this Agreement and the HUD Incentives approved in order for Client to be funded for the Annual Cost Savings from this Program. The Parties agree that Client is solely responsible for all accurate preparation of these

## **Energy Services Agreement**

documents. Company has the right and the option to review these documents for accuracy in regard to utilities and the tenant allowances funding components, but Company shall be not required to do so, as Company is not Client's fee accountant.

- (ix) Client acknowledges and agrees that Company shall not be liable in any manner whatsoever, including but not limited to in relation to its Guaranteed Cost Savings, for any errors in Client's submissions to HUD which may cause Client's funded Annual Cost Savings to be different than the Annual Achieved Cost Savings in any given year.

Company hereby warrants, represents and promises that:

- (i) before commencing performance of this Agreement:
  - a) it is licensed or otherwise permitted to do business in the State of Michigan;
  - b) it shall have provided proof and documentation of liability insurance pursuant to Section 20.1;
- (ii) it shall make available, upon Client's reasonable written request, copies of documents relating to its performance under this Agreement and related Amendments, including contracts it shall enter into;

### **SECTION 28 WAIVER OF LIENS**

Company shall obtain and furnish to Client a Waiver of Lien from each Subcontractor in the furnishing, installation, and servicing of each piece of Equipment.

### **SECTION 29 COMPLIANCE WITH LAW AND STANDARD PRACTICES**

Company shall perform its obligations hereunder in compliance with any and all applicable federal, state, and local laws, rules, and regulations, in accordance with sound engineering and safety practices, and in compliance with any and all reasonable written rules of Client relative to Facilities insofar as Client provides such rules to Company at least a reasonable time period prior to Company's commencement of work. If Client requires Company to follow Client's rules without reasonable Notice, Company may charge Client for any increased costs it incurs as a result of those changes plus its markup on the increased costs, and Client shall execute (an) Allowance Authorization(s) to that effect. Company shall be responsible for obtaining all governmental permits, consents, and authorizations as may be required to perform its obligations hereunder.

### **SECTION 30 INDEPENDENT CAPACITY OF COMPANY**

The Parties hereto agree that Company, and any agents and employees of Company, in the performance of this Agreement, shall act in an independent capacity and not as officers, employees or agents of Client.

### **SECTION 31 NO WAIVER**

The failure of Company or Client to insist upon the strict performance of the terms and conditions hereof shall not constitute or be construed as a waiver or relinquishment of

**Energy Services Agreement**

either Party's right to thereafter enforce the same in accordance with this Agreement in the event of a continuing or subsequent Default on the part of the other Party.

**SECTION 32 SEVERABILITY**

In the event that any clause or provision of this Agreement or any part thereof shall be declared invalid, void, or unenforceable by any court having jurisdiction, such invalidity shall not affect the validity or enforceability of the remaining portions of this Agreement unless the result would be manifestly inequitable or unconscionable.

**SECTION 33 INDEMNITY - DELETED**

**SECTION 34 COMPLETE AGREEMENT**

The Agreement, when fully-executed, together with any and all fully-executed Amendment(s), any and all fully-executed Allowance Authorization(s), and all Attachments, attached hereto or to be attached hereto, as provided for by this Agreement, shall constitute the entire and complete Agreement between the Parties. This Agreement may not be amended, modified, or terminated except by a written Amendment signed by the Parties hereto, with the exception of an Allowance Authorization(s) as provided in Section 9.2. Whenever the words "this Agreement" are used throughout this Agreement, they shall refer to the Complete Agreement as defined herein, and the Order of Precedence as set forth in Section 3.1 shall apply.

**SECTION 35 FURTHER DOCUMENTS**

The Parties shall execute and deliver all documents and perform all further acts that may be reasonably necessary to effectuate the provisions of this Agreement.

**SECTION 36 APPLICABLE LAW**

This Agreement, as defined in SECTION 35, and the construction and enforceability thereof shall be interpreted under the laws of the State of [REDACTED].

**SECTION 37 NOTICE**

Any Notice required or permitted hereunder shall be deemed sufficient if given in writing and delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid, or delivered to a nationally recognized express mail service, charges prepaid, receipt obtained, to the address shown below or to such other persons or addresses as are specified by similar Notice.

To Company:  
Wind, Water, & Energy Conservation, LLC  
4615 Gulf Blvd, Ste. 214  
St. Pete Beach, FL 33706  
Attn: Mr. John E. Overmyer, President

To Client:  
[REDACTED]

**Energy Services Agreement**

[REDACTED]

SECTION 38 HEADINGS

Headings, subtitles, and capitalization used throughout this Agreement are for the purpose of convenience only, and no heading, subtitle, and/or capitalization shall modify or be construed to interpret the text of any section.

SECTION 39 APPROVALS

This Agreement was approved by Client, Client's Board of Commissioners, Client's legal counsel, and HUD prior to full execution of this Agreement.

[REDACTED]

**Energy Services Agreement**

IN WITNESS WHEREOF, and intending to be legally bound, the Parties hereto subscribe their names to this Agreement by their duly authorized officers on the date first written.

Attest:

BY:

\_\_\_\_\_  
Executive Director Board Chairperson

\_\_\_\_\_  
Date

Attest:

BY:

\_\_\_\_\_  
Wind, Water, & Energy Conservation, LLC  
Mr. Leo Radkowski  
VP of Operations

\_\_\_\_\_  
Wind, Water, & Energy Conservation, LLC  
Mr. John E. Overmyer  
President

\_\_\_\_\_  
Date



**Energy Services Agreement**

**ATTACHMENT 1**  
**LIST OF SCHEDULES**

All Tables referenced within each Schedule are herein incorporated into this Attachment and attached hereto as if fully incorporated within.

A Facilities

Table 1 HUD PIC Sheet

Table 2 List of Utilities

B Equipment, Costs, and Fees

Table 3 HUD Cost Summary Form

Table 4 Scope of Work for Equipment Installation

Table 5 Fee Schedule

Table 6 Measurement and Verification Services Schedule

C CP Utilities

Table 7 CP Baseline Review Summary

D RP Utilities

Table 8 Utility Allowances

E Measurement and Verification Plan

F Approximate Construction Schedule

G Certificate of Substantial Completion Form to Be Executed by Parties

H Training Provided

I Preventative Maintenance

J Conservation Procedures

K Compliance Checklist

L Certificate of Limited Warranty

M HUD Estimated Cash Flow

Table 9 HUD Estimated Cash Flow



**Energy Services Agreement**

**SCHEDULE A**  
**Facilities**

Table 1 HUD PIC Sheet

In accordance with the “Energy Services Agreement, Technical Review, HUD Review Checklist as of Closing Date, Company has prepared and Client has approved the following table showing Client’s PIC and Unit Data, the average Occupied Unit Percentage at each Facility during the Baseline Period, and the November 2011 number of residents.

For reference purposes, as of the Closing Date:

[REDACTED]	25,288 sf.
[REDACTED]	88,021 sf.
Client’s total square footage is approximately 113,309 sf.	

Table 2 List of Utilities

Company has prepared and Client has approved the following table showing the Bill Pay Status, EPC Scope Status, IPMVP M&V Protocol to be used to M&V savings for each utility, and the HUD incentive (if any) for each utility for all CP and RP utilities at Facilities. All utilities included in the Scope of this EPC and not included in the Scope of this EPC are clearly defined herein.

**Energy Services Agreement**

**Insert Table 1/2**



## **Energy Services Agreement**

### **SCHEDULE B Equipment, Costs, and Fees**

Table 3 HUD Cost Summary Sheet

In accordance with the “Energy Services Agreement, Technical Review, HUD Review Checklist as of Closing Date, Company has prepared, and Client has approved, the attached HUD Cost Summary Sheet. The Installed Costs, which include Material and Labor Costs, are premised upon performing the work in accordance with the Scope of Work for Equipment Installation as stated in Table 4. The Parties agree that Company shall install the Equipment shown on Table 3 and that Company has performed or shall perform the Implementation Services for which Implementation Fees are being charged on Table 3. The Installed Costs are premised upon Company’s performing the work in accordance with the Scope of Work for Equipment Installation below and are based upon industry-standard inspections of units during the Investment-Grade Energy Audit.

1. Company’s installations at specific units may vary depending on actual conditions, as determined during on-site investigation in construction phase. Client shall pay for installed Equipment.
2. Company reserves the right to submit (an) Allowance Authorization(s) to remedy any issues caused by Concealed and/or Unknown Conditions and/or variances in quantities, according to Sections 9.2 and 14.2 of the Agreement.
3. Company shall receive overhead and profit on all equipment, contingency, and fees as stated on the HUD Cost Summary Sheet, and the overhead and profit shall be billed on a progress basis.

Table 4 Scope of Work for Equipment Installation

To more fully describe the work being undertaken in Table 3, Company has prepared, and Client has approved, the referenced Scope of Work for Equipment Installation that is found in the Final Report of the Investment-Grade Energy Audit.

Table 5 Fee Schedule

Company has prepared and Client has approved the following Fee Schedule. The Parties agree that Company has performed or shall perform the Implementation Services and M&V Services, as otherwise described in this Agreement including but not limited to in Table 6 below.

Table 6 M&V Services Schedule

Company has prepared and Client has approved the following M&V Services Schedule. The Parties agree that Company shall provide the following services in consideration for the M&V Fee. Option A Measurement costs during installation and for the first year measurement shall be paid for out of Contingency.

**Energy Services Agreement**

**Insert Table 3 HUD cost summary sheet**

**Energy Services Agreement**

**SCHEDULE B**  
**Equipment, Costs, and Fees**  
**Table 4**  
**Scope of Work for Equipment Installation**

The Scope of Work for each ECM shall be as stated in Appendix 5 of the Final Report, and shall be subject to all modifications as stated in Allowance Authorizations and/or Change Orders.

**Energy Services Agreement**

**SCHEDULE B  
Equipment, Costs, and Fees  
Table 5  
Fee Schedule**

1. The following Fees are related to implementation and are shown in the HUD Cost Summary Form.

Fee	Amount	Payable
Project Design & Development	██████████	At Closing
ESCO Construction Management	██████████	½ at Closing, ½ at Final Billing
Bonding	█	At Closing
Project Specific Administration	██████████	At Closing
Cost of Risk	██████████	At Closing
Training	██████████	½ at Closing, ½ at Final Billing
HUD Approval	█	At Closing
	█	<b>Total Due at Closing</b>

The Company shall earn a 14% Overhead and 10% Profit on all hard and soft costs in the contract, including but not limited to all material and labor costs, Contingency, Procurement Delay Contingency, and all fees stated above. The Overhead shall total ██████████, and the Profit shall total ██████████.

2. The following Fee is related to Company's M&V of savings and is shown on the HUD Cash Flow.

The Company shall be paid an Annual M&V Fee, as stated in Section 9.3 of the Agreement, throughout the term of this Agreement. The annual M&V Fee shall be ██████████ during the year immediately following the Closing Date and shall be subject to a 3.5% increase annually.

**Energy Services Agreement**

**SCHEDULE B**  
**Table 6**  
**Equipment, Costs, and Fees**  
**Measurement and Verification Services Schedule**

Company will provide the following services during the Term of the Agreement, in consideration of the M&V Fee:

1. Annual M&V Report, as described in the Agreement.
2. Annual Review Report, commencing after the first year of Guaranteed Cost Savings, as described in the Agreement.
3. Annual Updating of tenant utility cost allowances for [REDACTED], based on the tenant utility post-consumption allowances found in Schedule D.
4. Testing of the ECMs installed at [REDACTED] in Year 5 of repayment, and other years as required by the M&V Plan.

All other post-installation services shall be at an additional cost to Client.



**Energy Services Agreement**

**SCHEDULE C**  
**CP Utilities**

Table 7 CP Baseline Review Summary

As directed by the “Energy Services Agreement, Technical Review, HUD Review Checklist as of Closing Date, Company has prepared, and Client has approved, the attached table showing the Baseline for AMP 1. The Frozen Rolling Base Consumption Level (FRBCL) and the non-frozen Rolling Base Consumption Levels (NFRBCL) are clearly shown herein. Although frozen by HUD, the FRBCL is subject to annual adjustment for occupancy levels, according to HUD M&V Guidance as of Closing Date.

1. For the purposes of Annual Consumption Savings and Annual Cost Savings, the Occupancy Percentages and Resident Count listed in Table 1 are floor occupancy and resident count levels. Company may choose to use those levels in the Annual M&V Reports or the then-current occupancy levels, at its sole option.
2. If it desires to complete occupancy adjustments, Company shall only complete them on an annual basis.

Company has calculated and Client has approved the below net average rates for the Lag Year for CP Utilities, and these rates shall be the floor rates for each CP utility for the duration of the Term of this Agreement.

Water/Sewer:	\$0.0057	per gallon
Electricity:	\$0.0800	per kWh
Natural Gas:	\$0.9448	per CCF

***Energy Services Agreement***

**INSERT TABLE 7 HUD CP BASELINE**

**TO FOLLOW**

**Energy Services Agreement**

**SCHEDULE D**  
**RP Utilities**

Table 8: Utility Allowances

Company has prepared, and Client has approved, the attached table showing the Baseline for RP utilities for AMP 1, which is based upon the tenant utility pre-consumption allowances (hereafter referred to as "PRECON"). The PRECON allowances were calculated by Client's Company. The individual unit PRECONs shall be frozen throughout the Incentive Period. The total PRECON is subject to annual adjustment for occupancy level, according to the HUD M&V Guidance. When summed to represent the PRECON for all units with RP utilities, the total PRECON is the RP Baseline,

Table 8 also shows the anticipated tenant utility post-consumption allowances (hereafter referred to as "POSTCON"), which are the PRECON amounts minus the anticipated savings from Equipment installed in this Agreement at that Facility.

Performance (kWh, gallons per flush, flow rate for aerators) of the ECMs in the sample units to be measured both pre- and post-retrofit, per Schedule E. Average consumption savings determined for each ECM in the sample units to be multiplied by the agreed upon usage factors to arrive at a stipulated consumption savings for each ECM. If there is a difference in consumption savings from the sample of more than 10% on average, then Company shall adjust its stipulated consumption savings and associated POSTCON allowances to reflect an average of the sample data results. Such adjustment to the POSTCON allowances would be in effect for the next five year, when re-verification of the performance shall be conducted per Schedule E.

RP savings shall be calculated by subtracting the total POSTCON allowances (adjusted for occupancy) from the total PRECON allowances (adjusted for occupancy), then multiplying the difference by the RP utility net average rate for the most recent utility year or the applicable RP utility floor rate, at Company's sole option.

1. For the purposes of Annual Consumption Savings and Annual Cost Savings, the Occupancy Percentages and Resident Count listed in Table 1 are floor occupancy and resident count levels. Company may choose to use those levels in Annual M&V Reports or the then-current levels, at its sole option.
2. Company shall only complete occupancy adjustments, if it desires to do so, on an annual basis.

Company has calculated and Client has approved the below RP utility net average rates for the Lag Year, and these rates shall be the floor rates for each RP utility for the duration of the Term of this Agreement.

Water: \$0.0023 per gallon (note that sewer is paid by Client)  
Electricity: \$0.0933 per kWh  
Natural Gas: \$1.0728 per CCF

**Energy Services Agreement**

**INSERT TABLE 8 UTILITY ALLOWANCES**

**TO FOLLOW**



**Energy Services Agreement**

**SCHEDULE E**  
**Measurement and Verification Plan**

Company and Client have approved the following Measurement and Verification Plan for this Agreement:

1. International Performance Measurement and Verification Protocols (hereafter “IPMVP”) in effect as of the Closing Date and M&V Guidelines for HUD Energy Performance Contracts: Guidance for ESCO-Developed Projects as of Closing Date shall be followed for all CP Utilities included in the Scope of this EPC as per Schedule A – Table 2 to calculate CP Savings.
2. The Baseline Consumption for all CP Utilities included in the Scope of this EPC per Schedule A – Table 2 shall be as stated in Schedule C.
3. The IPMVP M&V Protocol referenced in Schedule A – Table 2 for each Utility in Scope of this EPC shall be used for that utility.
4. Weather adjustments, occupancy adjustments, adjustments for water line breaks, adjustments for utility meter charges, operating hour adjustments, unit count adjustments, building consumption adjustments, other material change adjustments, and other industry standard adjustments may be made by Company at Company’s sole option, provided they are completed in accordance with the IPMVP and HUD M&V Guidelines, as referenced above.
5. When calculating the Annual Cost Savings, Company may use the current net average rate for that CP utility, as defined by the total utility cost divided by the total utility consumption (per the utility bills) for a given Reporting Year or the floor rate for that CP utility, as applicable, as stated in Schedule C, at its sole option.
6. Company will perform a monthly utility bill review and analysis during the contract term. Any discrepancies, errors, questionable, or unexpected results will be investigated and communicated in writing to Client. Company will assist Client to resolve the identified issues.
7. During the fifth year of the contract Company will complete an on-site visual inspection of Client facility to verify that the initially installed measures are in place and operable. Random statistically valid sampling will be conducted according to standard 80/10 confidence/precision level. Company will assist Client to resolve the identified issues.

**Energy Services Agreement**

**SCHEDULE F**  
**Approximate Construction Schedule**

Company anticipates that the following components of work shall take the following amounts of time:

Water	Ten (10) weeks from Notice to Proceed
Electrical	Ten (10) weeks from Notice to Proceed
HVAC	Fifteen (15) weeks from Notice to Proceed

However, due to the significant number of variables associated with this project, the following disclaimers are affixed to the approximate schedule stated above:

1. Company shall execute Subcontracts with Subcontractors upon Notice to Proceed, and Subcontractors shall order Equipment parts and materials shortly thereafter. Company shall not be responsible for delays in shipping by manufacturers that cause the actual construction schedule to exceed the Approximate Construction Schedule noted above.
2. Any changes in the list of Equipment to be installed shall require the approximate schedule to be updated.
3. The approximate schedule does not account for other construction projects that may be started by Client independently of this project. It may have to be updated if conflicts result from these projects.
4. This does not account for unforeseen environmental factors or necessary abatement activities which Client shall be responsible for performing.
5. This does not account for Concealed or Unknown conditions which may delay construction. This approximate schedule may have to be updated if any such conditions occur.

**Energy Services Agreement**

**SCHEDULE G**  
**Certificate of Substantial Completion Form to Be Executed by the Parties**

PROJECT: Traverse City Housing Commission

REFERENCE: Wind, Water, and Energy Conservation &  
[REDACTED]  
Energy Services Agreement  
Dated \_\_\_\_\_

The undersigned Company certifies to the best of Company's knowledge, information and belief the Work covered by Invoice/Pay Request(s) \_\_\_\_ has been completed in accordance with the Agreement, that all amounts due have been paid by Company for Work covered by Invoice/Pay Request \_\_\_\_, and that there are no claims of subcontractors, vendors, laborers, or mechanics for unpaid wages arising out of the performance of this Agreement, and \_\_\_\_ payments have been received from Client, [REDACTED]

The Work to which this Certificate applies has been inspected by authorized representatives of the [REDACTED] and that Work is hereby declared to be substantially and materially complete in accordance with the Agreement.

As agreed upon in Agreement, and subject to all other terms, conditions, limitations and exclusions of this Agreement, the Guaranteed Cost Savings shall commence upon with the Guarantee Effective Year, as listed in Section 4.12, and the execution of this Certificate shall satisfy one of three conditions for the Commencement Date, as stated in Section 4.7.

This Certificate does not constitute a final acceptance of Work that is not in accordance with the Agreement nor is it a release of Company's obligations to complete the Work in accordance with the Agreement.

Date of Substantial Completion: \_\_\_\_\_  
[REDACTED]

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

Wind, Water, and Energy Conservation

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

**Energy Services Agreement**

**SCHEDULE H**  
**Training Provided**

Part A: During Interim Period: Training included within the Training Fee

- 1) Resident Training
  - a) Within twenty (20) days of the Closing Date, the Parties shall coordinate location and time of water/energy conservation training session.
  - b) Company shall provide two pre-construction training sessions at the beginning of the construction period to be held on the same day, for the Training Fee.
  - c) Refreshments shall be coordinated by Client, according to the budget provided by Company, and paid for by Company.
  - d) Cash and/or other prizes shall be awarded at each training session to motivate residents to attend the training.
  - e) Client shall design, print and distribute a notice to each unit and to other relevant locations, prior to the training sessions.
- 2) Maintenance Training
  - a) At or before the beginning of each stage of construction (if multiple stages are needed), Company shall provide preventative and operational training to Client's maintenance staff for all Equipment to be installed by Company in the upcoming stage.
- 3) M&V Training
  - a) Within one hundred (100) days of the Closing Date, Company shall provide training to Client's administrative staff on M&V startup and needed data, as well as on the importance of submitting accurate information to Company and to HUD.

Part B: During Post-Installation period: Training Available for an Additional Fee, upon Written Request by Client and Client's Written Acceptance of Additional Fee.

Company shall provide the following training within ninety (90) days of Client's written acceptance of the additional fee.

- 1) During the Guarantee Effective Term and for an additional fee, Company shall provide re-training to residents.
- 2) During the Guarantee Effective Term and for an additional fee, Company shall provide maintenance staff re-training.
- 3) During the Guarantee Effective Term and for an additional fee, Company shall provide training to Client's administrative staff on M&V requirements and needed data, as well as on the importance of submitting accurate information to Company and to HUD.



**Energy Services Agreement**

**SCHEDULE I**  
**Preventative Maintenance**

1. The following Preventative Maintenance Activities shall be performed by Client according to this schedule:

<b>Activity</b>	<b>Frequency</b>
• Inspect interior water piping for leaks and repair when found.	Semi-annually
• Inspect water restrictors and replace or clean as needed.	Semi-annually
• Check for leaking toilets and toilet mechanisms and replace as needed.	Semi-annually
• Check refrigerator seals and vacuum refrigerator coils.	Annually
• Check window/door seals and replace as necessary.	Semi-annually
• Check for cracked/broken windows and replace as needed.	Quarterly
• Check thermostats, and replace or repair as needed.	Semi-annually
• Replace furnace and other equipment filters.	As recommended by manufacturers
• Check burner combustion and adjust as needed.	Annually
• Leak test underground water lines.	When leaks are suspected and when Company requires it
• Repair or replace Equipment after the Warranty Period.	As needed to maintain in good, proper operating condition

2. Client shall maintain logs of Preventative Maintenance Activities, which shall be available to Company to review at least once per year, and more if requested by Company.

3. If Client fails to perform the Preventative Maintenance Activities on a timely basis, Client shall have forty-five (45) days to correct such failure by performing the required Preventative Maintenance activities and/or repairing or replacing Equipment, as needed.

4. If Client has taken corrective action for its prior failure to perform required Preventative Maintenance Activities, it shall notify Company so that the Parties may review whether such corrective action has brought the Equipment to good, proper operating condition.



**Energy Services Agreement**

5. If the Parties determine that the failure of Client to perform the Preventative Maintenance Activities during any period did adversely affect the performance of the Equipment, Company may adjust the Annual Consumption Savings, Annual Cost Savings, and/or Guaranteed Cost Savings, at its sole option, accordingly. If this circumstance occurs, Company shall determine the amount of consumption that should be adjusted and multiply that by the relevant current net average rate and add that amount to the Annual Consumption Savings and Annual Cost Savings or make another adjustment in accordance with the IMPVP M&V Guidelines as of Closing Date and HUD M&V Guidelines as of Closing Date, at its sole option.
6. If Client does not remedy its failure within another sixty (60) days and the savings continue to be reduced by Client's continued failure to comply with the provisions of this Agreement, then Company may annually adjust the estimated savings and Guaranteed Cost Savings, except that for each subsequent Annual M&V Report, Company may use the then-current net average rate or the floor rate to calculate the annual adjustment to the Guaranteed Cost Savings, at its sole option.
7. Company shall in no instance be liable for savings lost due to Client's failure to perform the Preventative Maintenance Activities.

## **Energy Services Agreement**

### **SCHEDULE J** **Conservation Procedures**

1. Client shall perform Preventative Maintenance Activities as listed in Schedule I.
2. After the Warranty Period is complete, Client shall make repairs to Equipment on a timely basis.
3. During the M&V Reporting Term, within sixty (60) days of a given month-end, Client shall provide Company with the following data for that month:
  - a) A summary of the total water/energy consumption and cost for CP utilities at each Facility each month;
  - b) the actual CP bills at each Facility;
  - c) occupancy percentage by Facility by month (both number of residents and number of occupied units);
  - d) the implemented allowances schedule (annually if applicable); and
  - e) any other reasonable and necessary data requested by Company needed for its preparation of the Annual Report and/or to comply with HUD reporting requirements.
4. Client shall implement post-implementation tenant utility cost allowances provided by Company at least once each year to reflect increases or decreases in utility rates and any further improvements which reduce water/energy consumption. Energy consumed for air conditioning shall be specifically excluded from tenant consumption allowances in accordance with HUD regulations.
5. If new refrigerators are installed during the contract term, they shall be Energy Star energy-efficient models with sizes not to exceed those they replaced.
6. New domestic hot water heaters shall be no larger than 50-gallon units in individual residences and no larger than what was in place during the baseline period when used for multiple residences. All new domestic hot water heaters should be Energy Star-rated.
7. Company shall analyze water bills each month. Consumption should be less than 45 gallons per person per day. If consumption exceeds 45 gallons per person per day, Client shall evaluate water systems and test water lines for leaks. If leaks or running toilets are found, Company shall be notified. Client shall remedy all such leaks and running toilets within thirty (30) days.
8. Client shall review all lease contracts with companies providing clothes washing machines and dryers and require them to replace the equipment with new water/energy saving equipment at all applicable facilities. Washing machines shall be front loaders and Energy Star rated. This equipment shall be installed when new leases are signed or when leases are extended.

## **Energy Services Agreement**

### **SCHEDULE K Compliance Checklist**

A representative of Company shall visit Client annually and review the following for Client's Compliance with its responsibilities within the Program.

1. Has Client fully complied with Schedule J?
2. Have Operating Subsidy submissions to HUD reflected the Frozen Rolling Base Incentive correctly?
3. Have Operating Subsidy submissions to HUD reflected the RP Incentive correctly?
4. In the Post-implementation Period, were Company-updated tenant utility consumption and cost allowances implemented in a timely manner?
5. Have there been any changes to the metering/billing setup for each utility at any Facility, resulting in (a) variance(s) from Schedule A Table 2?
6. Have there been (any) significant change(s) to the apartments, offices or other Facilities, which materially increased or decreased water and/or energy consumption? If so, how were those funded?
7. Has the number of units increased or decreased at any Facility?
8. Have occupancy levels at Facilities listed in Schedule A Table 1 materially increased or decreased from those listed in Schedule A Table 2?
9. Are Preventative Maintenance Activities as listed in Schedule I and other preventative, normal and emergency maintenance programs being followed by each Facility to ensure all water and energy-consuming equipment, whether installed in this Agreement or not, is in good, proper operating condition?
10. Has Client tested for water leaks within thirty (30) days of being required to do so by Company and/or within thirty (30) days of finding leaks itself? And has Client repaired all leaks found within thirty (30) days of such testing?
11. Has Client informed Company of all Material Changes recently implemented and/or to be implemented?

## **Energy Services Agreement**

### **SCHEDULE L** **Certificate of Limited Warranty of Guaranteed Cost Savings**

The Guaranteed Cost Savings amount shall be [REDACTED] annually. Company does hereby warrant, subject to all terms, conditions, limitations and exclusions of this Agreement, that if the Program does not generated the Guaranteed Cost Savings amount in any given year, Company shall be responsible for reimbursing Client the amount of the shortfall necessary to pay for the annual project financing and all related contract obligations, as stated in Schedule M, if any such shortfall exists, provided that:

- a) Company expressly provides no warranty of consumption or cost savings by AMP, by utility, by building, by facility, by piece of Equipment, or by meter;
- b) Company expressly provides no warranty for any utilities not included in the Scope of this EPC as listed in Schedule A Table 2 nor shall any increase or decrease in cost from any utility not included in the scope of this EPC as listed on Schedule A Table 2 impact in any way whatsoever the Annual Cost Savings produced by this Agreement;
- c) Company expressly provides no warranty of HUD funding levels or of HUD funding in relation to the Guaranteed Cost Savings, as submission of all HUD Operating Budget Forms and documentation is Client's sole responsibility, as stated in SECTION 27 and HUD funding levels are HUD's responsibility; and
- d) The Parties expressly recognize that Client is to receive approximately [REDACTED] in incentives from the electricity company, and that such funds are to be used to pay for the interest-only payment and debt service during the repayment period, and that should it be the case that the Program does not produce the amount of Guaranteed Cost Savings, the Client shall first use any remaining incentive money and if there is still a deficiency, Company shall be responsible for reimbursing Client the amount of the Net Cost Savings Shortfall necessary to pay for the annual project financing and all related contract obligations, as stated in Schedule M, if any such further shortfall exists.

#### **Section 1: Limitations and Exclusions**

THIS LIMITED WARRANTY OF GUARANTEED COST SAVINGS SHALL BE INVALIDATED AND RENDERED OF NO FORCE AND EFFECT UNDER ANY ONE OF THE FOLLOWING CONDITIONS, EXCEPT THAT CLIENT SHALL HAVE SIXTY (60) DAYS TO CORRECT SUCH FAILURE TO CONFORM AFTER RECEIVING WRITTEN NOTICE FROM COMPANY:

1. Alteration or modification of the Program in any way by any person other than a person authorized by Company. Any such alterations or modifications whether or not authorized which increase the water/energy consumption shall result in (a) corresponding change(s) to the Authority-paid (AP) and/or Resident-paid (RP) Baseline Consumption stated in Schedule C;
2. Failure of Client to provide Preventative Maintenance, normal and emergency maintenance as required by this Agreement, if the failure is such that it could reduce the Estimated Annual Cost Savings as shown on Schedule B Table 4, by more than three percent (3%). Otherwise, the provisions of Schedule I shall apply;
3. Failure of Client to supply Company or its successor or authorized agent with required data per Schedule J;
4. Failure of Client to perform its responsibilities in this Agreement, as documented by material deficiencies on the annual Compliance Checklist report;

## **Energy Services Agreement**

5. Failure of Client to notify Company in writing of the addition, deletion or modification of equipment located in Facilities, or operation of the Facilities in such a manner which modifies the water/energy consumption at the facility by an amount equal to or greater than 3% of the AP Baseline Consumption and/or RP Baseline Consumption, as defined in Schedule C and Schedule D, respectively;
6. Failure of Client to notify Company within ten (10) days of any apparent material malfunction in Program;
7. Any other Material Change by Client which would negatively impact the Annual Cost Savings in a material manner.

### Section 2: Annual Review Report and Reimbursement

Company shall prepare an Annual Review Report according to the following:

1. If the Annual Cost Savings exceeds the Guaranteed Cost Savings, then the Program has produced Excess Cost Savings in that Reporting Year, and such Excess Cost Savings benefit Client, except that if (a) subsequent year(s) produce an Cost Savings Shortfall, i.e., a circumstance in which the Guaranteed Cost Savings exceed the Annual Cost Savings, then:
  - a) Company shall determine if there is a remaining balance of Excess Cost Savings from (a) previous year(s) and if so such amount shall be called the Remaining Excess Cost Savings;
  - b) Company shall deduct any Cost Savings Shortfall from the Remaining Excess Cost Savings and if the answer to that calculation is negative, then that amount shall be termed the Net Cost Savings Shortfall, and if the answer to that calculation is positive, then that amount shall be the new Remaining Excess Cost Savings;
    - (1) The Parties expressly recognize that Client is to receive approximately \$10,200 in incentives from the electricity company, and such funds are to be used to pay for the interest-only payment and debt service during the repayment period, and that should it be the case that the Program does not produce the amount of Guaranteed Cost Savings, the Client shall first use any remaining incentive money and if there is still a Net Savings Shortfall after applying that amount, then Company shall be responsible for reimbursing Client the amount of the Net Cost Savings Shortfall necessary to pay for the annual project financing and all related contract obligations, as stated in Schedule M, if any such further shortfall exists.
  - c) If there is a Net Cost Savings Shortfall after the incentive money is applied, then the Annual Review Report shall state that Company owes Client the portion of the the Net Cost Savings Shortfall which is needed for Client to pay the project costs as stated in Schedule M, which shall be labeled Amount Payable to Client; and
    - (1) If Client provides a written Notice stating it agrees with the amount of the Amount Payable to Client, then Company shall pay Client the Amount Payable to Client within ninety (90) days after such Notice; or
    - (2) If Client provides a written Notice to Company stating it disagrees with the amount of the Amount Payable to Client, then:
      - a) Either Party may make written demand for an appraisal of the Net Cost Savings Shortfall. In this event each party shall select a competent and impartial appraiser. The appraisal shall be completed within sixty (60) days of the selection of the independent appraisers.

## **Energy Services Agreement**

Such appraisers shall be recognized experts in the calculation of M&V of EPC savings at public housing authorities. The two appraisers shall select an umpire. The umpire shall also be a recognized expert in the calculation of M&V of EPC savings at public housing authorities. If they cannot agree on an umpire, either may request that selection be made by a judge of a court having jurisdiction. The appraisers shall state separately the value of the Annual Cost Savings, amount of Remaining Excess Cost Savings (if applicable), and amount of Net Cost Savings Shortfall. All calculations shall follow the IPMVP guidelines and the HUD M&V Guidance in effect as of the Closing Date. If the two appraisers fail to come to an Agreement of the Net Cost Savings Shortfall amount, they shall submit their differences to the umpire, who shall determine which appraiser is correct. The umpire shall also recalculate the Amount Payable to Client, using the final Net Cost Savings Shortfall, the project costs data in Schedule M after taking into account the incentive amount of approximately [REDACTED] which shall be used to pay project financing before the guarantee is used. Any decision agreed to by the two appraisers, Client, Company and umpire (if necessary) shall be binding. Each party shall:

1. Pay its chosen appraiser; and
2. Pay own appraiser expenses and half of umpire's expenses, and;
3. Company shall pay Client the final Amount Payable to Client (if applicable).

***Energy Services Agreement***

**SCHEDULE M**  
**HUD Estimated Cash Flow**

In accordance with current HUD requirements as of Closing Date, Company has prepared, and Client has approved the attached HUD Estimated Cash Flow for this Agreement. This is an estimate of the cash flow anticipated over the contract term, and Company does not guarantee the amounts listed in any manner. Company's sole guarantee of cost savings shall be as stated in Schedule L.



**Energy Services Agreement**

*Insert HUD Cash Flow*

***Energy Services Agreement***

**ATTACHMENT 2**  
**FINAL REPORT OF THE INVESTMENT-GRADE ENERGY AUDIT**

The Final Report of the Investment-Grade Energy Audit is attached hereto the Agreement and made a part hereof.



***Energy Services Agreement***

**ATTACHMENT 3**  
**Energy Audit Agreement**

Please see attached. As stated above, a copy of the executed Energy Audit Agreement is attached hereto and made a part hereof.



***Energy Services Agreement***

**ATTACHMENT 4  
FORM HUD-5370**

Please see following pages. As stated above, HUD Form-5370 is attached hereto the agreement and made a part hereof.

***Energy Services Agreement***

**ATTACHMENT 5**  
**HUD Form-5369A**

Please see attached. As stated above, HUD Form-5369A is attached hereto and made a part hereof.

Always attach HUD Form-2530 with 5369-A

***Energy Services Agreement***

**ATTACHMENT 6**  
**Legal Review of Energy Services Agreement**

Please see attached. As stated above, a copy of the Legal Review of the Energy Services Agreement is attached hereto and made a part hereof.

***Energy Services Agreement***

**ATTACHMENT 7**  
**Cost Reasonableness Certificate**

Please see attached. As stated above, a copy of the Cost Reasonableness Certificate is attached hereto and made a part hereof.

***Energy Services Agreement***

**ATTACHMENT 8**  
**Conditional Pre-approval of Related Energy Conservation Measures**

Please see attached. As stated above, a copy of the Conditional Pre-approval of Related Energy Conservation Measures is attached hereto and made a part hereof.





The Housing Authority of Avon Park

**RESOLUTION NO. 14-13**

**RESOLUTION APPROVING FFY 2015 PUBLIC HOUSING OPERATING  
BUDGET**

Whereas, HUD requires the submission of a FY2015 Operating Budget and Subsidy Eligibility Calculation within 30 days following the prior Fiscal Year End.; and

Whereas, APHA staff and APHA Fee Accountant Cornwell Associates have collectively prepared the proposed 2015 Operating Budget in accordance to the regulations in Notice PIH 2008-33(HA) and known projected factors at this time; and

Whereas, APHA Board of Commissioners have received and had opportunity to contemplate/review of the proposed draft 2015 Public Housing Operating budget through prior posting of same on the APHA Website for sufficiency determination.

NOW THEREFORE BE IT RESOLVED that the Public Housing Operating Budget For the Avon Park Housing Authority for federal fiscal year January 1-December 31, 2014, attached hereto and incorporated herein, be approved and adopted, with Budget implementation effective January 1, 2015 .

ADOPTED THIS 18st DAY OF NOVEMBER, 2014.

Accepted \_\_\_\_\_

Attest \_\_\_\_\_

SEAL

The Housing Authority of Avon Park

**RESOLUTION NO. 14-14**

**RESOLUTION ADOPTING THE AVON PARK HOUSING AUTHORITY 2015 ANNUAL YEAR PLAN AND 5 YEAR PLAN UPDATE**

- Whereas, The Avon Park Housing Authority has prepared updates to the Annual Plan for APHA fiscal year 2015 and 5 Year plan in accordance with the U.S. Department of Housing and Urban Development guidelines and regulations as a Streamlined Plan for Small Public Housing Authorities; and
- Whereas, An updated Capital Fund Program has been prepared for fiscal Year 2015 using the best available data as part of the Annual Plan update process; and
- Whereas, The aforementioned APHA Plan was required to be published, circulated for comments and public hearing held in accordance with the U.S.D.H.U.D. guidelines to inform the general public and tenants regarding the contents of the proposed Annual Plan and gather comments related and
- Whereas, The APHA has performed the requisite publication, circulation and public hearing/comment gathering process and considered/incorporated said comments prior to formal adoption of the Plan.

NOW THEREFORE BE IT RESOLVED that the Board of Commissioners hereby formally approval and adopt the 2015 Annual Year Plan and authorize the Executive Director to so certify and file said Plan with the U.S.D.H.U.D. per statutory requirements.

ADOPTED THIS 18th DAY OF NOVEMBER, 2014.

Accepted \_\_\_\_\_

Attest \_\_\_\_\_

SEAL