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RESOLUTION NO. 593

CIRCUIT COURT
DORCHESTER COUNTY

**RESOLUTION OF THE COUNTY COUNCIL OF
DORCHESTER COUNTY, MARYLAND**

WHEREAS, Section 4-126 of the Education Article of the Annotated Code of Maryland permits the use of certain alternative financing methods in order to finance or to speed delivery of, transfer risks of, or otherwise enhance the delivery of public school construction, including, for performance-based contracting in which a county board of education enters into an energy performance contract to obtain funding for a project with guaranteed energy savings over a specified period of time; and

WHEREAS, the Board of Education of Dorchester County (the "Board") proposes to enter into an Annual Energy Unit Savings Agreement (a copy of which is attached as Exhibit A) and a Design Build Project Agreement (a copy of which is attached as Exhibit B) with ABM Building Services, LLC ("ABM") for the purpose of providing on-going support services and energy unit savings in various facilities owned and operated by the Board; and

WHEREAS, as part of the Design Build Project Agreement and Annual Energy Unit Savings Agreement, the Board will purchase, acquire and lease certain equipment with a cost not to exceed Four Million, One Hundred Eighty Eight Thousand, Two Hundred Seventy Four Dollars (\$4,188,274.00) constituting personal property necessary for the Board to obtain the proposed energy unit savings and also proposes to enter into an Equipment Lease Purchase Agreement (a copy of which is attached as Exhibit C) with Bank of America, National Association, or one of its affiliates, Banc of America Public Capital Corporation and/or Banc of America Leasing & Capital, LLC (collectively, the "Lessor") for the purpose of providing the necessary alternative financing (the "alternative financing"); and

WHEREAS, Section 4-126(f) of the Education Article of the Annotated Code of Maryland provides that, "a County Board may not use alternative financing methods under this Section without the approval of the County governing body".

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF
DORCHESTER COUNTY, MARYLAND:**

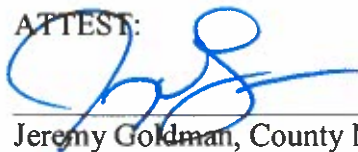
1. Pursuant to Section 4-126 (f) of the Education Article of the Annotated Code of Maryland, the County Council of Dorchester County, Maryland approves the alternative financing methods proposed by the Board as set forth in this Resolution.
2. The approval of the alternative financing methods pursuant to this Resolution shall not obligate Dorchester County, Maryland or the County Council of Dorchester County, Maryland to pay any cost or expense, including, but not limited to, any obligation, cost, rental payments, legal, accounting or financial advisor expense of any kind or nature to ABM, the Lessor, or to any assignee related to or pursuant to the Design Build Project Agreement, Annual Energy Unit Savings Agreement, or Equipment Lease Purchase Agreement.

3. The alternative financing methods approved by this Resolution shall be substantially as described in the preamble to this Resolution and in the documents attached hereto as Exhibits A, B, and C, with such changes as the Board may determine are in the best interests of the Board.


PASSED AND ADOPTED THIS 20 DAY OF DECEMBER, 2016

The County Council
of Dorchester County

ATTEST:



Jeremy Goldman, County Manager



Ricky C. Travers, President

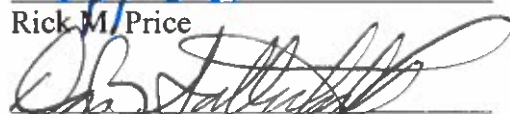


Tom C. Bradshaw, Vice President



William V. Nichols

opposed



Rick M. Price



Don B. Satterfield

ABM Building Services**Annual Energy Unit Savings Agreement**

Proposal Date	Proposal	Agreement Number	Page
December 1, 2016	85850956		1 of 12

BY AND BETWEEN:

ABM Building Services, LLC 5701 General Washington Drive; J Alexandria, VA 22312	AND	The Board of Education of Dorchester County 700 Glasgow Street Cambridge, MD 21613
Hereinafter: Contractor		Hereinafter: Customer

This Contract provides for certain on-going support services and Energy Unit Savings to be achieved in connection with the Work performed under the Design-Build Project #58550956 between the Contractor and the Customer dated December 1, 2016 ("Design-Build Project Agreement") located at the Dorchester County Public Schools- Addresses of facilities are listed in Attachment "A" of this Design-Build Project Agreement Proposal 85850956.

Contractor will provide the on-going support services set forth in Exhibits A, B, C, D and E and are subject to the terms and conditions set forth in Exhibit "A" hereto.

The annual fee for the energy guarantee will be \$17,644.00 continuing annually, with an annual escalation rate of 3.0% (if renewed by Customer) until 2021. There will be an annual renewal of the contract; this contract can be terminated at any time as set forth in Exhibit A. The annual fee is to be paid in equal monthly installments to the Contractor.

This proposal is proprietary property of Contractor and is provided for Customer's use only subject, however, to the provisions of the Maryland Open Meetings Act and the Maryland Public Information Act. Contractor guarantees the price stated in this Agreement for thirty (30) days from proposal date above. The proposal will become a binding Agreement only after acceptance by Customer and approval by an officer of Contractor as evidenced by their signatures below. This Agreement, including all Exhibits and Attachments hereto, sets forth all the terms and conditions binding upon the parties hereto; and no person has authority to make any claim, representation, promise or condition on behalf of Contractor which is not expressed herein.

ABM Building Services, LLC

CUSTOMER

Signature (Authorized Representative)	Signature (Authorized Representative)
Mark Newsome	Henry V. Wagner, Jr. Ed. D.
Name (Print)	Name (Print)
Senior Vice President	Superintendent - DCPS
Title	Title
Date	Date

Exhibit A
Definitions

1. **Annual Savings Period or Measurement Year:** shall mean the consecutive twelve (12) month period beginning with the M&V Commencement Date. Savings and rebates during the Project period prior to the M&V Commencement Date will go towards first year savings.
2. **Baseline:** In determining Baselines, Contractor identifies some of the factors which may affect energy use for the Facilities, including but not limited to: hours and levels of occupancy; occupant population; adjustments in labor force; building use and operational procedures; temperature, humidification, and ventilation levels; installed lighting and scheduled use; building construction and size; general level of repair and efficiency of heating and air conditioning equipment and other energy-using equipment; and amount of heating and air conditioning and other energy-using equipment ("Factors"). After consideration of those Factors and certain other uses of the Facilities, Contractor establishes initial Baselines. It is understood that in the event changes in Factors affect energy use, the Baselines may be revised from time to time as detailed in this Contract. In addition, data collected during the period before construction may indicate a change of the energy use pattern at the facility and require a change to the Baselines. Contractor shall notify the Customer, in writing, of all such changes.
3. **Baseline Dates:** shall mean the start and end dates determining the Baseline. The Baseline Dates shall be April 2015 to March 2016
4. **Initial Base Energy Rates:** The "Base Energy Rates" are the units of dollars per energy unit developed from the Baselines and are identified in Exhibit D, and shall be used by Contractor to calculate the initial EC Savings.
5. **Contractor** shall mean and include ABM Building Services, LLC, 5701 General Washington Drive; Suite J Alexandria, VA 22312
6. **Customer** shall mean the Board of Education of Dorchester County (hereinafter sometimes referred to as the Dorchester County Public Schools or "DCPS").
7. **EC Savings:** The energy conservation savings, having units of dollars (\$), are those savings achieved through the reduction in energy consumption, demand, energy rates, maintenance, or materials calculated using the Initial Base Energy Rates from Exhibit "D" or the actual rates, whichever results in greater Energy Unit Savings.
8. **Energy Unit Savings Term:** The "Energy Unit Savings Term" shall be for Five (5) Years or until the extension or termination of this agreement.
9. **Energy Unit Savings:** The energy conservation savings in units of energy, power, water, etc., achieved through the reduction in energy consumption, demand, energy rates, maintenance, or materials. Units of energy may include kWh, MCF, MMBTU, Gallons and are identified in Exhibit "D"
10. **M&V Commencement Date:** "M&V Commencement Date" shall be the first day of the month following both:
 - 1) The signed Certificate of Final Completion of the Project in accordance with the Customer Design-Build Project Proposal #85850956, and
 - 2) Contractor's receipt of all payments due and owing under the Design-Build Project Agreement.
11. **Project:** the Design-Build project performed by Contractor for the Customer pursuant to the BES Project Agreement.
12. **Projected Energy Unit Savings:** the savings expected from the Project as identified in Exhibit D.
13. **Savings Measurement & Verification Plan:** Contractor's process of preparing reports, taking on-site measurements, monitoring building automation systems, and/or any additional work to quantify Energy Unit Savings for the purpose of meeting the Guaranteed Energy Unit Savings as identified in Exhibit D. Contractor's measurement and verification activities as identified in Exhibit E shall not include maintenance of the Project or record keeping related to such maintenance, which shall be the sole responsibility of Customer.

General Terms and Conditions

1. Upon reasonable prior notice and coordination with Customer, the Customer shall permit Contractor free and timely access to areas and equipment provided that such access will not impede or impair the normal operations of school functions and allow Contractor to start and stop the equipment as necessary to implement the Savings Measurement & Verification Plan. All work by Contractor under this Contract will be performed during normal working hours; except that no work will interfere with Customer's activities. All of Contractor's employees and subcontractors performing work at Dorchester County Public Schools sites shall be subject to the following restrictions: Maryland Law requires certain sex offenders to register with the State and with the local law enforcement agency in the county in which they reside or work, and/or attend school. Section 11-722 (c) & (d) of the Criminal Procedure Article of the Annotated Code of Maryland states, "A person who enters into a contract with a county board of education or a nonpublic school may not knowingly employ an individual to work at a school if the individual is a registrant." A person who violates this section is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 5 years, or a fine not exceeding \$5,000, or both. If a registered sex offender, as determined by the definition contained in the Criminal Procedures Article of the Annotated Code of Maryland, is employed by the Contractor or any subcontractor, then the Contractor is prohibited from assigning that employee to perform management, delivery, installation, repair, construction, or any type of services on any Dorchester County Public Schools sites. Contractor shall include this provision in all agreements with subcontractors. Any violation of this provision may result in Termination of this Agreement for cause.
2. Subject to Section 8 below, any legal action relating to this Agreement, or breach thereof, shall be commenced in the Circuit Court for Dorchester County. Both Customer and Contractor submit to the exclusive jurisdiction of the Circuit Court for Dorchester County, MD for determination of any breach of duties and damages thereof.
3. Contractor will carry Commercial General Liability Insurance and Automobile Insurance from an insurance company licensed to do business in the State of Maryland with an A.M. Best rating of at least an A with occurrence and aggregate limits of \$1,000,000 and shall name Customer as an additional insured on these policies.
4. Contractor agrees to indemnify, defend, and hold harmless Customer and/or any of Customer's employees and agents from and against any and all claims, losses, or liabilities for personal injuries or property damages, as well as costs and expenses incurred in the defense thereof, including reasonable attorney's fees, caused by Contractor's negligence in the performance of the Work under this Agreement. The provisions of this section shall survive the termination of this Agreement with respect to any events occurring on or before termination whether or not Claims relating thereto are asserted before or after termination.
5. Subject to the limits set forth in Section 5-518 of the Courts and Judicial Proceedings Article to the Annotated Code of Maryland, Customer agrees to indemnify, defend, and hold harmless Contractor from and against any and all claims, losses, or liabilities for personal injuries or property damages, as well as costs and expenses incurred in the defense thereof, including reasonable attorney's fees, caused by Customer's negligence. The provisions of this section shall survive the termination of this Agreement with respect to any events occurring on or before termination whether or not Claims relating thereto are asserted before or after termination.
6. Contractor expressly disclaims any and all responsibility and liability for the indoor air quality of Customer's facility, including without limitation injury or illness to occupants of the facility or third parties, except to the extent of Contractor's adjudicated negligent acts or omissions or willful misconduct.
7. Customer's Termination Right: To the extent authorized under the applicable state and federal laws, regulations, ordinances or other requirements, Customer may terminate this Contract upon thirty (30) days prior written notice. Should such termination occur on a date other than at the beginning of a Measurement Year, Contractor shall have no Guaranteed Energy Unit

- Saving obligations hereunder for a partial year. Contractor shall have no obligation to refund any monthly payments made hereunder through the date of any such early termination and customer shall have no obligation to make payments for future months.
8. **Dispute Resolution:** Any controversy, claim, counterclaim, controversy or dispute involving the parties (or their affiliates) directly or indirectly concerning this agreement or the subject matter hereof (including, without limitation, any questions concerning the scope and applicability of this paragraph) shall be attempted to be handled through a mediator. If an agreement through a mediator cannot be settled the resolutions shall be finally settled by arbitration held in the County of Dorchester, MD with one arbitrator in accordance with the rules of commercial arbitration then followed by the American Arbitration Association (or any successor to the functions thereof). The arbitrator shall apply Maryland law and shall have the right and authority to determine how his or her decision or determination as to each issue or matter in dispute may be implemented or enforced. Any decision or award of the arbitrator shall be final and conclusive on the parties to this Agreement. The parties hereto agree that any action to compel arbitration pursuant to this Agreement may be brought in the Circuit Court for Dorchester County and in connection with such action to compel the laws of the State of Maryland shall control. Application may also be made to such court for confirmation of any decision or award of the arbitrator, for an order of the enforcement and for any other remedies which may be necessary to effectuate such decision or award. The parties hereto hereby consent to the jurisdiction of the arbitrator and of such court and waive any objection to the jurisdiction of such arbitrator and court. This arbitration clause shall not be applicable to claims asserted by third parties for which Contractor or Customer may have an obligation to provide indemnification pursuant to Sections 4 or 5 of this Agreement

Exhibit B**Savings Guarantee**

1. The annual Energy Unit Savings will be calculated using standard computerized Energy Unit Savings auditing procedures, as described herein, which compare the Customer's energy consumption during the prior 12 months (April 2015 to March 2016) before implementation of the Project ("Baseline Conditions") with that of the consumption during the applicable Annual Savings Period (the "Calculated Savings"). The Annual Savings Period for customer shall be the Baseline Dates as described in the Definitions. These dates may be adjusted based on final project completion and Customer sign off of project completion. Published degree days will be used in auditing process to allow for differences of weather conditions between Baseline Dates and each year of Guaranteed Unit Savings. Increase in utility rates will be adjusted with audits.
2. Except to the extent of any annual maintenance program with the Contractor, the Customer shall be solely responsible to maintain the Project in a manner consistent with the manufacturer's or Contractor's recommended maintenance schedules and procedures, maintain all records associated with such maintenance, and upon request of the Contractor, provide copies of such records thereof. Contractor may, if it deems necessary, inspect the Facilities from time to time to implement its Savings Measurement & Verification Plan.
3. For the purpose of determining Energy Unit Savings, Contractor shall prepare reports, take on-site measurements, monitor building automation systems, and/or additional work as required by and detailed in its Savings Measurement & Verification Plan.
4. The Customer acknowledges and consents to Contractor's right to monitor Energy Unit Savings and energy management performance by conducting on-site measurements, including, but not limited to, reading meters and installing and observing on-site monitoring equipment. The Customer shall cooperate fully with any such measures instituted by Contractor pursuant to this Subsection. Contractor shall not institute any measures that unreasonably interfere with the business of Customer conducted at the Customer's location.
5. For the purpose of determining Energy Unit Savings, Customer shall cooperate with Contractor by providing utility bills and other applicable information and maintenance records, changes in factors affecting energy use, and/or additional information as requested by Contractor personnel.
6. Savings Guarantee: Subject to changes in the Factors, Contractor guarantees that the Customer will realize total Energy Unit Savings during the Energy Unit Savings Term of not less than the Guaranteed Savings set forth in Exhibit "D".
7. Guarantee Payment: Should the Customer's total Energy Unit Savings during any Measurement Year be less than the Guaranteed Energy Unit Savings for that year, Contractor guarantees that it shall pay to the Customer, within 30 days of the acceptance of the annual Energy Unit Savings report, the difference between the Guaranteed Energy Unit Savings for such year and the total Energy Unit Savings for that Measurement Year, not to exceed the Guarantee Energy Unit Savings amount set forth in Exhibit "D". If in the judgment of the Customer, Customer would benefit from additional energy services or energy saving retrofits, Customer and Contractor may mutually agree upon such services or retrofits in lieu of the Guarantee Payment. For the purposes of this Contract, such services or retrofits actually delivered by Contractor will be considered a Guarantee Payment for that Measurement Year.
8. Excess Savings:
 - a. For each Measurement Year in which the Energy Unit Savings exceed the Guaranteed Unit Savings, the Excess Savings shall be the value of the difference.
 - b. The total excess Energy Unit Savings for any positive or negative pre-M&V Commencement Date savings (construction period Energy Unit Savings) will be added to the Energy Unit Savings for the first Measurement Year. With respect to any Measurement Year in which Contractor has made a Guarantee Payment to the Customer, the negative energy unit savings will be set to zero for the following Measurement Year.
9. Changes in Factors Affecting Energy Use
 - a. The Customer shall notify Contractor in writing within ten (10) business days of any change in any Factor that affects the Baselines as set forth herein. Contractor will determine the effect that any such change will have on the Base Energy Rates and/or Energy Unit

- Savings and present to the Customer a written analysis of the effects of the changes. Changes that are long term or permanent will be reflected in a change to the Base Energy Rates. Temporary changes that affect energy use will be calculated and added to or subtracted from the corresponding month's Energy Unit Savings.
- b. If a change in any of the Factors involved in the Baseline occurs and results in a reduction of Energy Unit Savings, then the Energy Unit Savings to be guaranteed by Contractor will be decreased by the same amount.
10. Customer and Contractor may from time to time desire to make changes to the Project infrastructure for the express purpose of increasing Energy Unit Savings. It is agreed that these changes will only be made with the written consent of both parties, which will not be unreasonably withheld. The Baseline will not be adjusted to reflect any changes agreed to under this subparagraph without the mutual agreement of the parties, except that if Contractor elects to pay for the cost of any such changes that would not unreasonably interfere with the conduct of Customer's business, and the Customer does not consent to such changes, then the Baseline will be adjusted upward by the amount of savings projected from the changes.
 11. During the Energy Unit Savings Term when the effect on savings cannot be accurately determined due to construction or major changes, Projected Energy Unit Savings for the facility will be used for the period of such changes and until the effect of the changes can be determined by Contractor.
 12. Contractor has the right to charge the Customer for work required to assess the effect on savings for any large scale changes, including, but not limited to, building additions, new buildings, and new or changed HVAC equipment, that require more than forty (40) hours per year to be spent in calculating their effect on the Energy Unit Savings. Such hours will be billed at current Contractor engineering rates. Current rates for engineering are based at \$130/hr starting in April 2016 and shall be escalated at 4% annually for the years following years guaranteed not to exceed \$192/hr in 2031. Before initiating such work, Contractor will notify the Customer in writing of the intent and cost associated with the work. The Customer will, within 45 days in writing, notify Contractor with permission to proceed or, alternatively at no charge, to stipulate that the Projected Energy Unit Savings for the existing facility in question be used for the purpose of calculating the Energy Unit Savings. If Contractor does not receive written notice within 45 days, the Projected Energy Unit Savings for the existing facility in question will be used as Energy Unit Savings until such time that the Customer approves the work, as long as the scope of the work has not changed.
 13. If the Customer fails to notify Contractor of changes in Factors affecting energy use or fails to supply Contractor with requested information that is required for the calculation of saving in a timely manner, Energy Unit Savings for the period will be equal to the Projected Energy Unit Savings for the period. If information for the period in question is supplied at a later date, the Energy Unit Savings will be modified only if the calculated savings for the period exceed the Projected Energy Unit Savings for that period of time.
 14. Any changes made by Contractor to the Baselines or Energy Unit Savings calculations, as outlined in this Agreement, shall be presented in writing to the Customer. The Customer shall have 30 days to approve or question the changes in writing. Contractor will work with the Customer to answer any questions or make any necessary corrections. Any changes that are made shall become Exhibit "E" to this agreement.
 15. The Customer agrees that Contractor shall have the right, upon reasonable prior notice and coordination with Customer, to inspect the facilities to determine if the Customer is in compliance with its obligations as set forth herein provided that such access will not impede or impair the normal operations of school functions or the Customer's activities. In the event that any inspection discloses that the Customer has failed on the date of the inspection to be in compliance with any items set forth herein and that such failure has a significant impact upon the Guaranteed Energy Unit Savings, then Contractor shall provide Customer with a report delineating Customer's specific compliance failures and the specific impact upon the ability to reach the Guaranteed Energy Unit Savings. If Customer agrees with the report provided by Contractor, then the Guaranteed Energy Unit Savings shall be assumed to have been achieved for and with respect to the portion of the Measurement Year during which such failure shall have existed. If the parties do not agree, then the Dispute Resolution provisions set forth in this Agreement shall apply.

Exhibit C
Miscellaneous Terms and Conditions

I. Lighting Retrofit Savings

Lighting power consumption shall be measured before and after retrofitting and the reduction shall be used to represent the actual power savings for each retrofitted fixture. Light Energy Unit Savings are stipulated and shall be calculated assuming the operating hours specified in the table below:

Usage Group	Annual Hours
Administrative Offices	2107
Administrative Offices (BoE)	2107
Administrative Offices (ES)	2107
Administrative Offices (Judy)	3300
Administrative Offices (Warwick)	3300
Auditorium/Stg	1227
Cafeteria	1906
Cafeteria (Warwick)	1906
Classroom / Instruction	1774
Classroom / Instruction (BoE)	1774
Classroom / Instruction (ES)	1774
Classroom / Instruction (HS)	1774
Classroom / Instruction (Hurlock)	2050
Classroom / Instruction (Judy)	3300
Classroom / Instruction (MS)	1774
Classroom / Instruction (Warwick)	2200
Exit Signs/Night Lights	8760
Exterior - Dusk to Dawn	4380
Exterior - Switch	3538
Gymnasium (ES)	1836
Gymnasium (HS)	1836
Gymnasium (MS)	1836
Hallways and Common Areas	2893
Hallways and Common Areas (BoE)	2893
Hallways and Common Areas (ES)	2893
Hallways and Common Areas (Hurlock)	3640
Hallways and Common Areas (Judy)	3400
Hallways and Common Areas (Warwick)	3400
Kitchen	1463
Kitchen (ES)	1463
Kitchen (Warwick)	1906

Library	1742
Library / Media Center (ES)	1742
Lounge	1704
Maintenance/Repair Shop	2107
Mechanical/Electrical Room	645
On 24/7	8760
Restroom	2146
Restroom (BoE)	2146
Restroom (ES)	2146
Restroom (Hurlock)	3640
Restroom (Judy)	3250
Restroom (Private)	1575
Restroom (Warwick)	3250
Storage Closet (Judy)	2146
Utility / Low Operating Hours	637

II. Utility Bills Comparison

Guaranteed Energy Unit Savings will be derived from new and retrofitted mechanical equipment, controls, light fixture retrofits, new utility rate structures, lighting specifications and efficiency improvements as generated by new and retrofitted mechanical equipment as listed in Exhibit A of Dorchester County Public Schools Design-Build Project Agreement 85850956. Guaranteed Energy Unit Savings related to the lighting retrofit are incorporated into the annual Guaranteed Energy Unit Savings set forth in Exhibit "D".

III. Baseline Conditions

Baseline Conditions is defined as the set of conditions that determined Agency's energy consumption during the 12 months dating from April 2015 through March 2016 before implementation of the Project. The Guaranteed Energy Unit Savings are based on consistent utility consumption patterns in the future as compared to the Baseline Conditions, with adjustments made for non-performing devices made operational as per building code requirements.

The Guaranteed Energy Unit Savings set forth in Exhibit "D" are based on the Factors, as they are at the time this Agreement is executed. New facility heating or air conditioning loads and major increases in student enrollment will be adjusted for according to the effect on original criteria.

IV. Run Times / Conditions

The design space temperatures for heating are 68 to 72 degrees Fahrenheit during the day or less; the design space temperatures for cooling are 74-78 degrees Fahrenheit during the day or more. The control system will be set to achieve the nominal design space temperature for heating or cooling.

The normal hours of operation are described below. It is understood by both parties that there will be events and/or meetings that will go beyond the normal hours of operation and have been accounted for in the Baseline Conditions. When student classes are not in session such as school holidays and summer breaks the systems shall be set to night/weekend set back modes. The heating setback switches shall be adjusted to 55 degrees and 60 degrees during periods of extreme cold. During the cooling season setback switches shall be activated for nighttime temperature with a set point of 85 degrees unless the physical plant is specifically exempt to provide comfortable temperatures for special programs in a school.

Board of Education

SUN	MON	TUES	WED	THURS	FRI	SAT
none	8 am – 4:30 pm	8 am – 4:30 pm	8 am – 4:30 pm	8 am – 4:30 pm	8 am – 4:30 pm	none

Elementary Schools Classrooms- Non-Summer

SUN	MON	TUES	WED	THURS	FRI	SAT
none	7 am – 10 pm	7 am – 10 pm	7 am – 10 pm	7 am – 10 pm	7 am – 10 pm	none

* Common areas have longer run hours

Elementary Schools Classrooms- Summer

SUN	MON	TUES	WED	THURS	FRI	SAT
none	7 am – 4:30 pm	7 am – 4:30 pm	7 am – 4:30 pm	7 am – 4:30 pm	7 am – 4:30 pm	none

* Common areas have longer run hours

Middle/High Schools Classrooms- Non -Summer

SUN	MON	TUES	WED	THURS	FRI	SAT
none	6 am – 10 pm	6 am – 10 pm	6 am – 10 pm	6 am – 10 pm	6 am – 10 pm	none

* Common areas have longer run hours

Middle/High Schools Classrooms - Summer

SUN	MON	TUES	WED	THURS	FRI	SAT
none	6 am – 4:30 pm	6 am – 4:30 pm	6 am – 4:30 pm	6 am – 4:30 pm	6 am – 4:30 pm	none

* Common areas have longer run hours

Contractor acknowledges that Schools may have events or after-hours functions such as private functions and community room rentals and ABM agrees that this will not violate the above Run Times/Conditions.

**Exhibit D
Annual Guaranteed Energy Unit Savings:**

Annual Baseline Usage

Electric: 8,137,792 kWh
 Electric (North Dorchester High School): 727,715 kWh
 Natural Gas: 114,167 CCF
 Fuel Oil: 50,436 Gals
 Fuel Oil (North Dorchester High School): 53,392 Gals
 Water/Sewer: 3,111 kGals (Board of Education, Cambridge South Dorchester HS, Choptank ES & Mace's Lane MS)

Annual Savings

ESCO will guarantee the annual kWh, BTU reduction listed below:

Lighting Savings: 570,814 kWh*
 Other Electrical Savings: 1,488,674 kWh
 Fuel Savings: 962 MMBTU
 *Savings for North Dorchester High School: 6331 MMBTU

The annual kWh savings includes the stipulated savings associated with the lighting retrofit.
 * Savings between the modeled new Dorchester high school and old high school

INITIAL BASE ENERGY RATES:

Building / Facility	Elec (\$/kWh)	Nat Gas (\$/MMBTU)	Fuel Oil (\$/MMBTU)	Water + Sewer [\$kGal]
Board of Education	\$ 0.13	\$ 13.94	\$ -	\$ 8.19
Cambridge-South Dorchester HS	\$ 0.11	\$ 5.37	\$ -	\$ 7.10
Choptank ES	\$ 0.07	\$ 15.72	\$ -	\$ 7.80
Dorchester Career & Tech Center	\$ 0.11	\$ -	\$ -	\$ -
Hurlock ES	\$ 0.13	\$ 14.28	\$ -	\$ -
Judy Center	\$ 0.14	\$ -	\$ -	\$ -
Mace's Lane MS	\$ 0.08	\$ 15.81	\$ -	\$ 7.80
Maple ES	\$ 0.11	\$ 14.29	\$ -	\$ -
New Directions Learning Academy	\$ 0.11	\$ 13.93	\$ -	\$ -
North Dorchester MS	\$ 0.12	\$ -	\$ 8.73	\$ -
Sandy Hill ES	\$ 0.13	\$ -	\$ -	\$ -
South Dorchester K-8	\$ 0.09	\$ -	\$ 8.65	\$ -
Vienna ES	\$ 0.12	\$ -	\$ 8.61	\$ -
Warwick ES	\$ 0.09	\$ -	\$ 8.66	\$ -

Operational and Maintenance Savings Breakdown

Annual Operational and Maintenance savings are \$4,000

**EXHIBIT E
Measurement & Verification Plan**

ABM and the Agency agree that the Verified Savings will be determined using the following Measurement and Verification Plan. Through this plan, the Guaranteed Savings generated by the ECM installed in the Facilities will be verified.

Measurement & Verification Plan: ABM and the Agency agree that the Verified Savings by ECM will be determined using the following Measurement & Verification plans further described in this section. Through this plan, the guaranteed savings generated by the ECMs installed in the Facilities will be validated. The M&V methodologies proposed for these ECMs are based on the version 2.2 of the F.E.M.P. Measurement and Verification Guidelines. The objective of the plan is to quantify the actual electrical, water and fossil fuel and compare those to the specific Baseline Usage for each Facility, the difference of which is the Verified Savings.

During the term of the Agreement, ABM will make adjustments to energy savings due to changes in the standards and comforts as described in Exhibit C, building occupancy, weather data, and utility rate schedules, etc. The unit costs of energy will be applied to the energy savings calculated by this M&V plan. Current utility cost will be used as a basis for determining the unit cost, with floor and ceiling prices set by baseline rate information, presented herein this Attachment.

The following is a brief overview of the measurement and verification methodologies applicable to the Improvement Measures set forth below. ABM shall apply these methodologies, as more fully detailed in the guidelines and standards of the International Measurement and Verification Protocol (IPMVP) and/or the Federal Energy Management Program (FEMP), in connection with the provision of M&V Services hereunder.

**Option A
Partially Measured Retrofit Isolation**

Measured Project Benefits are determined by partial field measurement of the energy use of the system(s) to which an Improvement Measure was applied separate from the energy use of the rest of the facility. Measurements will be short-term with only one-time measurements before and after the Installation Period.

Partial measurement means that some but not all parameters will be measured. Careful review of the design and installation of Improvement Measures is intended to demonstrate that the stipulated values fairly represent the probable actual values. Agreed-upon values will be shown in the measurement and verification plan, along with analysis of the significance of the error they may introduce. Engineering calculations using short-term pre and post-retrofit measurements and stipulations are used to calculate Measured Project Benefits for the duration of the Guarantee Term.

Measurement and Verification Activities

The table below details the selected IPMVP protocols for the ECMs identified in this project

Measure	M&V Option	M&V Activity Description
Lighting & Controls	A	One time, measurement of operating hours used for baseline and post-installation engineering calculations 5 % of lighting fixture pre and post kW measurement to verify the lighting savings as well as lighting on/off loggers to verify the post retrofit hours
Energy Management System Improvements	A	Baseline energy use calculated with engineering methods using measurements taken during pre-award development period to determine operating conditions of systems. Post-installations energy use determined with engineering methods using measured set points and trending data. EMS trending and data loggers to verify HVAC control sequence of operation, temperature setbacks, and unit operating schedules
VFD on AHU Fans and Pump Motors	A	Engineering methods used to calculate savings. Systems commissioned during post-installation period to verify savings. Onetime pre and post measurement of motor power (kW) Controls trending used to verify the hours at 100%, 75%, and 50% speeds to verify kW assumptions used in engineering equations
HVAC Equipment Upgrades	A	Engineering methods used to calculate savings for the occupied annual hours measured using the data loggers. Existing name plate efficiency (EER/COP) used for baseline conditions. Verification of proper installation and new equipment efficiencies (EER/COP) and operation during commissioning phase to verify savings
HVAC Armor	A	<p>The M&V methodology looks for change in the COP of the unit after the implementation of HVAC Armor. COP is used to quantify the performance of the refrigeration cycle. Following points are measured to measure the change in COP of the unit</p> <ul style="list-style-type: none"> • Compressor inlet pressure (refrigerant) • Compressor discharge temperature (refrigerant) • Compressor discharge pressure (refrigerant) • Condenser outlet temperature (refrigerant) • Outdoor air temperature or EWT • Evaporator air return temperature <p>This information is collected in 30-60 min period of 1-minute interval with the use of temperature and pressure sensors placed in the unit, prior to and after the HVAC Armor is applied to the unit.</p>
Outdoor Air Reduction	A	Aircuity (or similar) Indoor Air Quality (IAQ) meters pre and post Global Plasma Solutions (GPS) pre and post installation to satisfy ASHRAE 62 Standard

Measure	M&V Option	M&V Activity Description
North Dorchester High School	D	Utility Baseline usage for the 'Old' North Dorchester High School. Energy Model used for 'New' North Dorchester High school.

ABM Building Services

Design-Build Project Agreement

Proposal Date	Proposal Number	Agreement Number	Page
December 1, 2016	85850956		1 of 33

BY AND BETWEEN:

ABM Building Services, LLC 5701 General Washington Drive – J Alexandria, VA 22312	AND	The Board of Education of Dorchester County 700 Glasgow Street Cambridge, MD 21613
Hereinafter: Contractor		Hereinafter: Customer

PROJECT DESCRIPTION AND LOCATION

Design – Build Professional Services for energy efficiency improvements at the Dorchester County Public Schools, Cambridge, MD. Addresses of facilities are listed in Attachment "A" of this Design-Build Project Agreement.

Contractor will provide all design-build professional services; engineering; design; procurement; and installation of the infrastructure improvements indicated in Attachment "A", Scope of Work (the "Work"), to deliver a complete installation. All Work will be subject to the terms and conditions set forth in Exhibit A, as well as Attachment A hereto.

The purchase price for the Work will be \$4,188,274.00. The Work performed under this Design – Build AGREEMENT will be substantially complete and ready for Owner's beneficial use within 12 months of Customer's acceptance and Contractor's approval of this Agreement. In addition to signing below, Customer's acceptance shall not be deemed valid until it notifies Contractor in writing that it has obtained financing for the Work, which notice shall be provided within thirty (30) days of the date hereof.

This proposal is proprietary property of Contractor and is provided for Customer's use only subject to the provisions of the Maryland Open Meetings Act and the Maryland Public Information Act. Contractor guarantees the price stated in this Agreement for thirty (30) days from proposal date above. The proposal will become a binding Agreement only after acceptance by Customer and approval by an officer of Contractor as evidenced by their signatures below. This Agreement, including all Exhibits and Attachments hereto, sets forth all the terms and conditions binding upon the parties hereto; and no person has authority to make any claim, representation, promise or condition on behalf of Contractor which is not expressed herein.

ABM BUILDING SERVICES, LLC	
CUSTOMER	
Signature (Authorized Representative)	Signature (Authorized Representative)
Mark Newsome	Henry V. Wagner, Jr. Ed. D.
Name (Print)	Name (Print)
Senior Vice President	Superintendent – DCPS
Title	Title
Date	Date

Exhibit A Terms and Conditions

The term "Contractor" shall mean and include ABM Building Services, LLC, 5701 General Washington Drive, Alexandria, VA 22312.

The term "Customer" shall mean and include The Board of Education of Dorchester County (hereinafter sometimes referred to as Dorchester County Public Schools or "DCPS"), 700 Glasgow Street, Cambridge, MD 21613

1. Contractor will warrant that the materials and workmanship provided by the Contractor under this agreement will be free from defects for a period of 12 months after Customer's acceptance or beneficial use of the systems or any portion thereof, whichever is earlier, provided that the Contractor is given prompt written notice of the defect. In addition, if any replacement part or item of equipment proves defective, Contractor will extend to Customer the benefits of any warranty Contractor has received from the manufacturer. Contractor agrees to act on behalf of the Customer for purposes of processing any warranty claims against applicable manufacturers. Such obligation includes only administrative processing and not enforcement. Contractor agrees to respond to emergency warranty claims of Customer within 4 hours of call from Customer. Customer shall permit only Contractor's personnel or manufacturer's agent to perform the warranty work unless expressly authorized herein. If Contractor responds to a warranty call made at Customer's request and inspection indicates a condition which is not covered under this Agreement, Contractor may charge Customer at the hourly rate for such services. Contractor shall furnish customer with a schedule of hourly rates on an annual basis.
2. Equipment that is to be replaced shall maintain a high standard of quality. The Customer shall review all product and manufacturer cut sheets on new equipment that is to be installed. The following shall be a minimum standard of equipment

- Controls	ASI or equivalent
- Air Handling Equipment	Daikin or equivalent
- Return Air Fans	Penn Barry
- Split Systems	Mitsubishi or equivalent
- Lighting	Cree, Acuity or equivalent
3. Contractor is providing a Construction Performance or Payment Bond for this project.
4. Upon reasonable notice and coordination with Customer, the Customer shall permit Contractor free and timely access to areas and equipment, and allow Contractor to start and stop the equipment as necessary to perform the Work provided that such access will not impede or impair the normal operations of school functions. Work under this Agreement will be performed during both normal and, with the Customer's prior approval, during overtime working hours; except that no work will interfere with Customer's normal business activities. All of Contractor's employees and subcontractors performing work at Dorchester County Public Schools sites shall be subject to the following restrictions: Maryland Law requires certain sex offenders to register with the State and with the local law enforcement agency in the county in which they reside or work, and/or attend school. Section 11-722 (c) & (d) of the Criminal Procedure Article of the Annotated Code of Maryland states, "A person who enters into a contract with a county board of education or a nonpublic school may not knowingly employ an individual to work at a school if the individual is a registrant." A person who violates this section is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 5 years, or a fine not exceeding \$5,000, or both. If a registered sex offender, as determined by the definition contained in the Criminal Procedures Article of the Annotated Code of Maryland, is employed by the Contractor or any subcontractor, then the Contractor is prohibited from assigning that employee to perform management, delivery, installation, repair, construction, or any type of

services on any Dorchester County Public Schools sites. Contractor shall include this provision in all agreements with subcontractors. Any violation of this provision may result in Termination of this Agreement for cause.

5. Contractor and Customer agree that all work required for the Project, including that of all other contractors and subcontractors for the Customer, if applicable, shall be performed in accordance with a schedule of construction activities prepared by Contractor, and approved by Customer, in advance of their commencement. Contractor shall provide a detailed schedule of its activities; their relationship to other activities, and their access requirements and durations, and Contractor agrees to perform such activities with as little disruption to Customer's normal operation as possible. The schedule shall be based upon commencement and completion dates stated in this Agreement. Contractor shall be entitled to an extension of contract time in the event the Work or any part thereof is delayed by any cause beyond Contractor's reasonable control. Such causes include, but are not limited to, acts of God or public enemy; compliance with any order, decree, or request of any government authority; acts of declared or undeclared war; sabotage; fire; floods; adverse weather conditions; explosions; accidents; riots; strikes; labor disputes; inability to obtain necessary materials or equipment from normal sources of supply; or any other cause not within the reasonable control of the Contractor.
6. Any alteration to, or deviation from, this Agreement originated by the Customer involving extra work, cost of materials, or labor will become an extra charge (fixed price amount to be negotiated, or on a time-and-material basis at Contractor's rates then in effect) over the sum stated in this Agreement; and must be approved in advance and in writing by Customer, and Customer shall not incur any such extra charge as a result of any negligent act or omission by Contractor.
7. Contractor will not be required to move, replace, or alter any part of the building structure in the performance of this Agreement.
8. This Agreement does not include responsibility for repair or replacement necessitated by freezing weather, electric power failure, low voltage, burned-out main or branch fuses, low water pressure, vandalism, misuse or abuse of the system(s), requirements of governmental, regulatory or insurance agencies, or other causes beyond control of Contractor.
9. Subject to Section 18 below, any legal action relating to this Agreement, or breach thereof, shall be commenced in the Circuit Court for Dorchester County, MD. Both Customer and Contractor submit to the exclusive jurisdiction of the Circuit Court for Dorchester County, MD for determination of any breach of duties and damages thereof.
10. Customer shall make available to Contractor's personnel all pertinent Material Safety Data Sheets (MSDS) pursuant to OSHA's Hazard Communication Standard Regulations.
11. Contractor's obligation under this Agreement does not include the identification, abatement or removal of any asbestos products or other hazardous substances. In the event such products or substances are encountered, Contractor's sole obligation will be to notify the Customer of the existence of such products and materials. Contractor shall have the right thereafter to suspend its Work until such products and materials and the resultant hazards are removed. The time for completion of the Work shall be extended to the extent caused by the suspension and the contract price equitably adjusted.
12. Contractor will carry Commercial General Liability Insurance and Automobile Insurance from an insurance company licensed to do business in the State of Maryland with an A.M. Best rating of at least an A with occurrence and aggregate limits of the following, which will include products and completed operations coverage, and shall name Customer as an additional insured on these policies. Customer will carry and shall maintain such insurance as is required by Section 4-105 of the Education Article to the Annotated Code of Maryland and shall cause Contractor to be named as an additional insured in a policy of builder's risk insurance on each building while then subject to the Work, including extended coverage, with limits

equal to the replacement value of such building, including equipment installed thereon under this Agreement.

Workman's Compensation:

State:	Statutory
Applicable Federal	Statutory
Employer's Liability	\$1,000,000
General Liability:	
General per Contract Aggregate	\$3,000,000
Products – Completed Operations per Contract	\$3,000,000
Personal and Advertising Injury	\$3,000,000
Each Occurrence	
(Bodily Injury and Property Damage)	\$3,000,000
Property Damage liability insurance shall provide Explosion, Collapse and Underground Coverage where applicable	
Excess or Umbrella Liability:	
General per Contract Aggregate	\$1,000,000
Each Occurrence	\$1,000,000

Automobile Liability:

Bodily Injury:	
o Each Person	\$1,000,000
o Each Accident	\$1,000,000
Property Damage	
o Each Accident	\$1,000,000
o Or a combined Single Limit of	\$1,000,000
o Include applicable No-Fault converges	
o Include all owned vehicles non-owned vehicles and hired vehicles.	

13. Contractor agrees to indemnify, defend, and hold harmless Customer or any of Customer's employees or agents from and against any and all claims, losses, or liabilities for personal injuries or property damages, as well as costs and expenses incurred in the defense thereof, including reasonable attorney's fees, caused by Contractor's negligence in the performance of the Work under this Agreement. The provisions of this section shall survive the termination of this Agreement with respect to any events occurring on or before termination whether or not Claims relating thereto are asserted before or after termination.
14. Subject to the limits set forth in Section 5-518 of the Courts and Judicial Proceedings Article to the Annotated Code of Maryland, Customer agrees to indemnify, defend, and hold harmless Contractor from and against any and all claims, losses, or liabilities for personal injuries or property damages, as well as costs and expenses incurred in the defense thereof, including reasonable attorney's fees, caused by Customer's negligence. The provisions of this section shall survive the termination of this Agreement with respect to any events occurring on or before termination whether or not Claims relating thereto are asserted before or after termination.
15. Contractor shall not be liable for any delay, loss, damage or detention caused by acts of God or public enemy: compliance with any order, decree, or request of any government authority; acts of declared or undeclared war; sabotage; fire; floods; adverse weather conditions; explosions; accidents; riots; strikes; labor disputes; inability to obtain necessary materials or equipment from normal sources of supply; or any other cause not within the reasonable control of the Contractor.
16. Contractor expressly disclaims any and all responsibility and liability for the indoor air quality of Customer's facility, including without limitation injury or illness to occupants of the facility or third parties, except to the extent of Contractor's adjudicated negligent acts or omissions or willful misconduct.

17. Contractor shall have the right to terminate this Agreement if Customer's facility or the Equipment is condemned or destroyed, in whole or in part, and not promptly repaired or replaced in full. Upon such a termination, all obligations of Contractor and the Customer (other than the obligation to make payments already due and payable under this Agreement) will immediately cease.
18. Dispute Resolution: Any controversy, claim, counterclaim, controversy or dispute involving the parties (or their affiliates) directly or indirectly concerning this agreement or the subject matter hereof (including, without limitation, any questions concerning the scope and applicability of this paragraph) shall be attempted to be handled through a mediator. If an agreement through a mediator cannot be settled, the resolutions shall be finally settled by arbitration held in Cambridge, Maryland with one arbitrator in accordance with the rules of commercial arbitration then followed by the American Arbitration Association (or any successor to the functions thereof). The arbitrator shall apply Maryland Law and shall have the right and authority to determine how his or her decision or determination as to each issue or matter in dispute may be implemented or enforced. Any decision or award of the arbitrator shall be final and conclusive on the parties to this Agreement. The parties hereto agree that any action to compel arbitration pursuant to this Agreement may be brought in the Circuit Court for Dorchester County and in connection with such action to compel the laws of the State of Maryland shall control. Application may also be made to such court for confirmation of any decision or award of the arbitrator, for an order of the enforcement and for any other remedies which may be necessary to effectuate such decision or award. The parties hereto hereby consent to the jurisdiction of the arbitrator and of such court and waive any objection to the jurisdiction of such arbitrator and court. This arbitration clause shall not be applicable to claims asserted by third parties for which Contractor or Customer may have an obligation to provide indemnification pursuant to Sections 13 or 14 of this Agreement.
19. The scope under this Agreement will be performed as a multiphase design build contract as authorized by the State of Maryland. Upon satisfactory completion of Phase I and the determination of the scope of the additional services to be performed in subsequent phases, the client will enter into the next contract phase. In the event the Customer and the Client cannot agree on scope of the additional phases, the Contractor and Customer reserves the right to terminate this Agreement.
20. Maryland political subdivisions and others authorized by Maryland State Law may participate in this contract. These include, but are not limited to local and county governments, public authorities, public school and fire districts, public and nonprofit libraries, and other nonpublic/nonprofit organizations and Cooperatives.
21. If applicable, any tax benefits, or deductibles such as, but not limited to, those under section 179D of the Internal Revenue Code regarding the Energy Policy Act of 2005 are assigned to Contractor as part of this Agreement. Customer will use commercially reasonable efforts to assist with executing any necessary documents for Contractor to obtain such benefits.

Attachment A- Scope of Work

Energy Conservation Projects at Dorchester County Public Schools

ENERGY CONSERVATION MEASURES

The following pages are the detailed descriptions of the facility improvements that will be made at the customer's sites as described herein.

ECM - 3: BAS Controls Upgrades

ECM - 4: HVAC Equipment upgrades

ECM - 5: LED Lighting Upgrades

ECM-4: HVAC Equipment Upgrades

Contractor will perform the following:

- A complete functional testing of both boilers, five condensate return pumps and all roof mounted exhaust fans will be performed. This scope of work will include, but not limited to:
 - Cleaning coils
 - Cleaning drain pans
 - Adjusting linkages
 - Verify refrigerant charge
 - Verify operation of valves and actuators
 - Replace fan motor belts
 - Verify overall operating condition of equipment
 - If repairs are found necessary during these inspections, the cost associated with these repairs will be brought to the DCPS Facilities Manager for approval prior to performing the repairs.
- All steam traps will be inspected for proper operation. Any steam trap that has failed will be rebuilt or replaced.

ECM-5: LED Lighting Upgrades

Of the fixtures surveyed, most will be retrofitted and some will be replaced. The fixtures not included are either efficient technology or there is no viable replacement available. These excluded fixtures can include fixtures already utilizing compact fluorescent bulbs or LED sources. The following are the type of retrofits being performed:

- **T8 & T12 Fluorescent Retrofit** – Retrofit existing T8 and T12 fluorescent fixtures with new LED tube lamps, new electronic ballasts, and reflectors where applicable. 4-Lamp fixtures will be retrofit with 3-lamps and a reflector. Existing 3-lamp fixtures will be retrofit with 2-lamps and a reflector.
- **Incandescent Retrofit** – Replace the lamps in incandescent fixtures as indicated with appropriate LED screw in lamps.
- **Compact Fluorescent Fixtures** – Replace the lamps in CFL fixtures as indicated with appropriate LED screw in lamps.
- **Metal Halide Retrofit** – Existing metal halide exterior fixtures will be replaced with new LED fixtures of like kind, or retrofitted with LED retrofit kits.
- **Exit Signs** – Existing exit signs containing LED sources will not be retrofitted or replaced. Those signs containing incandescent light sources will be replaced with new LED Exit signs.
- **Excluded Retrofits**- ABM will not replace or retrofit existing LED fixtures including exit signs, or exterior fixtures with CFL or HPS light sources.

Any existing battery powered emergency egress lighting will remain. State and OSHA disposal guidelines will be followed when disposing of any old lamps and ballasts.

Cambridge – South Dorchester HS

2475 Cambridge Beltway, Cambridge, MD 21613**ECM-3: BAS Controls Upgrades**

Contractor will perform the following:

Replace existing ATC with new Controls. Installation, programming and commissioning of nineteen controllers, as well as return air sensors, discharge air sensors, humidity sensors, transducers and CO2 sensors per points lists. Programming shall be based on sequence of operation provided by ABM and utilize an energy savings strategy such as demand control ventilation, electric demand response and other dynamic solutions. Graphics package and remote accessibility shall be in line with the existing ASI Controls systems within Dorchester County Public Schools. To include the Following:

- Convert the existing control system and provide energy efficient programming for the central chiller/boiler plant. To include hot water and chilled water reset.
- Provide programming for the new VFD's on all new air handling units and RAF's. Program to maintain discharge air temp, and maintain % of OA.
- Provide programming for the new VFD's on hot water pumps in the plant.
- Provide programming for the new VFD's on secondary chilled water pumps in the penthouse.
- Provide new hot water, two-way, auto flow, valves for the 9 new AHU's.
- A building power meter provided, installed and programmed.
- The new controls will be accessible remotely from most smart device.
- New graphics will be built to enhance the user interface.
- Points Lists for each controller shall be provided once project commences.

ECM-4: HVAC Equipment Upgrades

Contractor will perform the following:

- Replace 9 air handling units in the main penthouse. (AHU's 1 through 9)
- Replace 7 return air fans in the main penthouse.
- Install variable frequency drives (VFD's) on the 9 new air handling unit supply fans and 7 new return air fans.
- Replace all of the three-way hot water valves on the 9 new air handling units with two-way auto flow valves.
- Remove the by-pass line from the 9 three-way chilled water valves. Cap this pipe so the valves act as two-way valves.
- Install VFD's on the two, 40 horse power, hot water pumps in the main plant.
- Install VFD's on both cooling tower fan motors.
- Install VFD's on three secondary chilled water pumps in the main penthouse.
- Clean all duct mounted reheat coils throughout the building.

1103 Mace's Lane, Cambridge, MD 21613**ECM-3: BAS Controls Upgrade**

Contractor will perform the following:

Replace existing ATC with new controls. Installation, programming and commissioning of forty-six controllers, as well as return air sensors, discharge air sensors, humidity sensors, transducers and CO2 sensors per points lists. Programming shall be based on sequence of operation provided by ABM and utilize an energy savings strategy such as demand control ventilation, electric demand response and other dynamic solutions. Graphics package and remote accessibility shall be in line with the existing ASI Controls systems within Dorchester County Public Schools. Convert the existing control system to the new system and provide energy efficient programming for the ERU's and circulating pumps. To include the Following:

- A building power meter provided, installed and programmed.
- The new controls will be accessible remotely from most smart device.
- New graphics will be built to enhance the user interface.
- Points Lists for each controller shall be provided once project commences.

ECM-4: HVAC Equipment Upgrades

Contractor will perform the following:

- Install Global Plasma Solutions (GPS) in all of the ground source heat pumps in the building
- Perform a complete functional testing of all mechanical systems and roof mounted exhaust fans. This scope of work will include, but not limited to:
 - Cleaning coils
 - Cleaning drain pans
 - Adjusting linkages
 - Verify refrigerant charge
 - Verify operation of valves and actuators
 - Replace fan motor belts
 - Verify overall operating condition of equipment
 - If repairs are found necessary during these inspections, the cost associated with these repairs will be brought to the DCPS Facilities Manager for approval prior to performing the repairs.

ECM-5: LED Lighting Upgrades

Of the fixtures surveyed, most will be retrofitted and some will be replaced. The fixtures not included are either efficient technology or there is no viable replacement available. These excluded fixtures can include fixtures already utilizing compact fluorescent bulbs or LED sources. The following are the type of retrofits being performed:

- **T8 Fluorescent Retrofit** – Retrofit existing T8 fluorescent fixtures with new LED tube lamps, new electronic ballasts, and reflectors where applicable. 4-Lamp fixtures will be retrofit with 3-lamps and a reflector. Existing 3-lamp fixtures will be retrofit with 2-lamps and a reflector.
- **Incandescent Retrofit** – Replace the lamps in incandescent fixtures as indicated with appropriate LED screw in lamps.

- **Compact Fluorescent Fixtures** – CFL cans are considered efficient lighting technology. Retrofitting or replacing these fixtures would adversely affect payback. The CFL wall pack on the exterior will be replaced with a more efficient LED wall pack.
- **Metal Halide Retrofit** – Existing metal halide exterior fixtures will be replaced with new LED fixtures of like kind, or retrofitted with LED retrofit kits. The gymnasium fixtures will be retrofit with LED kits.
- **Exit Signs** – Existing exit signs containing LED sources will not be retrofitted or replaced. Those signs containing incandescent light sources will be replaced with new LED Exit signs.
- **Excluded Retrofits-** ABM will not replace or retrofit existing LED exit signs, or recessed cans with CFL light sources.

Any existing battery powered emergency egress lighting will remain. State and OSHA disposal guidelines will be followed when disposing of any old lamps and ballasts.

**Dorchester Career & Technical Center
2465 Cambridge Beltway, Cambridge, MD 21613**

There is no scope of work included for this building.

**Hurlock ES
301 Charles Street, Hurlock, MD 21643**

ECM-3: BAS Controls Upgrades

Contractor will perform the following:

Replace existing ATC with new Controls. Installation, programming and commissioning of four controllers, as well as return air sensors, discharge air sensors, humidity sensors, transducers and CO2 sensors per points lists. Programming shall be based on sequence of operation provided by ABM and utilize an energy savings strategy such as demand control ventilation, electric demand response and other dynamic solutions. Graphics package and remote accessibility shall be in line with the existing ASI Controls systems within Dorchester County Public Schools. To include the following:

- Convert to new controls and provide energy efficient programming. (Use same control sequence as Warwick ES)
- Provide and install VFD's on three AHU's and RAF's. Program to maintain discharge air temp, and maintain % of OA.
- Points Lists for each controller shall be provided once project commences.

ECM-4: HVAC Equipment Upgrades

Contractor will perform the following:

- Replace the existing office air conditioning unit.
- Install VFD's on the three air handling units and the three return air fans.
- Clean all duct mounted reheat coils throughout the building.
- Perform a complete functional testing of all mechanical systems and roof mounted exhaust fans that we are not being replaced. This scope of work will include, but not limited to:
 - Cleaning coils
 - Cleaning drain pans
 - Adjusting linkages
 - Verify refrigerant charge
 - Verify operation of valves and actuators
 - Replace fan motor belts
 - Verify overall operating condition of equipment
 - If repairs are found necessary during these inspections, the cost associated with these repairs will be brought to the DCPS Facilities Manager for approval prior to performing the repairs.
- Clean chiller condenser coils, straighten coil fins and coat the entire coils with a coil rejuvenation product.

ECM-5: LED Lighting Upgrades

Of the fixtures surveyed, most will be retrofitted and some will be replaced. The fixtures not included are either efficient technology or there is no viable replacement available. These excluded fixtures can include retrofitted fixtures already utilizing LED sources, or already existing LED fixtures. The following are the type of retrofits being performed:

- **T-8 Fluorescent Retrofit** – Retrofit existing T8 fluorescent fixtures with new LED tube lamps, and new electronic ballasts, including the High Bay T8 fixtures in the Gymnasium.

- **Incandescent Retrofit** – Replace the lamps in incandescent fixtures as indicated with appropriate LED screw in lamps.
- **Compact Fluorescent Retrofit** – Replace the lamps in incandescent fixtures as indicated with appropriate LED screw in lamps.
- **Exit Signs** – Existing exit signs contain LED sources and will not be retrofitted or replaced.
- **Exterior Lighting Retrofit** – The exterior lighting is currently LED technology.
-
- **Excluded Retrofits-** ABM will not replace or retrofit existing LED technology including Exit Signs.

Any existing battery powered emergency egress lighting will remain. State and OSHA disposal guidelines will be followed when disposing of any old lamps and ballasts.

ECM-4: HVAC Equipment Upgrades

Contractor will perform the following:

- There is no mechanical system modification at this school.
- Perform a complete functional testing of all mechanical systems and roof mounted exhaust fans. This scope of work will include, but not limited to:
 - Cleaning coils
 - Cleaning drain pans
 - Adjusting linkages
 - Verify refrigerant charge
 - Verify operation of valves and actuators
 - Replace fan motor belts
 - Verify overall operating condition of equipment
 - If repairs are found necessary during these inspections, the cost associated with these repairs will be brought to the DCPS Facilities Manager for approval prior to performing the repairs.

ECM-5: LED Lighting Upgrades

Of the fixtures surveyed, most will be retrofitted and some will be replaced. The fixtures not included are either efficient technology or there is no viable replacement available. These excluded fixtures can include retrofitted fixtures already utilizing LED sources, or already existing LED fixtures. The following are the type of retrofits being performed:

- **T-8 Fluorescent Retrofit** – Retrofit existing T8 fluorescent fixtures with new LED tube lamps, and new electronic ballasts.
- **Incandescent Retrofit** – Replace the lamps in incandescent fixtures as indicated with appropriate LED screw in lamps.
- **Exterior Lighting Retrofit** – All exterior lighting listed in the scope of work at this facility is currently LED fixtures and will not be included in the ECM. Excluded from the scope are any fixtures that are owned by the utility company.
- **Excluded Retrofits-** ABM will not replace or retrofit existing LED exit signs or fixtures.

Any existing battery powered emergency egress lighting will remain. State and OSHA disposal guidelines will be followed when disposing of any old lamps and ballasts.

Mace's Lane MS
1101 Mace's Lane, Cambridge, MD 21613

ECM-3: BAS Controls Upgrades

Contractor will perform the following:

Replace existing ATC with new controls. Installation, programming and commissioning of ninety-two controllers, as well as return air sensors, discharge air sensors, humidity sensors, transducers and CO2 sensors per points lists. Programming shall be based on sequence of operation provided by ABM and utilize an energy savings strategy such as demand control ventilation, electric demand response and other dynamic solutions. Graphics package and remote accessibility shall be in line with the existing ASI Controls systems within Dorchester County Public Schools. To include the following:

- Convert to new controls and provide energy efficient programming. (Similar to North Dorchester MS)
- Power meter provided and programmed. Installation not included.
- Points Lists for each controller shall be provided once project commences.

ECM-4: HVAC Equipment Upgrades

Contractor will perform the following:

- There is no mechanical system modification at this school.
- Install Global Plasma Solutions (GPS) in all of the ground source heat pumps in the building
- Perform a complete functional testing of all mechanical systems and roof mounted exhaust fans. This scope of work will include, but not limited to:
 - Cleaning coils
 - Cleaning drain pans
 - Adjusting linkages
 - Verify refrigerant charge
 - Verify operation of valves and actuators
 - Replace fan motor belts
 - Verify overall operating condition of equipment
 - If repairs are found necessary during these inspections, the cost associated with these repairs will be brought to the DCPS Facilities Manager for approval prior to performing the repairs.

ECM-5: LED Lighting Upgrades

Of the fixtures surveyed, most will be retrofitted and some will be replaced. The fixtures not included are either efficient technology or there is no viable replacement available. These excluded fixtures can include fixtures already utilizing compact fluorescent bulbs or LED sources. The following are the type of retrofits being performed:

- **T8 Fluorescent Retrofit** – Retrofit existing T8 fluorescent fixtures with new LED tube lamps, new electronic ballasts, and reflectors where applicable. 4-Lamp fixtures will be retrofit with 3-lamps and a reflector. Existing 3-lamp fixtures will be retrofit with 2-lamps and a reflector.
- **Incandescent Retrofit** – Replace the lamps in incandescent fixtures as indicated with appropriate LED screw in lamps.
- **Metal Halide Retrofit** – Existing metal halide exterior fixtures will be replaced with new LED fixtures of like kind, or retrofitted with LED retrofit kits. The gymnasium fixtures will be retrofit with LED kits.

- **Exit Signs** – Existing exit signs containing LED sources will not be retrofitted or replaced. Those signs containing incandescent light sources will be replaced with new LED Exit signs.
- **Excluded Retrofits**- ABM will not replace or retrofit existing LED exit signs, or recessed cans with CFL light sources.

Any existing battery powered emergency egress lighting will remain. State and OSHA disposal guidelines will be followed when disposing of any old lamps and ballasts.

Maple ES
5225 Egypt Road, Cambridge, MD 21613

ECM-3: BAS Controls Upgrades
Contractor will perform the following:

Utilize existing ASI Controls. Installation, programming and commissioning of two controllers, as well as return air sensors, discharge air sensors, humidity sensors, transducers and CO2 sensors per points lists. Programming shall be based on sequence of operation provided by ABM and utilize an energy savings strategy such as demand control ventilation, electric demand response and other dynamic solutions. Graphics package and remote accessibility shall be in line with the existing ASI Controls systems within Dorchester County Public Schools. To include the following:

- Provide programming for the new VFD on cooling tower motor.
- Points Lists for each controller shall be provided once project commences.

ECM-4: HVAC Equipment Upgrades

Contractor will perform the following:

- Replace the four gym fan coil units with one package roof top air handling unit.
- Perform a complete functional testing of all mechanical systems and roof mounted exhaust fans. This scope of work will include, but not limited to:
 - Cleaning coils
 - Cleaning drain pans
 - Adjusting linkages
 - Verify refrigerant charge
 - Verify operation of valves and actuators
 - Replace fan motor belts
 - Verify overall operating condition of equipment
 - If repairs are found necessary during these inspections, the cost associated with these repairs will be brought to the DCPS Facilities Manager for approval prior to performing the repairs.
- Install a VFD on the cooling tower.

New Directions Learning Academy
2455 Cambridge Beltway, Cambridge, MD 21613

ECM-3: BAS Controls Upgrades

Contractor will perform the following:

Utilize existing ASI Controls. Installation, programming and commissioning of one controller, as well as return air sensors, discharge air sensors, humidity sensors, transducers and CO2 sensors per points lists. Programming shall be based on sequence of operation provided by ABM and utilize an energy savings strategy such as demand control ventilation, electric demand response and other dynamic solutions. Graphics package and remote accessibility shall be in line with the existing ASI Controls systems within Dorchester County Public Schools. To include the following:

- Provide programming for the new VFD's on the AHU and RAF. Program to maintain discharge air temp, and maintain % of OA.
- Provide and install controls on reheat coils. Total of 20
- Points Lists for each controller shall be provided once project commences.

ECM-4: HVAC Equipment Upgrades

Contractor will perform the following:

- Install refrigerant additive to each refrigeration circuit in the chiller.

ECM-5: LED Lighting Upgrades

Of the fixtures surveyed, most will be retrofitted and some will be replaced. The fixtures not included are either efficient technology or there is no viable replacement available. These excluded fixtures can include retrofitted fixtures already utilizing LED sources, or already existing LED fixtures. The following are the type of retrofits being performed:

- **T8 and T12 Fluorescent Retrofit** – Retrofit existing T8 and T12 fluorescent fixtures with new LED tube lamps, new electronic ballasts, and reflectors where applicable. 4-Lamp fixtures will be retrofit with 3-lamps and a reflector. Existing 3-lamp fixtures will be retrofit with 2-lamps and a reflector. 8-foot fixtures will be retrofit to accept 4 lamps.
- **Incandescent Retrofit** – Replace the lamps in incandescent fixtures as indicated with appropriate LED screw in lamps.
- **Compact Fluorescent Fixtures** – Replace the lamps in incandescent fixtures as indicated with appropriate LED screw in lamps.
- **Metal Halide Retrofit** – Existing metal halide exterior fixtures will be replaced with new LED fixtures of like kind, or retrofitted with LED retrofit kits.
- **Excluded Retrofits-** ABM will not replace or retrofit existing LED fixtures including exit signs.

Any existing battery powered emergency egress lighting will remain. State and OSHA disposal guidelines will be followed when disposing of any old lamps and ballasts.

North Dorchester MS

5745 Cloverdale Road, Hurlock, MD 21643

ECM-3: BAS Controls Upgrades

Contractor will perform the following:

Replace existing ATC with new Controls. Installation, programming and commissioning of eighty-seven controllers, as well as return air sensors, discharge air sensors, humidity sensors, transducers and CO2 sensors per points lists. Programming shall be based on sequence of operation provided by ABM and utilize an energy savings strategy such as demand control ventilation, electric demand response and other dynamic solutions. Graphics package and remote accessibility shall be in line with the existing ASI Controls systems within Dorchester County Public Schools. To include the following:

- Convert to new system and provide energy efficient programming.
- Power meter provided and programmed.
- Points Lists for each controller shall be provided once project commences.

ECM-4: HVAC Equipment Upgrades

Contractor will perform the following:

- There is no mechanical system modification at this school.
- Install Global Plasma Solutions (GPS) in all of the ground source heat pumps in the building
- Perform a complete functional testing of all mechanical systems and roof mounted exhaust fans. This scope of work will include, but not limited to:
 - Cleaning coils
 - Cleaning drain pans
 - Adjusting linkages
 - Verify refrigerant charge
 - Verify operation of valves and actuators
 - Replace fan motor belts
 - Verify overall operating condition of equipment
 - If repairs are found necessary during these inspections, the cost associated with these repairs will be brought to the DCPS Facilities Manager for approval prior to performing the repairs.

ECM-5: LED Lighting Upgrades

Of the fixtures surveyed, most will be retrofitted and some will be replaced. The fixtures not included are either efficient technology or there is no viable replacement available. These excluded fixtures can include fixtures already utilizing compact fluorescent bulbs or LED sources. The following are the type of retrofits being performed:

- **T8 Fluorescent Retrofit** – Retrofit existing T8 fluorescent fixtures with new LED tube lamps, new electronic ballasts, and reflectors where applicable. 4-Lamp fixtures will be retrofit with 3-lamps and a reflector. Existing 3-lamp fixtures will be retrofit with 2-lamps and a reflector.
- **Incandescent Retrofit** – Replace the lamps in incandescent fixtures as indicated with appropriate LED screw in lamps.
- **Compact Fluorescent Fixtures** – CFL cans are considered efficient lighting technology. Retrofitting or replacing these fixtures would adversely affect payback.
- **Metal Halide Retrofit** – Existing metal halide exterior fixtures will be replaced with new LED interior fixtures of like kind, or retrofitted with LED retrofit kits. The gymnasium fixtures will be replaced with an LED fixture.

- **Excluded Retrofits-** ABM will not replace or retrofit existing LED exit signs, or recessed cans with CFL light sources.

Any existing battery powered emergency egress lighting will remain. State and OSHA disposal guidelines will be followed when disposing of any old lamps and ballasts.

Sandy Hill ES
1503 Glasgow Street, Cambridge, MD 21613

ECM-3: BAS Controls Upgrades

Contractor will perform the following:

Replace existing ATC with new Controls. Installation, programming and commissioning of seven controllers, as well as return air sensors, discharge air sensors, humidity sensors,

transducers and CO2 sensors per points lists. Programming shall be based on sequence of operation provided by ABM and utilize an energy savings strategy such as demand control ventilation, electric demand response and other dynamic solutions. Graphics package and remote accessibility shall be in line with the existing ASI Controls systems within Dorchester County Public Schools. To include the following:

- Provide programming for the new VFD on cooling tower motor.
- Power meter provided and programmed.
- Points Lists for each controller shall be provided once project commences.

ECM-4: HVAC Equipment Upgrades

Contractor will perform the following:

- Replace the four gym fan coil units with one package roof top air handling unit.
- Perform a complete functional testing of all mechanical systems and roof mounted exhaust fans. This scope of work will include, but not limited to:
 - Cleaning coils
 - Cleaning drain pans
 - Adjusting linkages
 - Verify refrigerant charge
 - Verify operation of valves and actuators
 - Replace fan motor belts
 - Verify overall operating condition of equipment
 - If repairs are found necessary during these inspections, the cost associated with these repairs will be brought to the DCPS Facilities Manager for approval prior to performing the repairs.
- Install a VFD on the cooling tower.

ECM-5: LED Lighting Upgrades

Of the fixtures surveyed, most will be retrofitted and some will be replaced. The fixtures not included are either efficient technology or there is no viable replacement available. These excluded fixtures can include retrofitted fixtures already utilizing LED sources, or already existing LED fixtures. The following are the type of retrofits being performed:

- **T-8 Fluorescent Retrofit** – Retrofit existing T8 fluorescent fixtures with new LED tube lamps, and new electronic ballasts.
- **Incandescent Retrofit** – Replace the lamps in incandescent fixtures as indicated with appropriate LED screw in lamps.
- **Exterior Lighting Retrofit** – All exterior lighting listed in the scope of work at this facility is currently LED fixtures and will not be included in the ECM. Excluded from the scope are any fixtures that are owned by the utility company.
- **Excluded Retrofits**- ABM will not replace or retrofit existing LED exit signs or fixtures.
- **Compact Fluorescent Retrofit** – The CFL night light are integrated and will not be retrofit.

Any existing battery powered emergency egress lighting will remain. State and OSHA disposal guidelines will be followed when disposing of any old lamps and ballasts.

South Dorchester K-8
3485 Golden Hill Road, Church Creek, MD 21622

There is no scope of work included for this building.

Vienna ES
4905 Ocean Gateway, Vienna, MD 21869

ECM-3: BAS Controls Upgrades

Contractor will perform the following:

Utilize existing ASI Controls. Installation, programming and commissioning of twenty-seven controllers, as well as return air sensors, discharge air sensors, humidity sensors, transducers and CO2 sensors per points lists. Programming shall be based on sequence of operation

provided by ABM and utilize an energy savings strategy such as demand control ventilation, electric demand response and other dynamic solutions. Graphics package and remote accessibility shall be in line with the existing ASI Controls systems within Dorchester County Public Schools. To include the following:

- Put all fan coil units on ASI controls
- Points Lists for each controller shall be provided once project commences.

ECM-4: HVAC Equipment Upgrades

Contractor will perform the following:

- Clean chiller condenser coils, straighten coil fins and coat the entire coils with a coil rejuvenation product.
- Install refrigerant additive to each refrigeration circuit in the chiller.

ECM-5: LED Lighting Upgrades

Of the fixtures surveyed, most will be retrofitted and some will be replaced. The fixtures not included are either efficient technology or there is no viable replacement available. These excluded fixtures can include fixtures already utilizing compact fluorescent bulbs or LED sources. The following are the type of retrofits being performed:

- **T8 Fluorescent Retrofit** – Retrofit existing T8 fluorescent fixtures with new LED tube lamps, new electronic ballasts, and reflectors where applicable.
- **Incandescent Retrofit** – Replace the lamps in incandescent fixtures as indicated with appropriate LED screw in lamps.
- **Excluded Retrofits**- ABM will not replace or retrofit existing LED fixtures including exit signs.

Any existing battery powered emergency egress lighting will remain. State and OSHA disposal guidelines will be followed when disposing of any old lamps and ballasts.

Warwick ES

155 Main Street, Secretary, MD 21664

There is no scope of work included for this building.

General Notes

PC Power Management

Included in our scope of work will be PC Management. This scope of work will include:

- *Pre-install meeting:* Contractor and the Customer will attend a virtual meeting to create a project schedule for the Services identified in this project and assign the resources necessary to complete the Project. Customer will ensure that it provides a Customer

Project Manager who is knowledgeable in all material respects concerning Customer's network and IT operations.

- *Server software installation:* Both Contractor and the Customer are responsible for installation of the server Software in Customer's environment. The Contractor Professional Services Consultant will assist the Customer Project Team with the installation and configuration of the following Contractor software application components:
 - Server (including the database)
 - Reporting/Analytics
 - Wake for Remote Access
 - Microsoft System Center integration (if applicable)
- *Client distribution to desktops:* To install the Contractor client software, Customer will need to create a distribution package with the assistance of the Contractor Professional Services Consultant using the Customer's deployment method for installing software remotely on networked PCs. Contractor will assist the Customer in testing the distribution package before its distribution into the Customer's production network. Customer will then be responsible for distribution of the Contractor client to all applicable PCs designated for PC power management.
- *Baseline data collection:* After the client is installed on at least 50% of the targeted PCs or other deployment metrics established by the Customer, the baseline data collection period begins and will be communicated to the Project Team by the Contractor Professional Services Consultant. During this time, no power management profiles are enforced. The baseline data collection period typically lasts fourteen (14) calendar days and includes work weeks and weekends. However, Customer may operate in baseline mode for a longer period if it so chooses. In order to insure accuracy, this baseline data collection period should occur during a standard period of operations for the Customer and be agreed upon by both the Customer and Contractor.
- *PC power management profiles enforcement and training:*
 - Based on its analysis of the baseline data, Contractor will provide Customer with initial power profile recommendations and discuss how best to group the clients in Customer's environment.
 - After the initial power management profiles have been determined, Contractor will assist the Customer in implementing and enforcing the profiles on the Customer's networked PCs.
 - During the enforcement of power management profiles, Contractor will provide one virtual training session up to four (4) hours including up to ten (10) students in the use of the Contractor administration and reporting components.
- *Installation & Deployment Summary Report:* Once the enforcement data collection period is complete, the Customer will again provide Contractor with a copy of the PC Power Manager database for analysis. Contractor will analyze the data to compare the baseline and enforcement periods for savings information. Contractor will provide the

Customer with an analysis of the findings to include a list of power profiles, configuration, and the anticipated savings.

Engineering

Any engineering required to perform the scope of work as stated above will be included in this agreement. Some engineering has already been performed, by a third-party engineering firm, to evaluate the energy savings associated with the difference between what the current North Dorchester High School is using and what the new High School will use.

Air Handling Unit and Return Fan Replacement will include:

- New duct transitions
- Disconnect and reconnect chilled water and hot water piping
- Disconnect and reconnect electrical service
- Disposal of old equipment
- Crane and rigging of new and old equipment

Hazardous Material

There may be some asbestos in various mechanical rooms throughout the District. Contractor has not included any costs associated with the asbestos abatement, should any asbestos be in that area.

Hazardous material abatement and disposal, if necessary, (with the exception of light bulbs and ballasts associated with the lighting retrofit) is not included in this scope of work.

Equipment Efficiencies

All new heating and cooling equipment will meet or exceed the minimum efficiency standards as set forth by the Department of Energy and will comply with all applicable EPA regulations.

Refrigerant

Some of the existing air conditioning equipment surveyed contains R-22 refrigerant. This refrigerant is no longer allowed to be used in new air conditioning systems. All new equipment will conform to EPA regulations for environmentally acceptable refrigerants.

Controls System Upgrades will include the following:

- Replacement of the existing controllers with new controllers.
- Energy efficient programming at all facilities.
- New graphics to enhance user interface.
- Remote access from most smart device.
- The existing I/O devices (sensors, relays, etc.) will be reused if they are operating properly. If any of the existing I/O devices are not operating properly they will be replaced

All new work includes the necessary:

- Permits and fees as required
- Crane and rigging service
- Removal and disposal of old equipment
- Project management
- Customer training on all new equipment provided
- Customer training on all new controls
- Roofing service as required
- Engineering services as required

LIBERO 006 FOLIO 909

**EQUIPMENT LEASE/PURCHASE AGREEMENT
(ESCROW ACCOUNT)**

This Equipment Lease/Purchase Agreement (the "*Agreement*") dated as of December 21, 2016, and entered into between Bank of America, National Association, a national banking association ("*Lessor*"), and the Board of Education of Dorchester County (sometimes referred to as the "Dorchester County Board of Education" or as "Dorchester County Public Schools"), a body corporate and politic existing under the laws of the State of Maryland ("*Lessee*").

WITNESSETH:

WHEREAS, Lessee desires to lease and acquire from Lessor certain Equipment (as such term is defined herein), subject to the terms and conditions hereof;

WHEREAS, Lessee is authorized under the constitution and laws of the State to enter into this Agreement for the purposes set forth herein;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

ARTICLE I

Section 1.01. Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"*Acquisition Amount*" means Four Million, One Hundred Eighty Eight Thousand, Two Hundred Seventy Four (\$ 4,188,274.00). The Acquisition Amount is the amount represented by Lessee to be sufficient, together with proceeds from Lessee if any, to acquire the Equipment.

"*Acquisition Period*" means the period ending five (5) business days prior to December 21, 2017.

"*Agreement*" means this Equipment Lease/Purchase Agreement, including the exhibits hereto, together with any amendments and modifications to the Agreement pursuant to Section 13.04.

"*Code*" means the Internal Revenue Code of 1986, as amended. Each reference to a Section of the Code herein shall be deemed to include the United States Treasury Regulations proposed or in effect thereunder.

"*Commencement Date*" means the date when Lessee's obligation to pay rent commences hereunder, which shall be the date on which the Acquisition Amount is deposited with the Escrow Agent.

"*Contract Rate*" means the rate identified as such in the Payment Schedule.

"Equipment" means the property listed in the Equipment Schedule and all replacements, repairs, restorations, modifications and improvements thereof or thereto made pursuant to Section 8.01 or Article V. Whenever reference is made in this Agreement to Equipment, such reference shall be deemed to include all such replacements, repairs, restorations, modifications and improvements of or to such Equipment.

"Equipment Costs" means the total cost of the Equipment, including related costs such as freight, installation and taxes, capitalizable costs, and costs of issuance incurred in connection with the acquisition and/or financing of the Equipment.

"Equipment Schedule" means the equipment schedule attached hereto as Exhibit A and made a part hereof.

"Escrow Account" means the fund established and held by the Escrow Agent pursuant to the Escrow Agreement, if any.

"Escrow Agreement" means the Escrow and Account Control Agreement in form and substance acceptable to and executed by Lessee, Lessor and the Escrow Agent, pursuant to which an Escrow Account is established and administered.

"Escrow Agent" means the Escrow Agent identified in the Escrow Agreement, and its successors and assigns.

"Event of Default" means an Event of Default described in Section 12.01.

"Lease Term" means the Original Term and all Renewal Terms, with a final Renewal Term ending on December 21, 2031.

"Lessee" means the entity referred to as Lessee in the first paragraph of this Agreement.

"Lessor" means (a) the entity referred to as Lessor in the first paragraph of this Agreement or (b) any assignee or transferee of any right, title or interest of Lessor in and to this Agreement, including the Equipment, the Rental Payments and other amounts due hereunder, pursuant to Section 11.01, or the Escrow Account, but does not include any entity solely by reason of that entity retaining or assuming any obligation of Lessor to perform hereunder.

"Material Adverse Change" means any change in Lessee's creditworthiness that could have a material adverse effect on (i) the financial condition or operations of Lessee, or (ii) Lessee's ability to perform its obligations under this Agreement

"Original Term" means the period from the Commencement Date until the end of the fiscal year of Lessee in effect at such Commencement Date.

"Payment Schedule" means the payment schedule attached hereto as Exhibit B and made a part hereof.

“*Renewal Terms*” means the renewal terms of this Agreement, each having a duration of one year and a term coextensive with Lessee’s fiscal year.

“*Rental Payments*” means the basic rental payments payable by Lessee hereunder pursuant to Section 4.01, consisting of a principal component and an interest component.

“*State*” means the State of Maryland.

“*Taxable Rate*” means an interest rate equal to the Contract Rate plus a rate sufficient such that the total interest to be paid on any payment date would, after such interest was reduced by the amount of any Federal, state or local income tax (including any interest, penalties or additions to tax) actually imposed thereon, equal the amount of interest otherwise due to Lessor.

“*Termination Value*” means the amount provided in the Payment Schedule.

“*Vendor*” means the manufacturer, installer or supplier of the Equipment or any other person as well as the agents or dealers of the manufacturer, installer or supplier with whom Lessor arranged Lessee’s acquisition, installation, maintenance and/or servicing of the Equipment.

“*Vendor Agreement*” means any contract entered into by Lessee and any Vendor for the acquisition, installation, maintenance and/or servicing of the Equipment.

ARTICLE II

Section 2.01. Representations and Covenants of Lessee. Lessee represents, covenants and warrants for the benefit of Lessor on the date hereof as follows:

(a) Lessee is a political subdivision of the State within the meaning of Section 103(c) of the Code, duly organized and existing under the constitution and laws of the State, with full power and authority to enter into this Agreement and the transactions contemplated hereby and to perform all of its obligations hereunder.

(b) Lessee has duly authorized the execution and delivery of this Agreement and the Escrow Agreement by proper action of its governing body at a meeting duly called, regularly convened and attended throughout by the requisite quorum of the members thereof, or by other appropriate official approval, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of this Agreement and the Escrow Agreement.

(c) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default exists at the date hereof.

(d) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic.

(e) Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Equipment.

(f) During the Lease Term, the Equipment will be used by Lessee only for the purpose of performing essential governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority. Lessee does not intend to sell or otherwise dispose of the Equipment or any interest therein prior to the last Rental Payment (including all Renewal Terms) scheduled to be paid hereunder.

(g) Lessee has kept, and throughout the Lease Term shall keep, its books and records in accordance with generally accepted accounting principles and practices consistently applied, and shall deliver to Lessor (i) annual audited financial statements (including (1) a balance sheet, (2) statement of revenues, expenses and changes in fund balances for budget and actual, (3) statement of cash flows, and (4) footnotes, schedules and attachments to the financial statements) within 210 days of its fiscal year end, (ii) such other financial statements and information as Lessor may reasonably request, and (iii) upon Lessor's request, its annual budget for any prior or current fiscal year or the following fiscal. The financial statements described in subsection (g) shall be accompanied by an unqualified opinion of Lessee's auditor. Credit information relating to Lessee may be disseminated among Lessor and any of its affiliates and any of their respective successors and assigns.

(h) Lessee has an immediate need for the Equipment and expects to make immediate use of the Equipment. Lessee's need for the Equipment is not temporary and Lessee does not expect the need for any item of the Equipment to diminish during the Lease Term.

(i) The payment of the Rental Payments or any portion thereof is not directly or indirectly (x) secured by any interest in property used or to be used in any activity carried on by any person other than a state or local governmental unit or payments in respect of such property; or (y) on a present value basis, derived from payments (whether or not to Lessee) in respect of property, or borrowed money, used or to be used in any activity carried on by any person other than a state or local governmental unit. Lessee shall not permit the Federal government to guarantee any Rental Payments. The Equipment will not be used, directly or indirectly, in any activity carried on by any person other than a state or local governmental unit. No portion of the Acquisition Amount will be used, directly or indirectly, to make or finance loans to any person other than Lessee. Lessee has not entered into any management or other service contract with respect to the use and operation of the Equipment.

(j) There is no pending litigation, tax claim, proceeding or dispute that may adversely affect Lessee's financial condition or impairs its ability to perform its obligations under this Agreement or the Escrow Agreement. Lessee will, at its expense, maintain its legal existence in good standing and do any further act and execute, acknowledge, deliver, file, register and record any further documents Lessor may reasonably request in order to protect Lessor's first priority security interest in the Equipment and the Escrow Account and Lessor's rights and benefits under this Agreement and the Escrow Agreement.

(k) Lessee is the fee owner of the real estate where the Equipment is and will be located and has good and marketable title thereto, and there exists no mortgage, pledge, lien, security interest, charge or other encumbrance of any nature whatsoever on or with respect to such real estate.

(l) No lease, rental agreement, lease-purchase agreement, payment agreement or contract for purchase to which Lessee has been a party at any time has been terminated by Lessee as a result of insufficient funds being appropriated in any fiscal year. No event has occurred which would constitute an event of default under any debt, revenue bond or obligation which Lessee has issued during the past ten (10) years.

ARTICLE III

Section 3.01. Lease of Equipment. Subject to the terms of this Agreement, Lessor agrees to provide the Acquisition Amount to acquire the Equipment. Lessor hereby demises, leases, transfers and lets to Lessee, and Lessee hereby acquires, rents and leases from Lessor, the Equipment. The Lease Term may be continued, solely at the option of Lessee, at the end of the Original Term or any Renewal Term for the next succeeding Renewal Term up to the maximum Lease Term as set forth in the Payment Schedule. At the end of the Original Term and at the end of each Renewal Term until the maximum Lease Term has been completed, Lessee shall be deemed to have exercised its option to continue this Agreement for the next Renewal Term unless Lessee shall have terminated this Agreement pursuant to Section 3.03 or Section 10.01. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Rental Payments shall be as provided in the Payment Schedule.

Section 3.02. Continuation of Lease Term. Lessee intends, subject to Section 3.03, to continue the Lease Term through the Original Term and all Renewal Terms. Lessee affirms that sufficient funds are available for the current fiscal year, and Lessee reasonably believes that an amount sufficient to make all Rental Payments during the entire Lease Term can be obtained from legally available funds of Lessee. Lessee further intends to do all things lawfully within its power to obtain and maintain funds sufficient and available to discharge its obligation to make Rental Payments due hereunder, including making provision for such payments to the extent necessary in each budget or appropriation request submitted and adopted in accordance with applicable provisions of law, to have such portion of the budget or appropriation request approved and to exhaust all available reviews and appeals in the event such portion of the budget or appropriation request is not approved.

Section 3.03. Nonappropriation. Lessee is obligated only to pay such Rental Payments as may lawfully be made from funds budgeted and appropriated for that purpose during Lessee's then current fiscal year. Should Lessee fail to budget, appropriate or otherwise make available funds to pay Rental Payments following the then current Original Term or Renewal Term, this Agreement shall be deemed terminated at the end of the then current Original Term or Renewal Term. Lessee agrees to deliver notice to Lessor of such termination promptly after any decision to non-appropriate is made, but failure to give such notice shall not extend the term beyond such Original Term or Renewal Term. If this Agreement is terminated in accordance with this Section, Lessee agrees to cease use of the Equipment and peaceably remove and deliver at Lessee's expense the Equipment to Lessor at the location(s) to be specified by Lessor.

Section 3.04. Conditions to Lessor's Performance.

(a) As a prerequisite to the performance by Lessor of any of its obligations under this Agreement, Lessee shall deliver to Lessor the following:

(i) An Escrow Agreement in the form set forth in Exhibit I hereto, satisfactory to Lessor and executed by Lessee and the Escrow Agent;

(ii) A certified copy of a resolution, ordinance or other official action of Lessee's governing body, substantially in the form attached hereto as Exhibit C-1, authorizing the execution and delivery of this Agreement and the Escrow Agreement and performance by Lessee of its obligations under this Agreement and the Escrow Agreement;

(iii) A Certificate executed by the Clerk or Secretary or other comparable officer of Lessee, in substantially the form attached hereto as Exhibit C-2, completed to the satisfaction of Lessor;

(iv) An opinion of counsel to Lessee in substantially the form attached hereto as Exhibit D and otherwise satisfactory to Lessor;

(v) Evidence of insurance as required by Section 7.02 hereof;

(vi) All documents, including financing statements, affidavits, notices and similar instruments, in form satisfactory to Lessor, which Lessor deems necessary or appropriate at that time pursuant to Section 6.02;

(vii) A waiver or waivers of interest in the Equipment, satisfactory to Lessor, from any mortgagee or any other party having an interest in the real estate on which the Equipment will be located and/or landlord of the real estate on which the Equipment will be located;

(viii) If Lessee has designated this Agreement as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code, a certificate substantially in the form attached hereto as Exhibit G executed by an authorized official of Lessee;

(ix) A copy of a fully completed and executed Form 8038-G;

(x) A certified copy of any Surety Bond satisfying the conditions set forth in Section 7.04, or, at Lessor's sole discretion, such Surety Bonds may be provided after the Commencement Date, provided however, that no "Disbursement Request" pursuant to the Escrow Agreement shall be authorized by Lessor until such Surety Bonds satisfying the conditions set forth in Section 7.04 have been delivered to Lessor; and

(xi) Such other items reasonably required by Lessor.

(b) In addition, the performance by Lessor of any of its obligations under this Agreement and the Escrow Agreement shall be subject to: (i) no Material Adverse Change in the financial condition of Lessee since the date of this Agreement, and (ii) no Event of Default having occurred and continuing.

(c) Subject to satisfaction of the foregoing, Lessor will deposit the Acquisition Amount with the Escrow Agent.

ARTICLE IV

Section 4.01. Rental Payments. Subject to Section 3.03, Lessee shall promptly pay Rental Payments, in lawful money of the United States of America, to Lessor on the dates and in such amounts as provided in the Payment Schedule. Interest on the Acquisition Amount shall begin to accrue as of the Commencement Date. If any Rental Payment or other amount payable hereunder is not paid within 10 days of its due date, Lessee shall pay an administrative late charge of 5% of the amount not timely paid or the maximum amount permitted by law, whichever is less.

Section 4.02. Interest and Principal Components. A portion of each Rental Payment is paid as, and represents payment of, interest, and the balance of each Rental Payment is paid as, and represents payment of, principal as more fully detailed on the Payment Schedule.

Section 4.03. Rental Payments to Constitute a Current Expense of Lessee. Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments shall constitute a current expense of Lessee payable solely from its general fund or other funds that are legally available for that purpose and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or moneys of Lessee.

Section 4.04. Rental Payments to be Unconditional. Except as provided in Section 3.03, the obligations of Lessee to make Rental Payments and to perform and observe the other covenants and agreements contained in this Agreement shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense, for any reason, including without limitation any failure of the Equipment, any defects, malfunctions, breakdowns or infirmities in the Equipment or any accident, condemnation or unforeseen circumstances, or failure of any Vendor to deliver any Equipment or otherwise perform any of its obligations.

Section 4.05. Tax Covenants.

(a) Lessee agrees that it will not take any action that would cause the interest component of Rental Payments to be or to become ineligible for the exclusion from gross income of the owner or owners thereof for federal income tax purposes, nor will it omit to take or cause to be taken, in timely manner, any action, which omission would cause the interest component of Rental Payments to be or to become ineligible for the exclusion from gross income of the owner or owners thereof for federal income tax purposes.

(b) In the event that Lessee does not spend sufficient moneys in the Escrow Account within six (6) months after the date the deposit is made pursuant to Section 3.04(c), Lessee will, if required by Section 148(f) of the Code to pay rebate: (i) establish a Rebate Account and deposit the Rebate Amount (as defined in Section 1.148-3(b) of the Federal Income Tax Regulations) not less frequently than once per year after the Commencement Date; and (ii) rebate to the United States, not less frequently than once every five (5) years after the Commencement Date, an amount equal to at least 90% of the Rebate Amount and within 60 days after payment of all Rental Payments or the Termination Value as provided in Section 10.01(a) hereof, 100% of the Rebate Amount, as required by the Code and any regulations promulgated thereunder. Lessee shall determine the Rebate Amount, if any, at least every year and upon payment of all Rental Payments or the Termination Value and shall maintain such determination, together with any supporting documentation required to calculate the Rebate Amount, until six (6) years after the date of the final payment of the Rental Payments or the Termination Value.

Section 4.06. Event of Taxability. Upon the occurrence of an Event of Taxability, the interest component of Rental Payments and any charge on Rental Payments or other amounts payable based on the Contract Rate shall have accrued and be payable at the Taxable Rate retroactive to the date as of which the interest component is determined by the Internal Revenue Service to be includible in the gross income of the owner or owners thereof for federal income tax purposes, and Lessee will pay such additional amount as will result in the owner receiving the interest component at the Taxable Rate.

For purposes of this Section, “*Event of Taxability*” means a determination that the interest component is includible for federal income tax purposes in the gross income of the owner thereof due to Lessee’s action or failure to take any action.

Section 4.07. Mandatory Prepayment. Any funds not applied to Equipment Costs and remaining in the Escrow Account on the earlier of (a) the expiration of the Acquisition Period and (b) the date on which Lessee executes an Acceptance Certificate (in the form attached hereto as Exhibit E), shall be applied by Lessor on any Rental Payment date to all or a portion of the Rental Payment due and owing in the succeeding twelve (12) months and any remaining amounts shall be applied by Lessor as prepayment to the remaining principal balance owing hereunder in the inverse order of Rental Payment dates.

ARTICLE V

Section 5.01. Delivery, Installation and Acceptance of Equipment.

(a) Lessee shall order the Equipment, cause the Equipment to be delivered and installed at the location specified in the Equipment Schedule and pay any and all delivery and installation costs and other Equipment Costs in connection therewith. When the Equipment has been delivered and installed, Lessee shall promptly accept such Equipment and evidence said acceptance by executing and delivering to Lessor an “Acceptance Certificate” in the form attached hereto as Exhibit E.

(b) Lessee shall deliver to Lessor original invoices (and proof of payment of such invoices) and bills of sale (if title to such Equipment has passed to Lessee) relating to each item of Equipment accepted by Lessee.

Section 5.02. Quiet Enjoyment of Equipment. So long as Lessee is not in default hereunder, neither Lessor nor any entity claiming by, through or under Lessor, shall interfere with Lessee's quiet use and enjoyment of the Equipment during the Lease Term.

Section 5.03. Location; Inspection. Once installed, no item of the Equipment will be moved or relocated from the location specified for it in the Equipment Schedule without Lessor's prior written consent, which consent shall not be unreasonably withheld. Lessor shall have the right at all reasonable times during regular business hours to enter into and upon the property where the Equipment is located for the purpose of inspecting the Equipment.

Section 5.04. Use and Maintenance of the Equipment. Lessee shall not install, use, operate or maintain the Equipment (or cause the Equipment to be installed, used, operated or maintained) improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated hereby. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects with all applicable laws, regulations and rulings of any legislative, executive, administrative, or judicial body, including, without limitation, all anti-money laundering laws and regulations; *provided* that Lessee may contest in good faith the validity or application of any such law, regulation or ruling in any reasonable manner that does not, in the opinion of Lessor, adversely affect the interest (including the reversionary interest) of Lessor in and to the Equipment or its interest or rights hereunder.

Lessee agrees that it (a) will maintain, preserve, and keep the Equipment in good repair and working order, in a condition comparable to that recommended by the manufacturer; and (b) replace or rebuild any component of the Equipment that becomes permanently unfit for normal use or inoperable during the Lease Term (herein, the "*Inoperable Component*") in order to keep the Equipment as a whole in good repair and working order during the Lease Term. Lessee shall promptly notify Lessor in writing when any component of the Equipment is reasonably expected within forty-five (45) days to become an Inoperable Component. Lessee shall promptly replace or rebuild the Inoperable Component with a similar component of comparable or improved make and model that has at least the equivalent value and utility of the Inoperable Component, a remaining useful life of no less than the remaining Lease term and such replacement or rebuilt component shall be in good operating condition. Lessor shall have no responsibility to maintain, repair or make improvements or additions to the Equipment. In all cases, Lessee agrees to pay any costs necessary for the manufacturer to re-certify the Equipment as eligible for manufacturer's maintenance upon the return of the Equipment to Lessor as provided for herein.

Lessee shall not alter any item of Equipment or install any accessory, equipment or device on an item of Equipment if that would impair any applicable warranty, the originally intended function or the value of that Equipment. All repairs, parts, accessories, equipment and devices furnished, affixed to or installed on any Equipment, excluding temporary replacements, shall thereupon become subject to the security interest of Lessor.

ARTICLE VI

Section 6.01. Title to the Equipment. During the Lease Term, and so long as Lessee is not in default under Article XII hereof, all right, title and interest in and to each item of the Equipment shall be vested in Lessee immediately upon its acceptance of each item of Equipment, subject to the terms and conditions hereof. Lessee shall at all times protect and defend, at its own cost and expense, its title in and to the Equipment from and against all claims, liens and legal processes of its creditors, and keep all Equipment free and clear of all such claims, liens and processes. Upon the occurrence of an Event of Default or upon termination of this Agreement pursuant to Section 3.03 hereof, full and unencumbered legal title to the Equipment shall, at Lessor's option, pass to Lessor, and Lessee shall have no further interest therein. In addition, upon the occurrence of such an Event of Default or such termination, Lessee shall execute and deliver to Lessor such documents as Lessor may request to evidence the passage of such legal title to Lessor and the termination of Lessee's interest therein, and upon request by Lessor shall deliver possession of the Equipment to Lessor in accordance with Section 12.02. Upon purchase of the Equipment by Lessee pursuant to Section 10.01, Lessor's security interest or other interest in the Equipment shall terminate, and Lessor shall execute and deliver to Lessee such documents as Lessee may request to evidence the termination of Lessor's security interest in the Equipment.

Section 6.02. Security Interest. As additional security for the payment and performance of all of Lessee's obligations hereunder, Lessee hereby grants to Lessor a first priority security interest constituting a first lien on (a) the Equipment, (b) moneys and investments held from time to time in the Escrow Account and (c) any and all proceeds of any of the foregoing. Lessee authorizes Lessor to file (and Lessee agrees to execute, if applicable) such notices of assignment, chattel mortgages, financing statements and other documents, in form satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain Lessor's security interest in the Equipment, the Escrow Account and the proceeds thereof, including, without limitation, such financing statements with respect to personal property and fixtures under Article 9 of the Uniform Commercial Code of the State.

Section 6.03. Personal Property, No Encumbrances. Lessee agrees that the Equipment is deemed to be and will remain personal property, and will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner physically affixed or attached to real estate or any building thereon. Lessee shall not create, incur, assume or permit to exist any mortgage, pledge, lien, security interest, charge or other encumbrance of any nature whatsoever on any of the real estate where the Equipment is or will be located or enter into any agreement to sell or assign or enter into any sale/leaseback arrangement of such real estate without the prior written consent of Lessor; provided, that if Lessor or its assigns is furnished with a waiver of interest in the Equipment acceptable to Lessor or its assigns in its discretion from any party taking an interest in any such real estate prior to such interest taking effect, such consent shall not be unreasonably withheld.

ARTICLE VII

Section 7.01. Liens, Taxes, Other Governmental Charges and Utility Charges. Lessee shall keep the Equipment free of all levies, liens, and encumbrances except those created by this Agreement. The parties to this Agreement contemplate that the Equipment will be used for a governmental or proprietary purpose of Lessee and that the Equipment will therefore be exempt from all property taxes. If the use, possession or acquisition of any Equipment is nevertheless determined to be subject to taxation, Lessee shall pay when due all taxes and governmental charges lawfully assessed or levied against or with respect to such Equipment. Lessee shall pay all utility and other charges incurred in the use and maintenance of the Equipment. Lessee shall pay such taxes or charges as the same may become due; *provided* that, with respect to any such taxes or charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as accrue during the Lease Term.

Section 7.02. Insurance. Lessee shall during the Lease Term maintain or cause to be maintained (a) property insurance naming Lessor and its assigns as loss payee and additional insured and insuring the Equipment against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State, and any other risks reasonably required by Lessor, in an amount at least equal to the greater of (i) the then applicable Termination Value of the Equipment or (ii) the replacement cost of the Equipment; (b) liability insurance naming Lessor and its assigns as additional insured that protects Lessor from liability with limits of at least \$1,000,000 per occurrence/\$3,000,000 in the aggregate for bodily injury and property damage coverage, and in all events in form and amount satisfactory to Lessor; and (c) worker's compensation coverage as required by the laws of the State; *provided* that, with Lessor's prior written consent, Lessee may self-insure against the risks described in clauses (a) and/or (b). In the event Lessee is permitted, at Lessor's sole discretion, to self-insure as provided in this Section, Lessee shall provide to Lessor a self-insurance letter in substantially the form attached hereto as Exhibit F. Lessee shall furnish to Lessor evidence of such insurance or self-insurance coverage throughout the Lease Term. Lessee shall not cancel or modify such insurance or self-insurance coverage in any way that would affect the interests of Lessor without first giving written notice thereof to Lessor at least 30 days in advance of such cancellation or modification. Lessor specifically grants its approval for Lessee to acquire group self-insurance coverage from the Maryland Association of Boards of Education Group Insurance Pool and/or the Maryland Association of Boards of Education Workers Compensation Group Self-Insurance Fund or to self-insure any or all of its property, general liability, auto and workers compensation exposures.

Section 7.03. Risk of Loss. Whether or not covered by insurance or self-insurance, Lessee hereby assumes all risk of loss of, or damage to and liability related to injury or damage to any persons or property arising from the Equipment from any cause whatsoever, and no such loss of or damage to or liability arising from the Equipment shall relieve Lessee of the obligation to make the Rental Payments or to perform any other obligation under this Agreement. Whether or not covered by insurance or self-insurance, Lessee hereby agrees to reimburse Lessor (to the fullest extent permitted by applicable law, but only from legally available funds) for any and all liabilities, obligations, losses, costs, claims, taxes or damages suffered or incurred by Lessor, regardless of the cause thereof and all expenses incurred in connection therewith (including, without limitation, counsel fees and expenses, and penalties connected therewith imposed on

interest received) arising out of or as a result of (a) entering into of this Agreement or any of the transactions contemplated hereby, (b) the ordering, acquisition, ownership use, operation, condition, purchase, delivery, acceptance, rejection, storage or return of any item of the Equipment, (c) any accident in connection with the operation, use, condition, possession, storage or return of any item of the Equipment resulting in damage to property or injury to or death to any person, and/or (d) the breach of any covenant of Lessee under or in connection with this Agreement or any material misrepresentation provided by Lessee under or in connection with this Agreement. The provisions of this paragraph shall continue in full force and effect notwithstanding the full payment of all obligations under this Agreement or the termination of the Lease Term for any reason.

Section 7.04. Surety Bonds; Lessee to Pursue Remedies Against Contractors and Sub-Contractors and Their Sureties. Lessee shall secure from each Vendor directly employed by Lessee in connection with the acquisition, construction, installation, improvement or equipping of the Equipment, a payment and performance bond ("Surety Bond") executed by a surety company authorized to do business in the State, having a financial strength rating by A.M. Best Company of "A-" or better, and otherwise satisfactory to Lessor and naming Lessor as a co-obligee in a sum equal to the entire amount to become payable under each Vendor Agreement. Each bond shall be conditioned on the completion of the work in accordance with the plans and specifications for the Equipment and upon payment of all claims of subcontractors and suppliers. Lessee shall cause the surety company to add Lessor as a co-obligee on each Surety Bond, and shall deliver a certified copy of each Surety Bond to Lessor promptly upon receipt thereof by Lessee. Any proceeds from a Surety Bond shall be applied first to amounts due Lessor under this Agreement, and any remaining amounts shall be payable to Lessee.

In the event of a material default of any Vendor under any Vendor Agreement in connection with the acquisition, construction, maintenance and/or servicing of the Equipment or in the event of a material breach of warranty with respect to any material workmanship or performance guaranty with respect to the Equipment, Lessee will promptly proceed to exhaust its remedies against the Vendor in default. Lessee shall advise Lessor of the steps it intends to take in connection with any such default. Any amounts received by Lessee in respect of damages, refunds and adjustments or otherwise in connection with the foregoing shall be paid to Lessor and applied against Lessee's obligations hereunder.

Section 7.05. Advances. In the event Lessee shall fail to keep the Equipment in good repair and working order, Lessor may, but shall be under no obligation to, maintain and repair the Equipment and pay the cost thereof. All amounts so advanced by Lessor shall constitute additional rent for the then current Original Term or Renewal Term and Lessee covenants and agrees to pay such amounts so advanced by Lessor with interest thereon from the due date until paid at a rate equal to the Contract Rate plus 5% per annum or the maximum amount permitted by law, whichever is less.

ARTICLE VIII

Section 8.01. Damage, Destruction and Condemnation. If, prior to the termination of the Lease Term, (a) the Equipment or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty or (b) title to, or the temporary use of, the Equipment or any

part thereof shall be taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, (i) Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award or sale under threat of condemnation to be applied to the prompt replacement, repair, restoration, modification or improvement of the Equipment and any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee or (ii) Lessee shall exercise its option to purchase the Equipment in accordance with Section 10.01(b).

If Lessee elects to replace any item of the Equipment (the "*Replaced Equipment*") pursuant to this Section, the replacement equipment (the "*Replacement Equipment*") shall be new or of a quality, type, utility and condition at least as good as the Replaced Equipment, shall be of equal or greater value than the Replaced Equipment and shall provide at least the same level of energy and/or operational savings expected in the aggregate from the Replaced Equipment prior to such casualty, destruction or condemnation. Lessee shall grant to Lessor a first priority security interest in any such Replacement Equipment. Lessee shall represent, warrant and covenant to Lessor that each item of Replacement Equipment is free and clear of all claims, liens, security interests and encumbrances, excepting only those liens created by or through Lessor, and shall provide to Lessor any and all documents as Lessor may reasonably request in connection with the replacement, including, but not limited to, documentation in form and substance satisfactory to Lessor evidencing Lessor's security interest in the Replacement Equipment. Lessor and Lessee hereby acknowledge and agree that any Replacement Equipment acquired pursuant to this paragraph shall constitute "Equipment" for purposes of this Agreement. Lessee shall complete the documentation of Replacement Equipment on or before the next Rental Payment date after the occurrence of a casualty event, or be required to exercise its option to purchase the damaged equipment in accordance with Section 10.01(b).

For purposes of this Article, the term "*Net Proceeds*" shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award or sale under threat of condemnation after deducting all expenses, including attorneys' fees, incurred in the collection thereof.

Section 8.02. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in Section 8.01, Lessee shall either (a) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds, or (b) pay or cause to be paid to Lessor the amount of the then applicable Termination Value for the Equipment, and, upon such payment, the Lease Term shall terminate and Lessor's security interest in the Equipment shall terminate as provided in Section 6.01 hereof. The amount of the Net Proceeds, if any, remaining after completing such repair, restoration, modification or improvement or after purchasing such Equipment shall be retained by Lessee. If Lessee shall make any payments pursuant to this Section, Lessee shall not be entitled to any reimbursement therefor from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Article IV.

ARTICLE IX

Section 9.01. Disclaimer of Warranties. Lessor makes no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for use of the Equipment, or any other warranty or representation, express or implied, with respect thereto and, as to Lessor, Lessee's acquisition of the Equipment shall be on an "as is" basis. In no event shall Lessor be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Agreement, the Equipment or the existence, furnishing, functioning or Lessee's use of any item, product or service provided for in this Agreement.

Section 9.02 Vendor's Agreements; Warranties. Lessee covenants that it shall not in any material respect amend, modify, rescind or alter any Vendor Agreement without the prior written consent of Lessor. Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term, so long as Lessee shall not be in default under this Agreement, to assert from time to time whatever claims and rights (including without limitation warranties) relating to the Equipment that Lessor may have against Vendor. Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the applicable Vendor of the Equipment, and not against Lessor. Any such matter shall not have any effect whatsoever on the rights and obligations of Lessor hereunder, including the right to receive full and timely Rental Payments. Lessee expressly acknowledges that Lessor makes, and has made, no representations or warranties whatsoever as to the existence or the availability of such warranties relating to the Equipment.

ARTICLE X

Section 10.01. Purchase Option. Lessee shall have the option to purchase all, but not less than all, of the Equipment, at the following times and upon the following terms:

(a) From and after the date specified (if any) in the Payment Schedule (the "*Purchase Option Commencement Date*"), on the Rental Payment dates specified in the Payment Schedule, upon not less than 30 days' prior written notice, and upon payment in full of the Rental Payments then due and all other amounts then owing hereunder plus the then applicable Termination Value, which may include a prepayment premium on the unpaid balance as set forth in the Payment Schedule; or

(b) In the event of substantial damage to or destruction or condemnation of substantially all of the Equipment, on the day specified in Lessee's notice to Lessor of its exercise of the purchase option (which shall be the earlier of the next Rental Payment date or 60 days after the casualty event) upon payment in full to Lessor of the Rental Payment then due plus the then applicable Termination Value (or, in the event such purchase occurs on a date other than a Rental Payment date, the sum of (i) the Termination Value relating to the Rental Payment immediately prior to the date of such purchase plus (ii) accrued interest on the Outstanding Balance relating to the Rental Payment immediately prior to the date of such purchase, plus all other amounts then owing hereunder); or

(c) Upon the expiration of the Lease Term, upon payment in full of all Rental Payments then due and all other amounts then owing hereunder, and the payment of \$1.00 to Lessor.

After payment of the applicable Termination Value and all other amounts owing hereunder, Lessor's security interests in and to such Equipment will be terminated and Lessee will own the Equipment free and clear of Lessor's security interest in the Equipment.

ARTICLE XI

Section 11.01. Assignment by Lessor.

(a) Lessor's right, title and interest in and to this Agreement, the Rental Payments and any other amounts payable by Lessee hereunder, the Escrow Agreement, its security interest in the Equipment and Escrow Account, and all proceeds therefrom may be assigned and reassigned in whole or in part to one or more assignees or subassignees by Lessor, without the necessity of obtaining the consent of Lessee; *provided*, that any such assignment, transfer or conveyance to a trustee for the benefit of owners of certificates of participation shall be made in a manner that conforms to any applicable State law. Nothing in this Section 11.01 shall be construed, however, to prevent Lessor from executing any such assignment, transfer or conveyance that does not involve funding through the use of certificates of participation within the meaning of applicable State law, including any such assignment, transfer or conveyance as part of a multiple asset pool to a partnership or trust; *provided* such certificates are sold only on a private placement basis (and not pursuant to any "public offering") to a purchaser(s) who represents that (i) such purchaser has sufficient knowledge and experience in financial and business matters to be able to evaluate the risks and merits of the investment, (ii) such purchaser understands that neither this Agreement nor certificates will be registered under the Securities Act of 1933, (iii) such purchaser is either an "accredited investor" within the meaning of Regulation D under the Securities Act of 1933, or a qualified institutional buyer within the meaning of Rule 144A, and (iv) it is the intention of such purchaser to acquire such certificates (A) for investment for its own account or (B) for resale in a transaction exempt from registration under the Securities Act of 1933; *provided further*, that in any event, Lessee shall not be required to make Rental Payments, to send notices or to otherwise deal with respect to matters arising under this Agreement with or to more than one individual or entity.

(b) Unless to an affiliate controlling, controlled by or under common control with Lessor, no assignment, transfer or conveyance permitted by this Section 11.01 shall be effective until Lessee shall have received a written notice of assignment that discloses the name and address of each such assignee; *provided*, that if such assignment is made to a bank or trust company as trustee or paying agent for owners of certificates of participation, trust certificates or partnership interests with respect to the Rental Payments payable under this Agreement, it shall thereafter be sufficient that Lessee receives notice of the name and address of the bank or trust company as trustee or paying agent. During the Lease Term, Lessee shall keep, or cause to be kept, a complete and accurate record of all such assignments in form necessary to comply with Section 149 of the Code. Lessee shall retain all such notices as a register of all assignees and shall make all payments to the assignee or assignees designated in such register. Lessee shall not have the right to and shall not assert against any assignee any claim, counterclaim or other right

Lessee may have against Lessor or the Vendor. Assignments in part may include without limitation assignment of all of Lessor's security interest in and to the Equipment and all rights in, to and under this Agreement related to such Equipment, and all of Lessor's security interest in and to the Escrow Account, or all rights in, to and under the Escrow Agreement.

(c) If Lessor notifies Lessee of its intent to assign this Agreement, Lessee agrees that it shall execute and deliver to Lessor a Notice and Acknowledgement of Assignment substantially in the form of Exhibit H attached hereto within five (5) business days after its receipt of such request.

Section 11.02. Assignment and Subleasing by Lessee. None of Lessee's right, title, and interest in, to and under this Agreement or any portion of the Equipment or the Escrow Agreement or the Escrow Account may be assigned, encumbered or subleased by Lessee for any reason, and any purported assignment, encumbrance or sublease without Lessor's prior written consent shall be null and void.

ARTICLE XII

Section 12.01. Events of Default Defined. Any of the following events shall constitute an "Event of Default" under this Agreement:

(a) Failure by Lessee to (i) pay any Rental Payment or other payment required to be paid under this Agreement within 10 days of the date when due as specified herein or (ii) maintain insurance as required herein;

(b) Failure by Lessee to observe and perform any covenant, condition or agreement contained in this Agreement on its part to be observed or performed, other than as referred to in subparagraph (a) above, for a period of 30 days after written notice specifying such failure and requesting that it be remedied is given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to its expiration; *provided* that, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected;

(c) Any statement, representation or warranty made by Lessee in or pursuant to this Agreement or its execution, delivery or performance shall prove to have been false, incorrect, misleading, or breached in any material respect on the date when made;

(d) Any default occurs under any other agreement for borrowing money, lease financing of property or otherwise receiving credit under which Lessee is an obligor, if such default (i) arises under any other agreement for borrowing money, lease financing of property or provision of credit provided by Lessor or any affiliate of Lessor, or (ii) arises under any obligation under which there is outstanding, owing or committed an aggregated amount in excess of \$100,000.00;

(e) Lessee shall (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due,

(iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against Lessee in any bankruptcy, reorganization, moratorium or insolvency proceeding; or

(f) An order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator for Lessee or of all or a substantial part of the assets of Lessee, in each case without its application, approval or consent, and such order, judgment or decree shall continue unstayed and in effect for any period of 30 consecutive days.

Section 12.02. Remedies on Default. Whenever any Event of Default exists, Lessor shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) By written notice to Lessee, Lessor may declare all Rental Payments payable by Lessee and other amounts payable by Lessee hereunder to the end of the then current Original Term or Renewal Term to be due;

(b) With or without terminating the Lease Term, and upon reasonable notice to Lessee, Lessor may enter the premises where the Equipment is located and retake possession of such Equipment, provided that Lessor does not disrupt normal school operations, or require Lessee at Lessee's expense to promptly return any or all of such Equipment to the possession of Lessor at such place within the United States as Lessor shall specify, and sell or lease such Equipment or, for the account of Lessee, sublease such Equipment, continuing to hold Lessee liable, but solely from legally available funds, for the difference between (i) the Rental Payments payable by Lessee and other amounts hereunder or the Equipment that are payable by Lessee to the end of the then current Original Term or Renewal Term, as the case may be, and (ii) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of Lessor in exercising its remedies hereunder, including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing such Equipment and all brokerage, auctioneer's and attorney's fees), subject, however, to the provisions of Section 3.03. The exercise of any such remedies respecting any such Event of Default shall not relieve Lessee of any other liabilities hereunder or the Equipment;

(c) Lessor may terminate the Escrow Agreement and apply any proceeds in the Escrow Account to the Rental Payments due hereunder; and

(d) Lessor may take whatever action at law or in equity may appear necessary or desirable to enforce its rights under this Agreement or the Escrow Agreement or as a secured party in any or all of the Equipment or the Escrow Account. The exclusive jurisdiction and venue for any such action at law or in equity shall be the Circuit Court for Dorchester County, Maryland.

Section 12.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in

addition to every other remedy given hereunder now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Article it shall not be necessary to give any notice other than such notice as may be required in this Article.

ARTICLE XIII

Section 13.01. Notices. All notices, certificates or other communications under this Agreement shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, or delivered by overnight courier, or sent by facsimile transmission (with electronic confirmation) to the parties hereto at the addresses immediately after the signatures to this Agreement (or at such other address as either party hereto shall designate in writing to the other for notices to such party) and to any assignee at its address as it appears on the registration books maintained by Lessee.

Section 13.02. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

Section 13.03. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 13.04. Amendments, Changes and Modifications. This Agreement may only be amended by Lessor and Lessee in writing.

Section 13.05. Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 13.06. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland.

Section 13.07. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

[Add provisions that State-specific provisions may be in a separate rider document incorporated hereto as necessary, and that rider prevails in any contradiction.]

[Remainder of Page Intentionally Left Blank]

[Signature Page Follows]

LIBERO 006 FOLIO 927

IN WITNESS WHEREOF, Lessor and Lessee have caused this Agreement to be executed in their names by their duly authorized representatives as of the date first above written.

LESSOR:
Bank of America, National Association
11333 McCormick Road
Hunt Valley II
M/C MD5-032-07-05
Hunt Valley, MD 21031

LESSEE:
Board of Education of Dorchester County
700 Glasgow Street
Cambridge, Maryland
21613

Attention: Contract Administration
Fax No.: (443) 541-3057

Attention: Henry V. Wagner, Jr. Ed. D.
Fax No.: 410-228-1847

By: _____
Name: _____
Title: _____

By: _____
Name: Glenn L. Bramble
Title: President

(Seal)

Attest:

By: _____
Name: Henry V. Wagner, Jr. Ed. D.
Title: Superintendent/Secretary

Counterpart No. ____ of ____ manually executed and serially numbered counterparts. To the extent that this Agreement constitutes chattel paper (as defined in the Uniform Commercial Code), no security interest herein may be created through the transfer or possession of any Counterpart other than Counterpart No. 1.

List of Exhibits

- Exhibit A -- Equipment Schedule
- Exhibit B -- Payment Schedule
- Exhibit C-1 -- Form of Authorizing Resolution
- Exhibit C-2 -- Form of Incumbency and Authorization Certificate
- Exhibit D -- Form of Opinion of Counsel Form
- Exhibit E -- Form of Acceptance Certificate
- Exhibit F -- Form of Self-Insurance Certificate
- Exhibit G -- Reserved
- Exhibit H -- Form of Notice and Acknowledgement of Assignment
- Exhibit I -- Form of Escrow and Account Control Agreement

EXHIBIT B**PAYMENT SCHEDULE**

Rental Payment Date	Rental Payment Amount	Interest Portion	Principal Portion	Outstanding Balance	Termination Value (including prepayment premium, if applicable)
12/21/2016				4,188,274.00	NA
12/21/2017	332,048.67	111,826.92	220,221.76	3,968,052.24	4,047,413.29
12/21/2018	230,698.67	105,947.00	124,751.68	3,843,300.57	3,920,166.58
12/21/2019	340,132.67	102,616.13	237,516.55	3,605,784.02	3,677,899.70
12/21/2020	339,570.67	96,274.44	243,296.24	3,362,487.79	3,429,737.54
12/21/2021	338,992.67	89,778.43	249,214.25	3,113,273.54	3,175,539.01
12/21/2022	358,850.67	83,124.40	275,726.27	2,837,547.27	2,894,298.21
12/21/2023	358,850.67	75,762.51	283,088.16	2,554,459.11	2,605,548.29
12/21/2024	358,850.67	68,204.06	290,646.61	2,263,812.50	2,309,088.75
12/21/2025	358,850.67	60,443.79	298,406.88	1,965,405.62	2,004,713.73
12/21/2026	358,850.67	52,476.33	306,374.34	1,659,031.27	1,692,211.90
12/21/2027	358,850.67	44,296.14	314,554.54	1,344,476.74	1,371,366.27
12/21/2028	358,850.67	35,897.53	322,953.14	1,021,523.59	1,041,954.07
12/21/2029	358,850.67	27,274.68	331,575.99	689,947.60	703,746.55
12/21/2030	358,850.67	18,421.60	340,429.07	349,518.53	356,508.90
12/21/2031	358,850.67	9,332.14	349,518.53	0.00	0.00
	5,169,950.10	981,676.10	4,188,274.00		

Contract Rate. The Contract Rate is 2.6700% per annum.

Purchase Option Commencement Date. For purposes of Section 10.01 of the Agreement, the Purchase Option Commencement Date is December 21, 2017.

LESSOR:
Bank of America, National Association

LESSEE:
Board of Education of Dorchester County

By: _____
Name: _____
Title: _____

By: _____
Name: Glenn L. Bramble
Title: President

EXHIBIT C-2

FORM OF INCUMBENCY AND AUTHORIZATION CERTIFICATE

The undersigned, duly elected or appointed and acting Superintendent and Secretary of the Board of Education of Dorchester County ("*Lessee*") certifies as follows:

A. The following listed persons are duly elected or appointed and acting officials of Lessee (the "*Officials*") in the capacity set forth opposite their respective names below and that the facsimile signatures are true and correct as of the date hereof;

B. The Officials are duly authorized, on behalf of Lessee, to negotiate, execute and deliver the Equipment Lease/Purchase Agreement dated as of December 21, 2016 by and between Lessee and Bank of America, National Association ("*Lessor*"), the Escrow and Account Control Agreement dated as of December 21, 2016 among Lessor, Lessee and Bank of America, National Association, as Escrow Agent, and all documents related thereto and delivered in connection therewith (collectively, the "*Agreements*"), and the Agreements each are the binding and authorized agreements of Lessee, enforceable in all respects in accordance with their respective terms.

Name of Official	Title	Signature
Glenn L. Bramble	President	_____
C. Dwayne Abt	Assistant Superintendent for Administration	_____

Dated: _____

By: _____

Name: Henry V. Wagner, Jr. Ed. D.

Title: Superintendent/Secretary

(The signer of this Certificate cannot be listed above as authorized to execute the Agreements.)

LIBERO 006 FOLIO 932

EXHIBIT E

FORM OF ACCEPTANCE CERTIFICATE

Bank of America, National Association
11333 McCormick Road
Mail Code: MD5-032-07-05
Hunt Valley, MD 21031
Attn: Contract Administration

Re: Equipment Lease/Purchase Agreement, dated as of December 21, 2016,
between Bank of America, National Association, as Lessor, and the Board
of Education of Dorchester County, as Lessee

Ladies and Gentlemen:

In accordance with the Equipment Lease/Purchase Agreement (the "*Agreement*"), the undersigned Lessee hereby certifies and represents to, and agrees with Lessor as follows:

1. All of the Equipment (as such term is defined in the Agreement) has been delivered, installed and accepted on the date hereof.

2. Lessee has conducted such inspection and/or testing of the Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.

3. Lessee is currently maintaining the insurance coverage required by Section 7.02 of the Agreement.

4. Lessee hereby reaffirms that the representations, warranties and covenants contained in the Agreement are true and correct as of the date hereof.

5. No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default (as defined in the Agreement) exists at the date hereof.

Date: _____

LESSEE:
Board of Education of Dorchester County

By: _____

Name:

Title:

(Seal)

EXHIBIT G

FORM OF BANK QUALIFICATION CERTIFICATE

The undersigned, a duly authorized official of Board of Education of Dorchester County (the "Lessee") certifies in connection with the Equipment Lease/Purchase Agreement dated as of December 21, 2016 (the "Agreement") between Bank of America, National Association and Lessee as follows:

1. The obligations evidenced by the Agreement are not "private activity bonds" as defined in Section 141 of the Internal Revenue Code of 1986, as amended (the "Code");
2. The Lessee hereby designates the principal components of the Rental Payments payable under the Agreement as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code;
3. The reasonably anticipated amount of tax-exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the Lessee (and all entities treated as one issuer with the Lessee, and all subordinate entities whose obligations are treated as issued by the Lessee) during the current calendar year will not exceed \$10,000,000; and
4. Not more than \$10,000,000 of obligations issued by the Lessee during the current calendar year has been designated for purposes of Section 265(b)(3) of the Code.

DATE: _____

LESSEE:
Board of Education of Dorchester County
By: _____
Name: _____
Title: _____

EXHIBIT H

FORM OF NOTICE AND ACKNOWLEDGEMENT OF ASSIGNMENT

DATED _____

BANK OF AMERICA, NATIONAL ASSOCIATION ("*Assignor*") hereby gives notice that it has assigned and sold to _____ ("*Assignee*") all of Assignor's right, title and interest in, to and under the Equipment Lease/Purchase Agreement (the "*Agreement*") dated as of December __, 2016, between Assignor and the Board of Education of Dorchester County ("*Lessee*"), together with all exhibits, schedules, addenda and attachments related thereto, and all certifications and other documents delivered in connection therewith, the Rental Payments and other amounts due under the Agreement, all of Assignor's right, title and interest in the Equipment (as defined in the Agreement), and all of Assignor's right, title and interest in, to and under the Escrow and Account Control Agreement dated December __, 2016 (the "*Escrow Agreement*") by and among Lessee, Assignor and Bank of America, National Association, as Escrow Agent, together with the Escrow Account related thereto (collectively, the Assigned Property").

1. Pursuant to the authority of Resolution _____ adopted on _____, Lessee hereby consents to and acknowledges the effect of the assignment of the Assigned Property and absolutely and unconditionally agrees to deliver to Assignee all Rental Payments and other amounts coming due under the Agreement in accordance with the terms thereof on and after the date of this Acknowledgment.

2. Lessee hereby agrees that: (i) Assignee shall have all the rights of Lessor under the Agreement and all related documents, including, but not limited to, the rights to issue or receive all notices and reports, to give all consents or agreements to modifications thereto, to receive title to the equipment in accordance with the terms of the Agreement, to declare a default and to exercise all remedies thereunder; and (ii) except as provided in Section 3.03 of the Agreement, the obligations of Lessee to make Rental Payments and to perform and observe the other covenants and agreements contained in the Agreement shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense.

3. Lessee agrees that, as of the date of this Notice and Acknowledgment of Assignment (this "*Acknowledgement*"), the following information about the Agreement is true, accurate and complete:

Number of Rental Payments Remaining	-	_____
Amount of Each Rental Payment	-	\$ _____
Total Amount of Rents Remaining	-	\$ _____
Frequency of Rental Payments	-	_____

Next Rental Payment Due _____

Funds Remaining in Escrow Account-\$ _____

4. The Agreement remains in full force and effect, has not been amended and no nonappropriation or Event of Default (or event which with the passage of time or the giving of notice or both would constitute a default) has occurred thereunder.

5. Any inquiries of Lessee related to the Agreement and any requests for disbursements from the Escrow Account, if applicable, and all Rental Payments and other amounts coming due pursuant to the Agreement on and after the date of this Acknowledgment should be remitted to Assignee at the following address (or such other address as provided to Lessee in writing from time to time by Assignee):

ACKNOWLEDGED AND AGREED:

LESSEE: Board of Education of Dorchester County

By: _____

Name: _____

Title: Superintendent/Secretary

ASSIGNOR: BANK OF AMERICA, NATIONAL ASSOCIATION

By: _____

Name: _____

Title: _____