



Monday, June 25, 2018
6:30 p.m. – Regular Meeting

YCS Board of Education Meeting | YCS Central Office * 1885 Packard Rd. * Ypsilanti, MI 48197 * (734)221-1230

AGENDA

I. CALL TO ORDER **PLEDGE OF ALLEGIANCE**

II. ACCEPTANCE OF AGENDA

III. PRESENTATIONS

A. Recognition of 2018 Retirees, Ypsilanti Community Schools

- *Ricky Hughes, Custodian*
- *Robin Reed, Elementary Teacher*
- *Janice Payeur, High School Teacher*
- *Gerilynn Stack, Title I Teacher*

B. Physical Education/Heart Monitor Update (Enc)

- *Cindy Bowers, Elementary Physical Education Teacher*

C. Scholastic Professional Development

- *Dr. Sherrell Hobbs, Assistant Superintendent*

D. Middle School Alternative Program

- *Jonathan Royce, Principal | Achieving College & Career Education (ACCE)*

E. Performance Contracting (See Enc. #6B.v)

- *Scott Mason, Schneider Electric*

IV. PUBLIC COMMENTS #1

V. *PERSONNEL MATTERS (Enc. #5)

A. 2018 Retirees

VI. ACTION ITEMS

A. Student Affairs

- i. **RESOLUTION:** MHSAA Membership, 2018/19 (Enc. #6A.i)
- ii. Field Trip, *YCHS Marching Band* (Enc. #6A.ii)
- iii. **RESOLUTION:** Opposing Proposed Changes to the MDE Social Studies Standards (Enc. #6A.iii)

B. Business/Finance

- i. 2017/18 Year-End Budget Amendment (Enc. #6B.i)
- ii. **RESOLUTION:** 2018/19 Initial Budget (Enc. #6B.ii)
- iii. **RESOLUTION:** State Aid Anticipation Note (Enc. #6B.iii)
- iv. Durham School Services Addendum (Enc. #6B.iv)
- v. Energy Services Contract, *Schneider Electric* (Enc. #6B.v)

C. Human Resources

- i. Administrative/Deans of Students Salaries, 2018/19 (Enc. #6C.i)

VII. DISCUSSION

A. SECOND READ (Enc. #7)

1. NEOLA Policy Updates: *Vol. 31, #1*
2. Policy Review: *#8510, District Wellness Policy*

VIII. PUBLIC COMMENTS #2

IX. OTHER

X. BOARD/SUPERINTENDENT COMMENTS

XI. REQUEST FOR CLOSED SESSION: *Section 8(a) OMA, Complaint/Claims Against Employee*
(Enc. #11)

XII. RECONVENE TO OPEN SESSION

XIII. *RESOLUTION: *Tenure Charges Pursuant to Teachers' Tenure Act* (Enc. #13)

XIV. ADJOURNMENT

****Action Item***



CONGRATULATIONS TO THE 2018 RETIREES
OF
YPSILANTI COMMUNITY SCHOOLS

Ricky Hughes, Custodian
Robin Reed, Elementary Teacher @ Estabrook
Janice Payeur, High School Teacher
Gerilynn Stack, Title I @ Estabrook

Best wishes for your future endeavors.

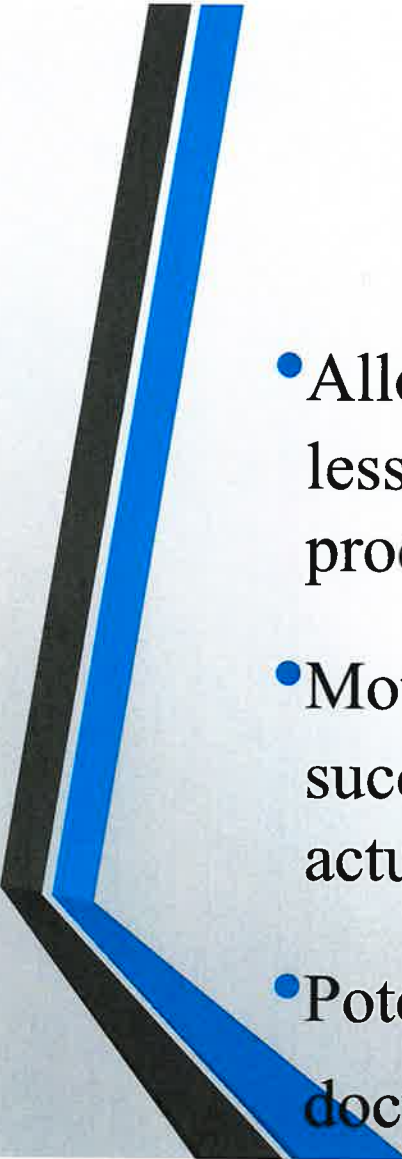
Once a Grizzly ... always a Grizzly!

Congratulations NICE GOING!
GREAT! Way to Go!
Yea! FELICITATIONS
CHEERS Take A BEST
BOW! WISHES!



At Holmes Elementary

Presented by
Cynthia J. Bowers
Ypsilanti Community Schools
Elementary Physical Education Teacher



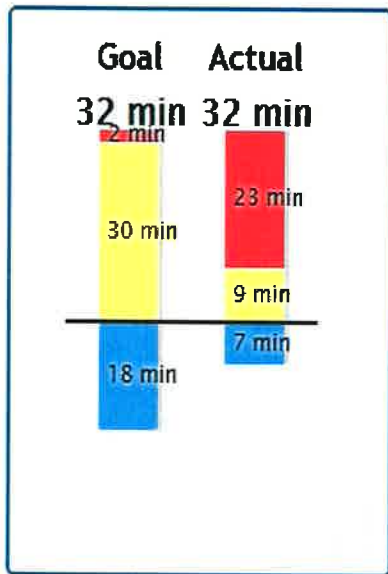
Advantages of IHT Spirit System

- Allowed me to qualitatively determine effectiveness of lesson format, collect performance data seamlessly and produce individual student as well as group reports.
- Motivated students holding them accountable for their success by providing a visual of what their heart was actually doing during exercise.
- Potential to provide parents and students with hard documentation of student performance.

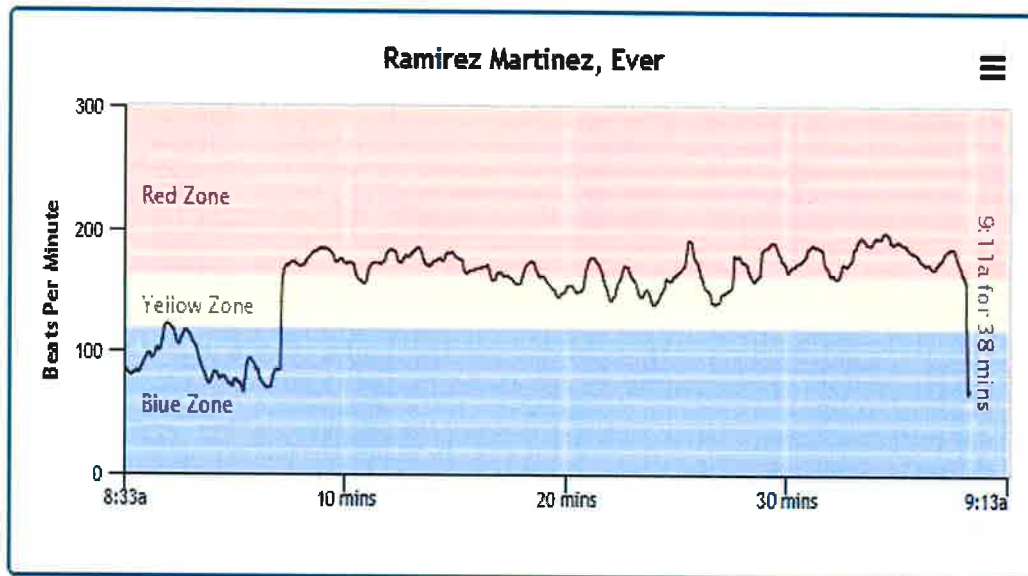
Student Data viewed with teacher or personal email

Pickup and Return: Thu, 05/03/2018 08:33:00 am to 09:13:00 am

Peak Heart Rate: 198 / Minimum Heart Rate: 66 / Calories Burned: 350 kcal



More...



Teacher Data

Session Report

Date From *

2018-02-08

Date To *

2018-06-13

Groups

Bearman 2017-2018

Apply

Selected Groups: Bearman 2017-2018.

Total Participants: 20

Group Performance:

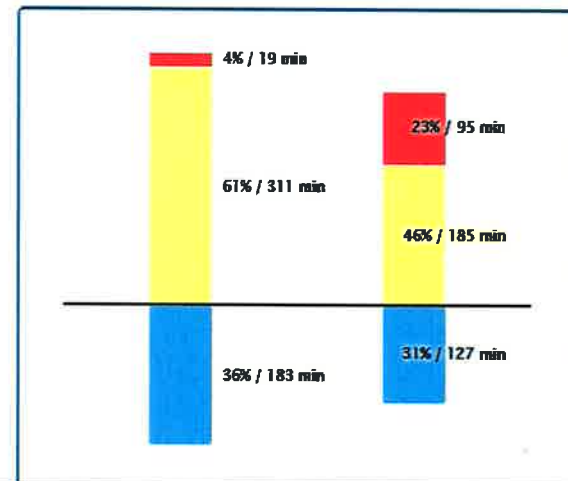
- 5,604 min (69%) in the zone
- 43,830 calories burned

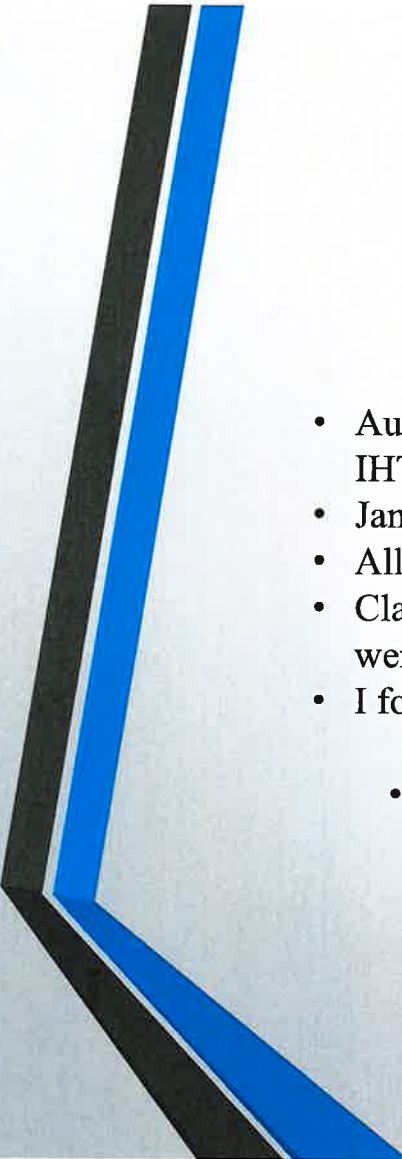
Per Participant Performance:

- 280 min (69%) in the zone
- 2,192 calories burned

Download to Excel: [Aggregate Report](#) | [Session Detail Report](#)

Per Participant Goal **Per Participant Actual**
330 min 280 min

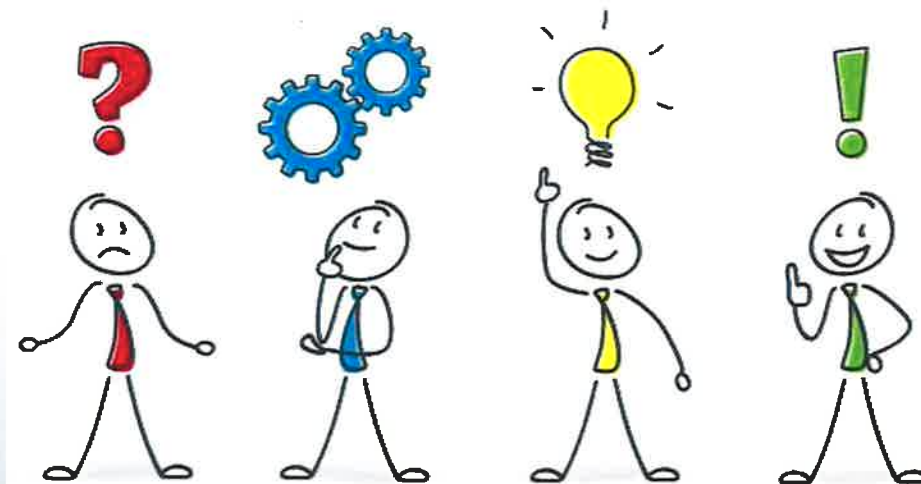




Learning Curve!

- August through December of 2017 I was learning the software. Technology was working with IHT to integrate the automated system with the YCS network.
- January 2018 all grade levels (2-5) were introduced to the use of the HRM.
- All grade levels used color coding as well as Target Heart Rate values.
- Classes that were able to handle the responsibility of helping with the application of the HRM were given roles to facilitate efficiency. (i.e. checking proper placement, checking HRM out/in)
- I focused on one specific goal:
 - A.PE.05.01 - participate in physical activities that are vigorous in intensity level (i.e., a minimum of 60% of class time) in physical education, including: locomotor activities, activities inclusive of manipulative skills, dodging, chasing, and fleeing activities, and modified games that include combinations of locomotor and manipulative skills.

Challenges





Teachers/Students Late to Class

This standard requires students to be active at the MTVA (Moderate to vigorous activity level=145+ THR) for 30 minutes of a 50 minute class. It takes 5 minutes to get HRM issued and a minimum of 5 minutes to warm-up which leaves 40 minutes left for instruction and MTVA.



Student Behavior

Behaviors play an integral role in the ability of a class to maintain MTVA for 30 minutes.



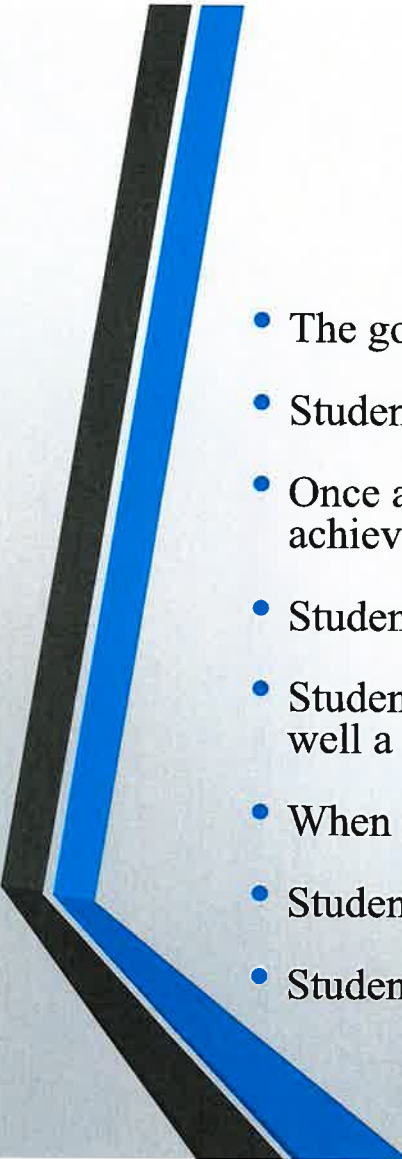
Instructional Time

The need to teach skill/strategy makes it a challenge to meet this standard. In addition, the students' ability to acquire manipulative and locomotor skills plays a significant role in their ability to meet this standard.



Fitness Level of Students

The fitness level of students plays another significant role in meeting this standard. Students have a difficult time with understanding how their body responds to exercise and generally have a very low level with respect to tolerance to their “rate of perceived exertion.”



Outcomes

- The goal was met at 61%
- Students were more engaged when using the HRM
- Once a routine was established student behavior improved as they had individual goals to achieve.
- Student choice became a part of how they were going to met their goal
- Student's became more engaged in helping each other as they had a target as individuals as well a class.
- When given a choice to use HRM or not students would pick using the HRM
- Students were excited when they attained their goal as individuals and as a class
- Students had a better “feel” for what if felt like to exercise at the MTVA level.



15



Goals for 2018-2019

- Integrate PE with traditional classroom via google classroom.
- Improve home to school connection with parent email capabilities via IHT and google classroom.
- Continue data documentation to support Move to Read Program (This year 95% of Holmes 2-3 graders (38 out of 40 title 1 students) demonstrated proficiency post-assessment with respect to sight words)-Manuscript in progress in conjunction with University of Michigan
- Work with Dr. Chen and University of Michigan with respect to data collection and analysis to track academic performance as it is connected to physical fitness
- Work to develop a physical education curriculum that will help students of trauma understand the use of physical activity as a trauma management tool.

GRACIAS
ARIGATO
SHUKURIA
TASHAKKUR ATU
SUKSAMA
THANK
YOU
BOLZIN
MERCİ
DANKSCHEEN
BIYAN
SHUKRIA
TASHAKKUR ATU
SUKSAMA
THANK
YOU
BOLZIN
MERCİ
DANKSCHEEN
BIYAN
SHUKRIA



Enclosure #5
APPROVAL OF PERSONNEL MATTERS
2018 Retirees of Ypsilanti Community Schools
Meeting of 6/25/2018
Presented by Dr. Benjamin Edmondson
Prepared by Paula Gutzman

☐ Discussion ☐ Action – Roll Call ☒ Action – Voice Ayes _____ Nays _____		Celeste Hawkins	Meredith Schindler	Brenda Meadows	Ellen Champagne	Sharon Lee	Maria Sheler-Edwards	Sharon Irvine
	1 st /2 nd							
	Aye							
	Nay							
	Abstain							

Rationale/Background Information

Attached is a list of 2018 Retirees of Ypsilanti Community Schools. We salute our retirees and wish them well.

Congratulations

Proposed Motion

" move that the Board of Education approve the personnel matters as per the attached list dated June 20, 2018: 2018 YCS Retirees."

Budget Impact: ☒ None ☐ As follows:

Attachments:

☒ Enclosed ☐ Issue Study Enclosed ☐ To Be Distributed Separately ☐ None

Human Resources List
2018 Retirees of Ypsilanti Community Schools

Ricky Hughes, Custodian
Robin Reed, Elementary Teacher @ Estabrook
Janice Payeur, High School Teacher
Gerilynn Stack, Title I @ Estabrook

June 20, 2018

Enclosure #6A.i
APPROVAL OF MHSAA MEMBERSHIP RESOLUTION, 2018/19
Meeting of 6/25/2018
Presented by Laura Frey-Greathouse
Prepared by Paula Gutzman

☐ Discussion ☒ Action – Roll Call ☐ Action – Voice Ayes _____ Nays _____		Celeste Hawkins	Meredith Schindler	Brenda Meadows	Ellen Champagne	Sharon Lee	Maria Sheler-Edwards	Sharon Irvine
	1 st /2 nd							
	Aye							
	Nay							
	Abstain							

Rationale/Background Information

For many years, many schools have worked through the Michigan High School Athletic Association (MHSAA) to establish a common set of rules, for the orderly administration of an interscholastic athletic program which promotes academic integrity and competitive equity. Each school district which wishes one or more schools to participate in MHSAA tournaments and benefit from MHSAA services must adopt the attached resolution for its junior high/middle and senior high schools. This resolution must be formally adopted by the Board of Education.

It is recommended that the Board of Education approve the annual resolution for membership in the Michigan High School Athletic Association (MHSAA). This resolution is for the year August 1, 2018 – July 31, 2019.

The resolution should be signed in sufficient time to prevent a lapse in membership (in advance of August 1st). A lapse in membership, even though for only a week, can create unnecessary problems should there be claims under the \$1,000,000 accident medical insurance plan or the concussion care gap insurance or if eligibility rulings are to be made during that period.

Proposed Motion

" move that the Board of Education approve the annual resolution for the membership in the Michigan High School Athletic Association, effective August 1, 2018 – July 31, 2019."

Budget Impact: ☒ None ☐ As follows:

Attachments:

☒ Enclosed ☐ Issue Study Enclosed ☐ To Be Distributed at Meeting ☐ None

The Michigan High School Athletic Association is a voluntary, nonprofit corporation comprised of public, private and parochial junior high/ middle and senior high schools whose Boards of Education/Governing Bodies have voluntarily applied for and received membership for and on behalf of their secondary schools. The association sponsors statewide tournaments and makes eligibility rules with respect to participation in such Michigan High School Athletic Association sponsored tournaments in the various sports. Each Board of Education/Governing Body that wishes to host or participate in such meets and tournaments must join the MHSAA and agree to abide by and enforce the MHSAA rules, regulations and qualifications concerning eligibility, game rules and tournament policies, procedures and schedules. **It is a condition for participation in any MHSAA postseason tournaments that high schools adhere to at least the minimum standards of Regulation I and the maximum limitations of Regulation II in ALL MHSAA Tournament sports.**

Michigan High School Athletic Association tournaments are the collective property of the MHSAA and not of any individual member school. The MHSAA reserves the right to promote and advance the membership's interests with publication information; exclusive arrangements to create recognition and exposure for school-sponsored activities; restrictive policies prohibiting exploitation and commercialization of MHSAA-sponsored tournaments; appropriate proprietary interests, and the use of images or transmissions identifying contest officials, spectators and member schools' students, personnel and marks.

To obtain membership, it is necessary for the Board of Education/Governing Body to adopt the following resolution for its junior high/middle and senior high schools. This resolution must be formally ratified by your Board of Education/Governing Body and properly signed. Please return one signed copy for our files and retain one copy for your files. Resolutions that are modified in any way or are supplemented with letters placing additional conditions on MHSAA membership or tournament participation shall be rejected.

MEMBERSHIP RESOLUTION

For the year August 1, 2018 — through July 31, 2019

LIST ON BACK

_____ the School(s) which are under the direction of this Board of Education/Governing Body.

(Junior high/middle and senior high schools of your school system which are to be listed as MHSAA members and receive MHSAA mailings during 2018-19 must be listed on the back of this form)

Ypsilanti Community Schools City of Ypsilanti
County of Washtenaw, of State of Michigan, are hereby:

- (A) enrolled as members of the Michigan High School Athletic Association, Inc., a nonprofit association, and
- (B) are further enrolled to participate in the approved interschool athletic activities sponsored by said association.

The Board of Education/Governing Body hereby delegates to the Superintendent or his/her designee(s) the responsibility for the supervision and control of said activities, and hereby accepts the Constitution and By-Laws of said association and adopts as its own the rules, regulations and interpretations (as minimum standards), as published in the current *HANDBOOK* as the governing code under which the said school(s) shall conduct its program of interscholastic athletics and agrees to primary enforcement of said rules, regulations, interpretations and qualifications. In addition, it is hereby agreed that schools which host or participate in the association's meets and tournaments shall follow and enforce all tournament policies, procedures and schedules.

This authorization shall be effective from August 1, 2018 and shall remain effective until July 31, 2019, during which the authorization may not be revoked.

RECORD OF ADOPTION

The above resolution was adopted by the Board of Education/Governing Body of the

Ypsilanti Community School(s), on the 25th day of June, 2018,
and is so recorded in the minutes of the meeting of the said Board/Governing Body.

Board of Education; YCS
(Governing Body Name)

1885 Packard Rd
(Address)

Ypsilanti, MI 48197
(City & Zip Code)

lfreygreathouse@ycschools.us
(Contact E-mail)

Board Secretary Signature
or Designee

☐ Check if Designee

Schools Which Are To Be MHSAA Members During 2018-19

NOTE: Pursuant to the MHSAA Constitution, all high schools, junior high/middle schools, or other schools of Michigan doing a grade of work corresponding to such schools, may become members of this organization provided (a) the school building has enrollment and on-site attendance of at least 15 students, whether for grades 6 through 8 or 9, grades 7 through 8 or 9, or grades 9 or 10 through 12; and (b) if a nonpublic school, the school qualifies for federal income tax exemption as a not-for-profit organization. To reach the 15-student minimum for middle school membership, schools may join the MHSAA at the 6th-grade level whether or not 6th-grade students participate in athletics.

- A. This Section does not require school districts to become member schools at the junior high/middle school level and does not require school districts to sponsor any interscholastic athletics for 6th grade students.
- B. If a school district's MHSAA Membership Resolution lists a junior high/middle school as an MHSAA member school, and if the school sponsors a 6th-grade team in any sport or permits a 6th-grade student to participate with 7th- and/or 8th-grade students in any sport, then all of Regulations III and IV apply to all 6th-graders in all sports involving 6th-graders on teams sponsored by that school. If the school does not allow any 6th-graders to participate in a sport, MHSAA rules do not apply in that sport.

Member High School(s) (if any)

List separately from JH/MS even if all grades are housed in the same building.

1. Ypsilanti Community High School
(AC Tech/STEM)
2. ACCE
3. Early College Alliance (ECA)
4. Washtenaw International High School
5. Washtenaw Technical Middle College (with) Forest School
6. Forest School
7. Washtenaw DHHS
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____

If necessary, list additional schools for either column on a separate sheet.

Member Junior High /Middle School(s) (if any)

List separately from HS even if all grades are housed in the same building.

*If the 6th graders are in a separate building, and participating with the 7th and 8th graders, the 6th grade school building must be listed as an MHSAA member school.

1. Washtenaw International Middle Academy
Name of Junior High/Middle School

Configuration of grades in school (e.g. K-6, 6-8, 7-8, 7-9): 6-8

Provide anticipated 2018-19 7th- and 8th-Grade Enrollment: 128

Provide anticipated 2018-19 6th-Grade Enrollment: 64

• Yes or No (circle one) 6th-grade students will be participating in one or more sports for the above school

• Yes or No (circle one) *6th-graders are housed in the same building as 7th- and 8th-graders

• Yes or No (circle one) 6th-graders will be participating, in at least one sport, with 7th- and 8th-graders

2. Ypsilanti Community Middle School
Name of Junior High/Middle School

Configuration of grades in school (e.g. K-6, 6-8, 7-8, 7-9): 6-8

Provide anticipated 2018-19 7th- and 8th-Grade Enrollment: 413

Provide anticipated 2018-19 6th-Grade Enrollment: 233

• Yes or No (circle one) 6th-grade students will be participating in one or more sports for the above school

• Yes or No (circle one) *6th-graders are housed in the same building as 7th- and 8th-graders

• Yes or No (circle one) 6th-graders will be participating, in at least one sport, with 7th- and 8th-graders

3. _____
Name of Junior High/Middle School

Configuration of grades in school (e.g. K-6, 6-8, 7-8, 7-9): _____

Provide anticipated 2018-19 7th- and 8th-Grade Enrollment: _____

Provide anticipated 2018-19 6th-Grade Enrollment: _____

• Yes or No (circle one) 6th-grade students will be participating in one or more sports for the above school

• Yes or No (circle one) *6th-graders are housed in the same building as 7th- and 8th-graders

• Yes or No (circle one) 6th-graders will be participating, in at least one sport, with 7th- and 8th-graders

Enclosure #6A.ii
APPROVAL OF OVERNIGHT FIELD TRIP, YCHS Marching Band
Meeting of 6/25/2018
Presented by Laura Frey-Greathouse
Prepared by Paula Gutzman

☐ Discussion ☐ Action – Roll Call ☒ Action – Voice Ayes _____ Nays _____		Celeste Hawkins	Meredith Schindler	Brenda Meadows	Ellen Champagne	Sharon Lee	Maria Sheler- Edwards	Sharon Irvine
	1 st /2 nd							
	Aye							
	Nay							
	Abstain							

Rationale/Background Information

Re: Ypsilanti Community High School (YCHS) Marching Band, Band Camp

Trip Requested By: Scott Hawkins, Band Director

Class: YCHS Marching Band

Destination: Somerset Beach Camp (Michigan)

Trip Date: August 8 – 11, 2018

See attached Field Trip Request Form for additional details.

Proposed Motion

“ move that the Board of Education approve the overnight field trip of the YCHS marching band to marching band camp in August 2018.”

Budget Impact: ☒ None ☐ As follows:

YCBA

Attachments:

☒ Enclosed ☐ Issue Study Enclosed ☐ To Be Distributed at Meeting ☐ None



Ypsilanti Community Schools
Field Trip Request Form

2340 F1

Attach a list of the students involved or the potential students involved.

Name: Scott Hawkins School/Class: YCHS Marching Band

Request Date: 6/13/18 Trip Date: 8/8/18 Number of Students: 29

Trip Destination: Somerset Beach Camp, Michigan

Purpose of trip: Marching Band Camp

Details about cost: \$200 per student to pay for camp accommodations

Account or funding source for trip: YCBA

Will subs be needed? NO Account for subs: N/A

How this trip fits with the curriculum: To develop a well trained and experience marching band.

Number of Staff/Chaperones: 6-7

<u>Chaperone Name (If Available)</u>	<u>Relationship to Students</u>	<u>Phone Number</u>
<u>Brandon Sampson</u>	<u>Music Coach</u>	<u></u>
<u>Dana Leahy</u>	<u>Parent</u>	<u></u>
<u>David Leonard</u>	<u>Music Coach</u>	<u></u>

Specific learning objectives to be accomplished: Learning music, drill coordinates, teamwork, discipline, performance qualities, and more.

Student outcomes and learning as a result of taking this trip: Learning music, drill coordinates, teamwork, discipline, performance qualities, and more.

Course/Class curriculum, big ideas, or essential questions enforced: N/A

Pre-Trip lessons/activities: Pre-Camp, learn how to stand at attention and all drill commands.

Follow-Up lessons/activities to reinforce/extend learning: Continuing rehearsals into the school year.

RECEIVED

JUN 15 2018

YCS Superintendent Office

I have utilized the guidelines in 2340A to plan, conduct, and evaluate the trip and, upon approval of the trip, I will obtain parental permission (2340 F2 or F2A) and use the Checklist for Trips (2340 F3)

Field Trip Approval

Trip Approved: ☒ Not Approved: ☐ Principal: [Signature] Date: 6-14-18

Trip Approved: ☒ Not Approved: ☐ Superintendent: [Signature] Date: 6-15-18

(over)

Transportation Department

(To be completed by the originator of the field trip)

Date of Trip: 8/8/18 Destination: Somerset Beach Camp

Departure Time: 1:30pm Return Time: 8/11/18 @ 12pm

Number of Buses: 2 (one lift bus for luggage and instruments)

Certification

This is to certify that this trip, as requested, is in conformity with the administrative guidelines established by the District as well as any applicable State regulations.

Date: _____ Business Office Signature: _____

Trip Confirmation

This trip has been approved and scheduled. The drivers assigned are:

Bus Driver Report

This is to certify that the above trip was made and to request payment under the Board of Education policies.

Date: _____ Bus No: _____ Total time of trip: _____

Speedometer reading at start of trip: _____ End of trip: _____

Start time: _____ Return time: _____

Total miles traveled on this trip: _____ Total gallons of gas used: _____

Remarks: _____

Driver's signature: _____

Enclosure #6A.iii
APPROVAL OF BOARD RESOLUTION
Opposing the Proposed Changes to the Michigan Department of
Education Social Studies Standards
Meeting of 6/25/2018
Presented by Sharon Irvine
Prepared by Paula Gutzman

☐ <i>Discussion</i> ☒ <i>Action – Roll Call</i> ☐ <i>Action – Voice</i> <i>Ayes</i> _____ <i>Nays</i> _____		Ellen Champagne	Sharon Lee	Celeste Hawkins	Meredith Schindler	Brenda Meadows	Maria Sheler- Edwards	Sharon Irvine
	1 st /2 nd							
	Aye							
	Nay							
	Abstain							

Rationale/Background Information

Board President Sharon Irvine has brought this resolution to the Board in response to the public input offered at the regularly scheduled Board meeting on June 18, 2018.

Proposed Motion

" move that the Board of Education approve the Resolution Opposing the Proposed Changes to the Michigan Department of Education Social Studies Standards."

Budget Impact: ☒ None ☐ As follows:

Attachments:

☒ Enclosed ☐ To Be Distributed at Meeting ☐ None

**RESOLUTION OPPOSING THE PROPOSED CHANGES TO THE MICHIGAN
DEPARTMENT OF EDUCATION SOCIAL STUDIES STANDARDS**

Ypsilanti Community Schools, Washtenaw County, Michigan

A meeting of the Board of Education of the District was held in the **Professional Development Room** at the **Ypsilanti Community Schools Administration Building** located at **1885 Packard Road, Ypsilanti, MI 48197**, on **June 25, 2018 at 6:30 p.m.**

The meeting was called to order by **Sharon Irvine, President.**

The following resolution was offered by Member _____,
and supported by Member _____.

WHEREAS, the Michigan Department of Education is seeking public input on new social studies standards until June 30, 2018; and

WHEREAS, these changes include the reduction or elimination of references to the Ku Klux Klan, the NAACP, gays and lesbians, Roe v. Wade, climate change, and the word “democratic” from the phrase “core democratic values.” These new standards are available for review at:

https://www.michigan.gov/documents/mde/SS_May_2018_Cut_Cap_Final_622356_7.pdf;

WHEREAS, these standards erase the changes in curriculum development undertaken, over time, by the Ypsilanti Community School District to be inclusive of the hidden histories of minority, ethnic and marginalized citizens; and

WHEREAS, this erasure will have a direct and significant impact on the awareness, sensitivity, and citizenship of our current and future students;

THEREFORE BE IT RESOLVED, that the Ypsilanti Community Schools Board of Education opposes the proposed revision of the social studies standards and directs the Superintendent to offer this resolution as public input on behalf of the Board of Education.

Roll Call Vote As Follows:

Sharon Irvine, President	Yes	No	Absent
Dr. Celeste Hawkins, Vice-President	Yes	No	Absent
Maria Sheler-Edwards, Secretary	Yes	No	Absent
Meredith Schindler, Treasurer	Yes	No	Absent
Ellen Champagne, Trustee	Yes	No	Absent
Brenda Meadows, Trustee	Yes	No	Absent
Sharon Lee, Trustee	Yes	No	Absent

Resolution Declared: Adopted / Defeated (/ , Yes OR No)

The undersigned herewith certifies, as **Secretary** of the Board of Education of Ypsilanti Community Schools, Washtenaw County, Michigan, that this resolution was **adopted** by a majority of said Board at a duly constituted public meeting of said Board at a **regular meeting** held on **June 25, 2018**.

Maria Sheler-Edwards, Secretary
Board of Education
Ypsilanti Community Schools

Enclosure #6B.i
APPROVAL OF 2017/18 YEAR-END BUDGET AMENDMENT (Revised)
Meeting of 6/25/2018
*Presented by **Cathy Secor***
*Prepared by **Paula Gutzman***

☐ <i>Discussion</i> ☒ <i>Action – Roll Call</i> ☐ <i>Action – Voice</i> <i>Ayes</i> _____ <i>Nays</i> _____		Celeste Hawkins	Meredith Schindler	Brenda Meadows	Ellen Champagne	Sharon Lee	Maria Sheler-Edwards	Sharon Irvine
	1 st /2 nd							
	Aye							
	Nay							
	Abstain							

Rationale/Background Information

The proposed year-end budget revision reflects the most current budget data available for the 2017/18 fiscal year. The attached is a revised version for the General Fund June Budget Amendment.

The same amount of Revenue and Expense has been revised to accommodate the submitted budget amendments to the State for Title I, II and Title III (budgeting all allocated dollars and carryover allocated to the District for the year). These grants run from July 1, 2017 – September 30, 2018.

Proposed Motion

" move that the Board of Education approve the presented 2017/18 June budget amendment with a projected \$4,174,126 fund balance ending June 30, 2018."

Budget Impact: ☐ None ☒ **As follows:**

As detailed in the enclosed June budget amendment

Attachments:

☒ **Enclosed** ☐ **Issue Study Enclosed** ☐ **To Be Distributed at Meeting** ☐ **None**

**YPSILANTI COMMUNITY SCHOOLS
JUNE BUDGET AMENDMENT
GENERAL FUND
JUNE 25, 2018**

<u>Revenues</u>	BUDGET 2017-18	FEBRUARY AMENDMENT	CHANGE	JUNE AMENDMENT
LOCAL	\$10,717,781	\$10,718,826	\$434,200	\$11,153,026
STATE	\$28,146,380	\$32,486,870	\$67,148	\$32,554,018
FEDERAL	\$6,620,013	\$5,794,051	\$1,101,047	\$6,895,098
INCOMING TRANSFERS & OTHER	\$8,285,000	\$8,285,000	-\$462,000	\$7,823,000
TOTAL REVENUE	\$53,769,174	\$57,284,747	\$1,140,395	\$58,425,142
 <u>EXPENDITURES</u>				
BASIC PROGRAMS, INSTRUCTION	\$20,009,384	\$21,206,029	\$781,738	\$21,987,767
ADDED NEEDS, INSTRUCTION	\$6,225,191	\$6,959,155	\$304,837	\$7,263,992
ADULT EDUCATION, INSTRUCTION	\$0	\$0	\$0	\$0
PUPIL SUPPORT	\$7,475,830	\$8,138,091	\$39,648	\$8,177,739
INSTRUCTIONAL SUPPORT	\$2,315,955	\$2,550,003	\$50,782	\$2,600,785
GENERAL ADMINISTRATION	\$477,155	\$721,873	\$0	\$721,873
SCHOOL ADMINISTRATION	\$2,670,588	\$2,925,494	\$0	\$2,925,494
BUSINESS SUPPORT	\$785,710	\$785,710	\$0	\$785,710
OPERATIONS/MAINTENANCE	\$5,437,740	\$5,536,346	\$408,954	\$5,945,300
TRANSPORTATION	\$3,991,727	\$4,000,459	\$793,306	\$4,793,765
CENTRAL SERVICES	\$1,426,332	\$1,375,650	\$70,774	\$1,446,424
ATHLETICS	\$641,200	\$641,200	\$0	\$641,200
COMMUNITY SERVICES	\$372,428	\$395,918	\$32,805	\$428,723
OUTGOING TRANSFERS & OTHER TRANSACTIONS	\$45,000	\$45,000	\$0	\$45,000
DEBT SERVICE	\$2,104,700	\$2,104,700	\$0	\$2,104,700
FUND MODIFICATIONS	\$404,031	\$409,642	-\$9,000	\$400,642
TOTAL EXPENDITURES	\$54,382,971	\$57,795,270	\$2,473,844	\$60,269,114
EXPENDITURES (OVER)/UNDER REVENUE	-\$613,797	-\$510,523		-\$1,843,972
FUND BALANCE BEGINNING JULY 1, 2017	\$4,863,554	\$6,018,098 (Audited)		\$6,018,098
PROJECTED FUND BALANCE ENDING JUNE 30, 2018	\$4,249,757	\$5,507,575		\$4,174,126

Enclosure #6B.ii
APPROVAL OF 2018/19 INITIAL BUDGET
General Appropriations Resolution
Meeting of 6/25/2018
Presented by Cathy Secor
Prepared by Paula Gutzman

☐ Discussion ☒ Action – Roll Call ☐ Action – Voice Ayes _____ Nays _____		Ellen Champagne	Sharon Lee	Celeste Hawkins	Meredith Schindler	Brenda Meadows	Maria Sheler- Edwards	Sharon Irvine
	1 st /2 nd							
	Aye							
	Nay							
	Abstain							

Rationale/Background Information

Michigan's Uniform Budgeting and Account Act requires the adoption of the budget before the new fiscal year begins. The proposed 2018/19 budget is built based on a number of assumptions. After the annual financial audit is completed, and after the Fall 2018 student enrollment data is available, a budget revision will be prepared to reflect the most current financial information and projections.

Proposed Motion

" move that the Board of Education approve the attached 2018/19 General Appropriations Resolution."

Budget Impact: ☐ None ☒ **As follows:**

As detailed in the attached General Appropriations Resolution

Attachments:

☒ **Enclosed, General Appropriations Resolution** ☐ **To Be Distributed at Meeting** ☐ **None**

**RESOLUTION FOR ADOPTION BY THE BOARD OF EDUCATION
YPSILANTI COMMUNITY SCHOOLS
2018-2019
June 25, 2018**

RESOLVED, that this resolution shall be the general appropriations of the Ypsilanti Community Schools for the fiscal year 2018-2019. A resolution to make appropriations and to provide for the disposition of all income received by the Ypsilanti Community Schools.

BE IT FURTHER RESOLVED, that the total revenue, including a tax levy of 18.0000 mills, and unappropriated fund balance be available for appropriations in the **GENERAL EDUCATION FUND** of Ypsilanti Community Schools for the fiscal year of 2018-2019 as follows:

	2018-19 BUDGET
REVENUE	
Local Revenue	\$10,726,700
State Revenue	\$31,086,004
Federal Revenue	\$5,397,810
Incoming Transfers & Other Transactions	\$8,750,000
Fund Modifications	
Total Revenues	55,960,514
 EXPENDITURES	
Basic Programs, Instruction	24,189,166
Added Needs, Instruction	7,294,783
Adult Education, Instruction	0
Pupil Support	6,556,282
Instructional Support	2,238,322
General Administration	735,298
School Administration	2,786,103
Business Support	827,055
Operations/Maintenance	5,591,862
Transportation	4,002,049
Central Services	1,615,810
Athletics	651,035
Community Services	378,134
Outgoing Transfers & Other Transactions	45,000
Debt Service	2,103,500
Fund Modifications	48,642
Total Expenditures	59,063,041
Excess of Expenditures over Revenue	(3,102,527)
Projected Fund Balance - July 1, 2018	4,147,126
Projected Fund Balance - June 30, 2019	1,044,599

BE IT FURTHER RESOLVED, that the total revenues, including a Debt Levy of 13.0000 mills, and unappropriated fund balance estimated to be available for appropriations in the Willow Run **Debt Retirement Fund** for the fiscal year of 2018-2019 fiscal year is as follows:

REVENUE

Local Revenue	\$4,593,554
State Revenue	0
Federal Revenue	0
Incoming Transfers & Other Transactions	<u>5,200,000</u>
Total Revenues	9,793,554

BE IT FURTHER RESOLVED, that \$10,099,860 of the total available to appropriate in the Willow Run **Debt Retirement Fund** is hereby appropriated in the amounts and for the purposes set forth below:

EXPENDITURES

Bond Redemptions	8,270,000
Bond Interest	1,827,560
Other Expense	2,300
Outgoing Transfers & Other Transactions	<u> </u>
Total Expenditures	<u>10,099,860</u>
Excess of Expenditures over Revenue	-306,306
Projected Fund Balance - July 1, 2018	333,346
Projected Fund Balance - June 30, 2019	27,040

BE IT FURTHER RESOLVED, that the total revenues, including a Debt Levy of 7.22 mills, and unappropriated fund balance estimated to be available for appropriations in the Ypsilanti Public **Debt Retirement Fund** for the fiscal year of 2018-2019 fiscal year is as follows:

REVENUE

Local Revenue	\$6,581,502
State Revenue	0
Federal Revenue	0
Incoming Transfers & Other Transactions	0
Total Revenues	6,581,502

BE IT FURTHER RESOLVED, that \$7,032,044 of the total available to appropriate in the Ypsilanti Public **Debt Retirement Fund** is hereby appropriated in the amounts and for the purposes set forth below:

EXPENDITURES

Bond Redemptions	4,770,000
Bond Interest	2,258,744
Other Expense	3,300
Outgoing Transfers & Other Transactions	0
Total Expenditures	7,032,044
Excess of Expenditures over Revenue	(450,542)
Projected Fund Balance - July 1, 2018	1,456,468
Projected Fund Balance - June 30, 2019	1,005,926

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the **School Lunch Fund** for the fiscal year of 2018-2019 fiscal year is as follows:

REVENUE

Local Revenue	163,500.00
State Revenue	110,000.00
Federal Revenue	2,770,000.00
Incoming Transfers & Other Transactions	0.00
Total Revenues	3,043,500

BE IT FURTHER RESOLVED, that \$3,405,172 of the total available to appropriate in the **School Lunch Fund** is hereby appropriated in the amounts and for the purposes set forth below:

EXPENDITURES

Operations	3,230,172
Food Service	
Fund Modifications	175,000
Total Expenditures	3,405,172

Excess of Expenditures over Revenue	(361,672)
Projected Fund Balance - July 1, 2018	400,000
Projected Fund Balance - June 30, 2019	38,328

FURTHER RESOLVED, that no Board of Education member or employee of the School District shall expend any funds or obligate the expenditure of any funds except pursuant to appropriations made by the Board of Education and in keeping with the budgetary policy statement adopted by the board. Changes in the amount appropriated by the board shall require approval by the board. **BE IT FURTHER RESOLVED**, that the Superintendent is hereby charged with general supervision of the execution of the budgets adopted by the board of education and in keeping with the budgetary policy statement adopted by the Board of Education.

This appropriation resolution is to take effect July 1, 2018.

Enclosure #6B.iii
APPROVAL OF RESOLUTION, *State Aid Anticipation Note*
Meeting of 6/25/2018
Presented by Cathy Secor
Prepared by Paula Gutzman

☐ <i>Discussion</i> ☒ <i>Action – Roll Call</i> ☐ <i>Action – Voice</i> <i>Ayes</i> _____ <i>Nays</i> _____		Celeste Hawkins	Meredith Schindler	Brenda Meadows	Ellen Champagne	Sharon Lee	Maria Sheler-Edwards	Sharon Irvine
	1 st /2 nd							
	Aye							
	Nay							
	Abstain							

Rationale/Background Information

A significant percentage of Michigan public school districts borrow funds for general operating purposes each year. This is necessary because the timing of the state aid does not match the timing of the school districts' cash outflow. Several years ago, the State stretched out the timing of its state aid payments from nine months to eleven months, slowing down school districts' revenue stream, and increasing their need to borrow funds.

It is recommended the Board approve the enclosed Thrun Law resolution, *Resolution Authorizing Issuance of Notes in Anticipation of State School Aid/August 2018 Borrowing Through the Michigan Finance Authority*, authorizing the issuance of up to \$3,600,000 of state aid anticipation notes through the Michigan Finance Authority's state aid anticipation program.

Proposed Motion

"... move that the Board of Education approve the resolution to authorize the issuance of aid anticipation notes not to exceed \$3,600,000 in August 2018."

Budget Impact: ☐ None ☒ As follows:

Note issuance and interest costs estimate: \$25,000 - \$35,000

Attachments:

☒ **Enclosed, Thrun Resolution** ☐ **To Be Distributed at Meeting** ☐ **None**

**RESOLUTION AUTHORIZING ISSUANCE OF NOTES
IN ANTICIPATION OF STATE SCHOOL AID
(AUGUST 2018 BORROWING THROUGH THE
MICHIGAN FINANCE AUTHORITY)**

Ypsilanti Community Schools, Washtenaw County, Michigan (the "Issuer" or "School District")

A regular meeting of the board of education of the Issuer (the "Board") was held in the Ypsilanti Community Schools Administration Building; 1885 Packard Road; Ypsilanti, MI 48197, within the boundaries of the Issuer, on the 25th day of June, 2018, at 6:30 o'clock in the p.m.

The meeting was called to order by Sharon Irvine, President.

Present: Members

Absent: Members

The following preamble and resolution were offered by Member _____ and supported by Member _____:

WHEREAS, under the terms of Section 1225 of Act 451, Public Acts of Michigan, 1976, as amended (the "Act"), the School District is authorized to borrow money for school operations and issue its notes therefor, in one or more series, pledging for the payment thereof moneys to be received by it pursuant to the State School Aid Act of 1979, Act 94, Public Acts of Michigan, 1979, as amended (the "State Aid Act"), which notes shall be the full faith and credit obligation of the School District; and

WHEREAS, the estimated amount of the state school aid appropriations allocated or to be allocated to the School District for the fiscal year ending June 30, 2019 and expected to be received by the School District from October 2018 through August 2019, inclusive (the "2018/2019 State Aid" or the "Pledged State Aid"), is shown in paragraph 1 of Exhibit A; and

WHEREAS, the School District has the need to borrow the sum of not to exceed the amount shown in paragraph 2 of Exhibit A to pay operating expenses for the fiscal year ending June 30, 2019, which amount is estimated to be not more than 70% of the difference between the total state school aid funds apportioned or to be apportioned to the School District for the 2018/2019 State Aid and that portion of the 2018/2019 State Aid already received or pledged; and

WHEREAS, the School District plans to issue or has issued notes, bonds or other obligations subject to Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), relating to arbitrage and the rebate thereof, including but not limited to federally tax-exempt and/or tax-advantaged bonds and other obligations, not including this borrowing, during calendar year 2018 in the aggregate principal amount shown in paragraph 3 of Exhibit A; and

WHEREAS, the School District determines that it is in its best interest to borrow the sum of not to exceed the amount shown in paragraph 2 of Exhibit A and issue the general obligation notes in one or more series (the "Note" or "Notes") of the School District therefor to the Michigan Finance Authority (the "Authority").

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The School District, pursuant to Section 1225 of the Act, shall issue its Notes in one or more series in order to borrow for the above purpose a sum not to exceed the amount shown in paragraph 2 of Exhibit A, the final amount and series designation to be determined by an officer designated in paragraph 4 of Exhibit A, or a designee who shall be a member of the administrative staff or board of education of the School District (each an "Authorized Officer"), prior to the sale of the Notes, or such portion thereof as the Michigan Department of Treasury (the "Treasury") may approve, if prior approval is necessary, and issue the Notes of the School District therefor in anticipation of the distribution of the Pledged State Aid.

2. The Notes shall be issued in one or more series, bear interest at the rate or rates determined on the sale thereof, which shall not exceed the maximum rate permitted by law at the time of sale, be dated as set forth in paragraph 5 of Exhibit A, or as of the date of delivery, and be due and payable on the date shown in paragraph 5 of Exhibit A. The Notes shall be payable in lawful money of the United States of America at a bank or trust company qualified to act as paying agent in the State of Michigan, as shall be designated by the Authority. The Notes shall be in denominations to be determined by an Authorized Officer prior to the sale of the Notes. The Notes shall be subject to redemption prior to maturity as specified in the Purchase Contract described below.

3. The School District hereby appropriates a sufficient amount of the Pledged State Aid to repay the principal of and interest on the Notes. In addition, the full faith and credit of the School District is hereby irrevocably pledged for payment of the principal of and interest on the Notes and, in case of the insufficiency of the Pledged State Aid, the School District shall pay the Notes from any funds legally available therefor, and, if necessary, levy sufficient taxes on all taxable property in the School District for the payment thereof, subject to applicable constitutional and statutory tax rate limitations.

4. In the event any Authorized Officer determines that it is in the best interest of the School District to choose to pay all or a portion of the principal and interest on the Notes with set-aside installments, the following provisions in this paragraph shall apply:

Moneys to pay the principal and interest on the Notes when due shall be set aside in a separate fund with the depository designated in the Purchase Contract described below (the "Depository") in three (3), five (5) or seven (7) consecutive monthly set-aside installments (the "Installment" or "Installments"), ending on July 22, 2019, and earlier on the 20th day of each month (or in the case of January, the 22nd, and in the case of April, the 22nd), or such other state school aid payment date as may be provided for under state law (each a "Payment Date"). If a Payment Date falls on a Saturday, Sunday or legal holiday, the Payment Date shall be the next business day. The payment to the Depository shall be made first from the Pledged State Aid received during the month of the Installment. If, for any reason, the Pledged State Aid received during the month of the Installment is insufficient to pay the Installment, then in that event the School District pledges to use any and all other available funds to meet the Installment obligation. If the School District fails to set aside all or any portion of an Installment (the "Installment Shortfall") on the Payment Date, the Authority is authorized, pursuant to Section 17a(3) of the State Aid Act, to intercept 100% of the Pledged State Aid to be distributed to the School District beginning with the month following the School District's failure to meet the Installment obligation and all months thereafter, in accordance with the terms and conditions of the Purchase Contract (the "Purchase Contract") between the Authority and the School District. Beginning with the month following the Installment Shortfall, the Authority shall intercept 100% of the Pledged State Aid to be distributed to the School District and apply the intercepted amount on the following priority basis: (A) the Installment Shortfall; (B) the current month's Installment; and (C) any amounts remaining to

be immediately distributed to the School District. The intercept process set forth above shall continue each month following the Installment Shortfall until sufficient funds are deposited with the Depository to pay the total principal and interest on the Notes. The maximum amount of each Installment will not exceed 50% of the amount of Pledged State Aid due to the School District in any set-aside month.

If the School District has failed to deposit all or a portion of an Installment by the last business day of the month of the Installment, the Depository is authorized and directed to give written notice to the Authority, the State Treasurer and the School District on the first business day following the last business day of the month of the failure to deposit all or a portion of the Installment. Upon receipt of such written notice from the Depository, the Authority shall promptly notify the School District that it will immediately commence to intercept 100% of the Pledged State Aid.

If on the date of the final Installment as specified in Schedule I to the Purchase Contract, the funds with the Depository are insufficient to pay the principal of and interest on the Notes when due, the School District, pursuant to Section 17a(3) of the State Aid Act to the extent necessary to meet the payment obligation, assigns to the Authority and authorizes and directs the State Treasurer to advance all or part of any state school aid payment which is dedicated for distribution or for which the appropriation authorizing the payment has been made.

Any Authorized Officer is further authorized to agree, if required by the Authority, to assign to the Authority and authorize and direct the State Treasurer to intercept all or part of any state school aid payment which is dedicated for distribution or for which the appropriation authorizing the state school aid payment has been made pursuant to Section 17(a)(3) of the State Aid Act.

Any Authorized Officer is further authorized to determine that each Installment is a partial mandatory redemption of a particular series of the Notes and that the last Installment is the maturity date of that series of the Notes, and such determination shall be conclusively evidenced by the Purchase Contract described below.

5. Any Authorized Officer is authorized to sell all or a portion of the Notes to the Authority without an Installment payment schedule (the "No Set-Aside Notes") pursuant to the provisions of this resolution. In that event: (a) any Authorized Officer is further authorized to agree, if required by the Authority, to assign to the Authority and authorize and direct the State Treasurer to intercept or advance all or part of any state school aid payment which is dedicated for distribution or for which the appropriation authorizing the state school aid payment has been made pursuant to Section 17a(3) of the State Aid Act; (b) the School District acknowledges that payment of the principal and interest on certain of the No Set-Aside Notes may be secured by a direct-pay letter of credit issued for the account of the Authority and the School District by one or more providers selected by the Authority (each a "Letter of Credit"; and each issuer a "Letter of Credit Bank"); (c) it shall not be deemed a default by the School District under the provisions of the Purchase Contract or the No Set-Aside Notes if the principal and interest on the No Set-Aside Notes shall have been paid in full when due to the Authority from proceeds of a drawing on the Letter of Credit and the drawing on the Letter of Credit is reimbursed by the School District on the designated date set forth in the reimbursement agreement relating to the Letter of Credit; and (d) the School District appoints the Authority as its agent to enter into the reimbursement agreement for and on behalf of the School District, if required by the Authority, as well as on the Authority's own behalf, and the School District agrees to be referred to as an account party in the Letter of Credit obtained by the Authority to secure payment of the No Set-Aside Notes and a series of the Authority's State Aid Revenue Notes issued to finance the Authority's purchase of the No Set-Aside Notes.

6. The President and Secretary of the Board of Education shall execute the Notes on behalf of the School District, and the executed Notes shall be delivered to the Authority upon the

receipt of the purchase price therefor. The Vice President, Treasurer or Superintendent may execute the Notes instead of either the President or Secretary. The foregoing officials are hereby authorized to execute and deliver a temporary Note or Notes and exchange, when available, final printed Notes therefor at the request of the Authority.

7. Unless the Notes are issued as federally taxable, the School District hereby covenants for the benefit of all holders of the Notes to comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Notes in order that the interest thereon be or continue to be excluded from gross income for federal income taxation purposes, including, but not limited to, requirements relating to the rebate of arbitrage earnings, if applicable, and the expenditure and investment of Note proceeds and moneys deemed to be Note proceeds.

8. If necessary, any Authorized Officer is hereby authorized to make application to Treasury for and on behalf of the School District for an order approving the issuance of the Notes and to pay any applicable fee therefor, or a post-issuance filing fee, as applicable.

9. The President, Vice President, Secretary, Treasurer, Superintendent, individual acting in the capacity of the school business official, or designee and any Authorized Officer are further authorized to execute any documents or certificates necessary to complete the transaction including, but not limited to, any certificates relating to federal or state securities laws, rules or regulations.

10. The Notes shall be sold to the Authority and the following provisions shall apply:

a. Any Authorized Officer is hereby authorized to execute and deliver one or more Purchase Contracts with the Authority (which shall be determined by whether one or more series of Notes are issued hereunder) in substantially the form attached hereto as Exhibit B reflecting the terms and conditions of the borrowing with such additions, deletions or substitutions (including without limitation additions, deletions or substitutions required by any Letter of Credit Bank(s) or any purchaser(s) of the State Aid Revenue Notes issued by the Authority to finance its purchase of the No Set-Aside Notes), as the Authority and any Authorized Officer shall deem necessary and appropriate, including the number of set-asides, if any, and their dates and amounts, and not inconsistent with the provisions of this resolution. The choice of whether to make Installments for the Notes and/or the number, dates and amounts of Installments shall be conclusively evidenced by the Purchase Contract. The Purchase Contract shall include the School District's agreement with respect to any Installment not received by the Depository from the School District on the Payment Date, to pay the Authority an amount as invoiced by the Authority to recover its administrative costs and lost investment earnings attributable to that late payment.

b. Any Authorized Officer is further authorized to approve the specific interest rate(s) to be borne by the Notes, not exceeding the maximum rate permitted by law, the purchase price of the Notes, not less than the price specified in paragraph 6 of Exhibit A, a guaranteed investment agreement or other permitted investment in accordance with state law for funds paid to the Depository, if applicable, direct payments of Pledged State Aid to and if required by the Authority, and other terms and conditions relating to the Notes and the sale thereof.

c. The form of the Notes shall contain the following language in substantially the form set forth below as applicable, with such additions, deletions or substitutions (not inconsistent with the Purchase Contract) as the Authority and any Authorized Officer shall deem necessary and appropriate:

To the extent permitted by law, the principal of and interest on this Note which remains unpaid after this Note has matured and all other outstanding and unpaid amounts owing

by the School District under the Purchase Contract shall bear interest until paid at an interest rate per annum based upon a 360-day year for the actual number of days elapsed equal to the "Default Rate" as described in Schedule I to the Purchase Contract.

11. By opting to sell its Notes to the Authority, the School District hereby determines that it is in the best interest of the School District to sell its Notes to the Authority rather than sell the Notes at a competitive sale based upon the historical performance of the Authority's note pool program whereby competitive interest rates and reduced costs of issuance are obtained by pooling several participating school districts in one or more series of notes.

12. Within fifteen (15) business days after issuance of the Notes, the Board hereby authorizes and directs the Superintendent to cause to be filed with Treasury any and all documentation required subsequent to the issuance of the Notes, along with any statutorily required fee.

13. The series of Notes issued hereunder are of equal standing as to the Pledged State Aid. The School District reserves the right to issue additional notes or other obligations of equal standing with the Notes as to the Pledged State Aid with the prior written consent of an authorized officer of the Authority. The School District further resolves that the amount payable as to principal and interest on the Notes plus the amount payable as to principal and interest on or prior to the maturity date of the Notes on any additional notes or other obligations of equal standing with the Notes as to payment from Pledged State Aid will not exceed 75% of the amount of Pledged State Aid.

14. The Authority has appointed Thrun Law Firm, P.C. to act as counsel to the underwriter and the structuring agent for the August 2018 state aid note program. The School District consents to Thrun Law Firm, P.C. representing this School District and acting as counsel to the underwriter and the structuring agent for the Authority's August 2018 state aid note program.

15. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

Ayes: Members

Nays: Members

Resolution declared adopted.

Secretary, Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of Ypsilanti Community Schools, Washtenaw County, Michigan, hereby certifies that the foregoing constitutes a true and complete copy of a resolution adopted by the Board at a regular meeting held on June 25, 2018, the original of which is part of the Board's minutes. The undersigned further certifies that notice of the meeting was given to the public pursuant to the provisions of the "Open Meetings Act" (Act 267, Public Acts of Michigan, 1976, as amended).

Secretary, Board of Education

MDG/clw

EXHIBIT A

1. Estimated 2018/2019 State Aid allocated or to be allocated for fiscal year ending June 30, 2019: \$30,284,460 (total amount estimated to be received from October 1, 2018 through August 31, 2019)
2. Amount of borrowing not to exceed: \$3,600,000
3. Principal amount of notes, bonds or other obligations, including but not limited to federally tax-exempt and/or tax-advantaged bonds, not including this borrowing, that have been issued or are expected to be issued during the 2018 calendar year: \$480,159.00 (include plans for voted or non-voted bonds, refunding bonds, additional state aid notes, tax anticipation notes, installment purchase agreements, lines of credit, and lease-purchase agreements)
4. Authorized Officer: President, Vice President, Secretary or Treasurer of the Board of Education, Superintendent, Assistant/Associate Superintendent or individual acting in the capacity of the school business official, or a designee thereof
5. The Notes shall be dated August 20, 2018 and shall mature on March 20, 2019, July 22, 2019, August 20, 2019, or such other date as determined by any Authorized Officer
6. Purchase price: Not less than 97% of the principal amount of the Notes
7. Five percent (5%) of estimated fiscal year 2017/2018 operating expenses: \$2,958,403

EXHIBIT B

FORM OF PURCHASE CONTRACT

[Insert Name of School District Here]

The Michigan Finance Authority (the "Authority"), a public body corporate, separate and distinct from the State of Michigan, hereby offers to enter into this Purchase Contract with the Issuer named below (the "Issuer") which, upon the acceptance of this offer by the Issuer, will be binding upon the Authority and the Issuer. This offer is made subject to acceptance on or before the date set forth below. The Issuer accepts the electronic or digital signature of the Authority's Executive Director (or other authorized officer of the Authority) if set forth below and acknowledges that it has the same legal effect and enforceability as a manual signature.

Upon the terms and conditions and upon the basis of the representations, warranties and agreements set forth herein, including those set forth on Schedule I hereto, the Authority hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Authority, notes (the "Notes") in the principal amount and with the interest rate as shown on Schedule I. The purchase price for the Notes shall be as set forth on Schedule I.

[The Issuer acknowledges that the Authority will purchase the Notes with proceeds from certain State Aid Revenue Notes to be issued by the Authority (the "Authority's Notes").] The Issuer represents and warrants to, and agrees with, the Authority that (A) the Issuer has, and on the Closing Date (specified below) will have, full legal right, power and authority (1) to enter into this Purchase Contract, and (2) to sell and deliver the Notes to the Authority and pledge and assign to the Authority the moneys to be received by the Issuer pursuant to the State School Aid Act of 1979, as amended (the "State School Aid") as provided herein and in the resolution authorizing the Notes and the Issuer has duly authorized and approved the execution and delivery of and the performance by the Issuer of its obligations contained in this Purchase Contract including those set forth in Schedule I; and (B) the Issuer shall promptly pay its pro rata share of the Costs of Issuance upon notification by the Authority. The term "Costs of Issuance" shall mean and include printing charges, rating agency charges, trustee fees, note counsel fees, fees and expenses of a purchaser (the "Purchaser") of all or a portion of the Authority's Notes [(as defined below)], and other counsel fees and issuance fees of the Authority and the Purchaser related to the Authority's Notes; provided, however, that the Issuer's pro rata share of such Costs of Issuance shall not exceed the amount shown on Schedule I. The terms "Purchaser", "Holder" and "Holders' Representative" shall have the same meanings as defined in the Note Purchase Agreement(s) dated _____, 2018 between the Authority and _____ (the "Note Purchase Agreement").

IF THREE, FIVE OR SEVEN SET-ASIDES ARE APPLICABLE, THE FOLLOWING LANGUAGE SHALL BE INCLUDED IN THE PURCHASE CONTRACT:

[The Issuer pledges to pay the principal and interest on the Notes from its State School Aid appropriations allocated or to be allocated to it for the fiscal year ending June 30, 2019 and to be paid during October 2018 through August 2019, inclusive (the "Pledged State Aid"). Moneys to pay the principal and interest on the Notes when due shall be set aside in a separate fund with the Depository (as defined in Schedule I) as hereinafter described in 3, 5 or 7 installments (the "Installment" or "Installments") as specified in Schedule I, commencing (i) in the case of 3 installments, on May 20, 2019, (ii) in the case of 5 installments, on March 20, 2019, and (iii) in the case of 7 installments, on January 22, 2019, and thereafter on the 20th day of each month (or in the case of April, the 22nd) to and in each case ending on [July 22],

2019, or such other State School Aid payment date as may be provided for under state law (the "Payment Date"). If a Payment Date falls on a Saturday, Sunday or legal holiday, the Installment shall be due on the next business day. The payment to the Depository shall be made first from the Pledged State Aid received during the month of the Installment. Notwithstanding the foregoing, the Issuer hereby irrevocably directs the State of Michigan to directly transfer to the Depository payment of the Issuer's current month's Installment from the Pledged State Aid received during the month of the Installment on the Payment Date. If, for any reason, the Pledged State Aid received during the month of the Installment is insufficient to pay the Installment, then in that event the Issuer pledges to use any and all other available funds to pay the Installment obligation. If the Issuer fails to set aside any portion of an Installment (the "Installment Shortfall"), pursuant to Section 17a(3) of the State School Aid Act of 1979, as amended (the "Act"), the Authority is authorized to intercept 100% of the Pledged State Aid to be distributed to the Issuer. Beginning with the month following the Installment Shortfall, the Authority shall intercept 100% of the Pledged State Aid to be distributed to the Issuer and apply the intercepted amount on the following priority basis: (A) the Installment Shortfall; (B) the current month's Installment; and (C) any amounts remaining to be immediately distributed to the Issuer. The intercept process set forth above shall continue each month following the Installment Shortfall until sufficient funds are deposited with the Depository to pay the principal of and interest on the Notes. The Authority shall promptly notify the Issuer that it will immediately commence to intercept the Pledged State Aid.

Each Installment shall be treated as a mandatory redemption of a portion of the principal of the Notes and also payment of accrued interest thereon to the date of the Installment, which together shall be equal to the amount of such Installment.

If the Issuer has failed to deposit all or a portion of an Installment by the last business day of the month of the Installment, the Depository is authorized and directed to give written notice to the Authority, the State Treasurer and the Issuer on the first business day following the last business day of the month of the failure to deposit all or a portion of the Installment. Upon receipt of written notice from the Depository, the Authority shall promptly notify the Issuer that it will immediately commence to intercept 100% of the Pledged State Aid.

If on the date of the final Installment as specified in Schedule I, the funds on deposit with the Depository are insufficient to pay the principal of and interest on the Notes when due, and any and all other amounts owed by the Issuer as set forth in Schedule I (the "Payment Obligations") the Issuer, pursuant to Section 17a(3) of the Act, to the extent necessary to meet the Payment Obligations assigns to the Authority and authorizes and directs the State Treasurer to advance all or part of any payment which is dedicated for distribution or for which the appropriation authorizing payment has been made under the Act.

If at any time and from time to time prior to the maturity date of the Notes the Authority has reason to believe that the Issuer will be unable to pay in full the principal and interest on the Notes when due, the Authority, in its sole discretion, may by phone or email:

- (i) request from the Issuer a written confirmation of both its ability to pay the Notes when due and a description of the source(s) of funds for the repayment of the Notes. If the Issuer fails within ten (10) days to provide such confirmation to the satisfaction of the Authority, the Issuer hereby authorizes the intercept of any Pledged State Aid to be distributed to the Issuer earlier than August 2019 in such amount as determined by the Authority to be appropriate and further authorizes the Authority to give notice to the State Treasurer to intercept that amount of any Pledged State Aid which has not already been transferred to the Issuer. Any Pledged State Aid which is thus intercepted shall be transferred to the Depository and shall, after the Authority's Notes are paid, be applied on the following priority basis: (1) to the Purchaser, all other amounts due and owing to the

Purchaser under its Note Purchase Agreement with the Authority and the Depository relating to the 2018A-__ Notes, and (2) any amount remaining to be immediately distributed to the Issuer]; and/or

(ii) give notice to the Issuer requiring the Issuer to enter into one or more Tax Intercept Agreements (each a "TIA") to provide additional security for the payment of the Notes. Each TIA shall be in a form prescribed by the Authority, with such additions, deletions or substitutions reasonably required by any local taxing unit that collects operating taxes revenues collected for the Issuer, and the delinquencies thereon, on behalf of the Issuer, as the Authority and any Authorized Officer shall deem necessary and appropriate.]

IF NO SET-ASIDE INSTALLMENTS ARE APPLICABLE, THE FOLLOWING LANGUAGE SHALL BE INCLUDED IN THE PURCHASE CONTRACT:

[The Issuer acknowledges that: (i) the Authority will purchase the Notes with proceeds from the State Aid Revenue Notes, Series 2018A-__, Series 2018A-__, and Series 2018A-__, to be issued by the Authority (the "Authority's Notes"); (ii) the Authority's Notes of Series 2018A-__ (the "2018A-__ Notes") will be directly purchased from the Authority by _____, unsecured by any letter of credit; (iii) the Authority's Notes of Series 2018A-__ (the "2018A-__ Notes") will be directly purchased from the Authority by _____, unsecured by any letter of credit and (iv) the Authority's Notes of Series 2018A-__ (the "2018A-__ Notes") will be directly purchased from the Authority by _____, unsecured by any letter of credit.

The Issuer [(i) irrevocably directs the State of Michigan to directly transfer to the Depository the mandatory payment (the "Mandatory Payment") from the current month's installment of the Pledged State Aid in the amounts and on the payment dates (the "Payment Dates") as set forth in Schedule I attached hereto; and (ii)] agrees that it will deposit[, including in accordance with any Mandatory Payment schedule in Schedule I,] with the Depository (as defined in Schedule I) payment of the principal of and interest on the Notes in immediately available funds, the full amount of such principal and interest on the Notes to be received by the Depository by 11:00 a.m. on the maturity date of the Notes. The Issuer pledges to pay the principal and interest on its Notes from the 2018/2019 State School Aid to be allocated to it and to be paid during October 2018 through August 2019, inclusive (the "Pledged State Aid").

Not later than [March __, 2019][August __, 2019], the Issuer shall determine whether there will be sufficient funds on deposit with the Depository on [March 20, 2019][August 20, 2019] (the maturity date of the Notes) to pay the principal of and interest on the Notes when due on that maturity date. If the Issuer determines that there will be insufficient funds on deposit with the Depository on [March 20, 2019][August 20, 2019] to pay the principal of and interest on the Notes on the maturity date of the Notes, the Issuer will so notify the Authority by telephone and email not later than [March __, 2019][August __, 2019] (email to: TreasMFA-StateAidNote@michigan.gov; and telephone the Executive Director, 517-335-0994).

If on the maturity date of the Notes there are insufficient funds on deposit with the Depository to pay the principal of and interest on the Notes when due, the Issuer, pursuant to Section 17a(3) of the Act, to the extent necessary to pay the principal of and interest on the Notes when due, and any and all other amounts owed by the Issuer as set forth in Schedule I (the "Payment Obligations"), assigns to the Authority, pledges to the payment of the Payment Obligations, and authorizes and directs the State Treasurer to intercept or advance all or part of any State School Aid payment which is dedicated for distribution to the Issuer or for which the appropriation authorizing the payment has been made under the Act. The Issuer acknowledges that a State Aid Agreement will be executed among the Authority, the State Treasurer, the

Depository, and the Trustee for the Authority whereby the State Treasurer agrees to intercept and/or advance all or part of any State School Aid as described under this Purchase Contract. The Authority in its sole discretion may determine the amount of any State School Aid payment to be intercepted and the dates for such collection and application. The Authority and the Issuer may also agree to the collection and application of other Issuer revenues to any unpaid Payment Obligations. State School Aid payments shall continue to be intercepted until all Payment Obligations have been paid in full. Notwithstanding the foregoing:

(A) the Issuer hereby irrevocably directs the State of Michigan to pay to the Depository 100% of the Pledged State Aid to be distributed to the Issuer on the [March 2019][August 2019] payment date, or the balance thereof to the extent all or a portion of it, prior to the [March 2019][August 2019] payment date, has been advanced to satisfy any amounts owed by the Issuer for payment of the Authority's State Aid Revenue Notes, Series 2018A-__, and the Depository shall apply the [March 2019][August 2019] State School Aid payment on the following priority basis: (1) first, if the Issuer has outstanding Notes maturing March 20, 2019, to pay to the Holder(s) of such Notes the principal and interest due on March 20, 2019 on such Notes; (2) second, if the Issuer has outstanding Notes maturing August 20, 2019, to pay to the Holder(s) of such Notes the principal and interest due on the Notes on August 20, 2019; (3) third, to pay to each Holders' Representative all other amounts due and owing under its respective Note Purchase Agreement with the Authority relating to the 2018A-__ Notes, the 2018A-__ Notes or the 2018A-__ Notes and (4) fourth, any amount remaining to be immediately distributed to the Issuer; and

(B) if (1) the Issuer's remaining Pledged State Aid to be received prior to [March 2019] [August 2019] will be less than the principal and interest on the Notes and any other notes issued by the Authority payable therefrom and (2) the Issuer will pay any of the remaining amount due from any source other than proceeds from its borrowing in the Authority's August 2019 state aid note pool, the Issuer shall give written notice not later than [March __, 2019][August __, 2019] to the Authority and the Depository specifying each such source and amount (e.g., \$_____ will be wired to the Depository from [bank name]); and

(C) if at any time and from time to time prior to the maturity date of the Notes the Authority has reason to believe that the Issuer will be unable to pay in full the principal and interest on the Notes when due, the Authority, in its sole discretion, may by phone or email:

(i) request from the Issuer a written confirmation of both its ability to pay the Notes when due and a description of the source(s) of funds for the repayment of the Notes. If the Issuer fails within ten (10) days to provide such confirmation to the satisfaction of the Authority, the Issuer hereby authorizes the intercept of any Pledged State Aid to be distributed to the Issuer earlier than [March 2019][August 2019] in such amount as determined by the Authority to be appropriate and further authorizes the Authority to give notice to the State Treasurer to intercept that amount of any Pledged State Aid which has not already been transferred to the Issuer. Any Pledged State Aid which is thus intercepted shall be transferred to the Depository and shall be applied after the Authority's Notes are paid in the same manner as provided in paragraph (A) above; and/or

(ii) give notice to the Issuer requiring the Issuer to enter into one or more Tax Intercept Agreements (each a "TIA") to provide additional security for the payment of the Notes and the Issuer shall take the actions necessary to enter into the TIA(s). Each TIA shall be in a form prescribed by the Authority, with such additions, deletions or substitutions reasonably required by any local taxing unit that collects

operating taxes revenues collected for the Issuer, and the delinquencies thereon, on behalf of the Issuer, as the Authority and any Authorized Officer shall deem necessary and appropriate.

(D) failure to pay all or a portion of the Payment Obligations to the Authority not later than [March 20, 2019][August 20, 2019] shall constitute an event of default ("Default") under this Purchase Contract and the Authority's, the Holders' and the Holders' Representatives' rights and remedies upon such Default shall be as set forth in this Purchase Contract and Schedule I and in applicable law.]

The Issuer consents to the Authority's pledge and assignment of and grant of a security interest in the Authority's rights and interest (subject to certain rights of indemnification) in the Notes and this Purchase Contract as security for the Authority's Notes and a Trust Indenture dated as of August 1, 2018, issued by the Authority pursuant to its Note Authorizing Resolution adopted May 17, 2018, and for the Authority's obligations under a Note Purchase Agreement between it and any Holder of the Authority's Notes.

The Issuer acknowledges that Section 15 of the Authority's enabling statute, the Shared Credit Rating Act, as amended, provides for a statutory lien on the Authority's pledge of the Pledged State Aid which is paramount and superior to all other liens for the sole purpose of paying the principal of, and interest on, the Authority's Notes.

The Issuer further acknowledges that Section 17a(3) of the Act does not require the State to make an appropriation to any school district or intermediate school district and shall not be construed as creating an indebtedness of the State.

With respect to any payment not received from the Issuer by the Depository by the time and date due under this Purchase Contract, the Issuer agrees to pay the Authority an amount as invoiced by the Authority to recover its administrative costs attributable to the late payment. The Issuer further agrees to reimburse the Authority (A) for any and all amounts which the Authority may have to rebate to the federal government due to investment income which the Issuer may earn in connection with the issuance or repayment of its Notes and (B) for the Issuer's pro rata share of the Costs of Issuance that were paid by the Authority in the event that the Authority is required to rebate investment earnings to the federal government regardless, in either case, whether the Issuer is subject to such rebate or not. In the event the Issuer does not meet any arbitrage rebate exception pursuant to the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, relative to the Notes, the Issuer will make any required rebate payment to the federal government when due.

The Issuer shall make the Notes and its Closing Documents (defined below) available for inspection by the Authority on August __, 2018, at the offices of the Thrun Law Firm, P.C., East Lansing, Michigan. At 9:00 a.m., prevailing Eastern time, on August 20, 2018 ("Closing Date"), the Issuer shall deliver the Notes to the Authority at the offices of Dykema Gossett PLLC, Lansing, Michigan, together with such other documents, certificates and closing opinions as the Authority shall require (the "Closing Documents") and the Authority shall accept delivery of the Notes and the Closing Documents and pay the purchase price for the Notes.

(Remainder of Page Intentionally Left Blank)

The Authority shall have the right in its sole discretion to terminate the Authority's obligations under this Purchase Contract to purchase, accept delivery of and pay for the Notes if the Authority is unable for any reason to sell and deliver the Authority's Notes on or prior to the Closing Date.

Michigan Finance Authority

By _____
Its Authorized Officer

Accepted and Agreed to this
_____ day of _____, 2018

By _____ ("Issuer")
Title: _____

(Signature page to Purchase Contract)

Schedule I

[INSTALLMENT PAYMENT SCHEDULE]

All capitalized terms used and not expressly defined in this Schedule I shall have the meanings given to them in the Purchase Contract to which this Schedule I is attached (the "Purchase Contract").

1. The Issuer hereby covenants that it will deposit all Installment payments as set forth in paragraph 9 below with U.S. Bank National Association, or its successor (the "Depository") at its designated corporate trust office located in Lansing, Michigan. [The Issuer directs the Depository to use the proceeds of the Installment payments to acquire U.S. Treasury Obligations state and local government series (SLGS) and/or such other U.S. Treasury notes, bonds, bills and securities as authorized and directed by the Authority and as permitted by law, or, if authorized and directed by the Authority to enter into an investment contract with a financial institution on behalf of the Issuer for the investment of the Installment payments.] In the event the Depository resigns, or is removed, the Issuer hereby accepts and appoints a successor depository appointed by the Authority as depository for the Notes.
2. The number of Installments shall be as set forth in paragraph 9 below. The Issuer hereby agrees to deposit funds with the Depository in accordance with the Purchase Contract and its resolution authorizing the Notes.
3. The Issuer covenants that it will deliver from time to time such additional information regarding the financial condition of the Issuer as the Authority may reasonably request.
4. The Issuer covenants that the principal amount of the Notes, together with any additional notes or other obligations of equal standing with the Notes as to the Pledged State Aid, will not exceed 75% of the amount of State School Aid to be received by the Issuer during the period from October 1, 2018, through August 31, 2019.
5. The principal amount and the initial interest rate on the Notes shall not exceed \$ _____ and _____% per annum, respectively.
6. The Issuer's pro rata share of the Costs of Issuance shall not exceed: (A) \$ _____, plus (B) the Issuer's pro rata share of related charges pursuant to the Note Purchase Agreement between the Authority and the Purchaser, including, without limitation, all other amounts owing to the Holders under the Note Purchase Agreement.
7. The Notes shall be dated August 20, 2018 and shall mature on [July 22], 2019.
8. The purchase price of the Notes shall be \$ _____ (par of \$ _____ [less net discount of \$ _____] [plus net premium of \$ _____]).
9. The amounts of the Installments/Mandatory Redemptions on the Payment Dates are:

<u>Payment Date</u>	<u>Installment/Mandatory Redemption</u>
---------------------	---
10. In the event that the Issuer fails to pay all or a portion of the Payment Obligations to the Authority on any Payment Date or at maturity, the unpaid principal amount shall bear a default interest rate per annum beginning on the applicable Payment Date or maturity date, payable each day such principal amount remains unpaid, in an amount calculated by multiplying such unpaid principal by a percentage equal to the Base Rate plus _____% per annum or such lower interest rate as may be established by the Authority pursuant to an agreement between the Authority and the Holders' Representative. Interest at such default interest rate shall be payable on demand on any Business Day.

“Adjusted One Month LIBOR Rate” means for any date an interest rate per annum (rounded upwards, if necessary, to the next 1/16 of 1%) equal to the sum of (i) ____% per annum plus (ii) the quotient of (a) the interest rate determined by the Holders’ Representative by reference to the Reuters Screen LIBOR01 Page (or on any successor or substitute page) to be the rate at approximately 11:00 a.m. London time, on such date or, if such date is not a Business Day, on the immediately preceding Business Day, for dollar deposits with a maturity equal to one (1) month divided by (b) one minus the Reserve Requirement (expressed as a decimal) applicable to dollar deposits in the London interbank market with a maturity equal to one (1) month, provided that if the rate for any date so determined shall be less than zero, such rate shall be zero for purposes of this calculation.

“Base Rate” means, for any day, the highest of (a) the Prime Rate, (b) the Adjusted One Month LIBOR Rate and (c) _____ percent (____%) per annum.

“Business Day” means any day other than (i) a Saturday or Sunday, (ii) a day on which banking institutions in the States of Michigan, Illinois or New York are authorized or required by law or executive order to close or (iii) a day on which the New York Stock Exchange is closed.

“Prime Rate” means, for any day, the rate of interest announced by JPMorgan Chase Bank, N.A. from time to time as its prime commercial rate for U.S. dollar loans, or equivalent, as in effect on such day, with any change in the Prime Rate resulting from a change in said prime commercial rate to be effective as of the date of the relevant change in said prime commercial rate.

“Reserve Requirement” means a percentage equal to the daily average during the most recently completed interest period of the aggregate maximum reserve requirements (including all basic, supplemental, marginal and other reserves), as specified under Regulation D of the Federal Reserve Board, or any other applicable regulation that prescribes reserve requirements applicable to Eurocurrency liabilities (as presently defined in Regulation D) or applicable to extensions of credit by the Purchaser the rate of interest on which is determined with regard to rates applicable to Eurocurrency liabilities. Without limiting the generality of the foregoing, the Reserve Requirement shall reflect any reserves required to be maintained by the Purchaser against any category of liabilities that includes deposits by reference to which the Adjusted One Month LIBOR Rate is to be determined.

11. As long as the Notes are outstanding, the Issuer shall neither pledge nor make any request for an advancement pursuant to Section 17b of the State School Aid Act of 1979, as amended, of any portion of its Pledged State Aid, October 2019 State School Aid, or State School Aid payable thereafter without the prior written consent of the Authority, by its Executive Director, which consent shall not be unreasonably withheld. The Issuer shall not, at any time prior to the maturity of the Notes, issue any other obligations pledging the Pledged State Aid (“Other Obligations”) unless: (i) the Issuer shall have given prior written notice to the Authority of the Issuer’s intent to issue any Other Obligations promptly after forming such intent; (ii) any Other Obligations shall mature after August 20, 2019; and (iii) any pledge of the Pledged State Aid as security for the payment of any Other Obligations shall be: (A) expressly subject to the prior right of interception set forth in this Purchase Contract; and (B) expressly subordinate, under written subordination terms satisfactory to the Authority and its counsel, to the Issuer’s prior pledge of Pledged State Aid as security for the Notes. “Other Obligations” defined in this paragraph shall not include state aid notes, if any, issued by the Issuer as a separate series on August 20, 2018 and purchased by the Authority with proceeds from its State Aid Revenue Notes, Series 2018A-__ and Series 2018A-__, to be issued by the Authority pursuant to the Trust Indenture dated as of August 1, 2018. Any one or more of the foregoing restrictions set forth in this paragraph may be waived in writing by the Authority, by its Authorized Officer, in his or her sole and absolute discretion.

[Note: If a Purchaser of the Authority’s State Aid Revenue Notes, Series 2018A-__, requires particular provisions for determining the interest rate on the Notes or a default interest rate, such provisions will be added to this Schedule I, as appropriate.]

Schedule I

[NO INSTALLMENTS]

All capitalized terms used and not expressly defined in this Schedule I shall have the meanings given to them in the Purchase Contract to which this Schedule I is attached (the "Purchase Contract").

1. The Issuer hereby agrees to deposit or cause to be deposited funds to pay principal of and interest on the Notes with U.S. Bank National Association, or its successor (the "Depository") at its designated corporate trust office located in Lansing, Michigan, in accordance with the Purchase Contract and resolution authorizing the Notes. In the event the Depository resigns, or is removed, the Issuer hereby accepts and appoints a successor depository appointed by the Authority as depository for the Notes.
2. The Issuer covenants that it will deliver from time to time such additional information regarding the financial condition of the Issuer as the Authority may reasonably request.
3. The Issuer covenants that the principal amount of the Notes, together with any additional notes or other obligations of equal standing with the Notes as to the Pledged State Aid, will not exceed 75% of the amount of State School Aid to be received by the Issuer during the period from October 1, 2018, through August 31, 2019.
4. The principal amount and the initial interest rate on the Notes shall not exceed \$ _____ and _____% per annum, respectively.
5. The Issuer's pro rata share of the Costs of Issuance shall not exceed: (A) \$ _____, plus (B) the Issuer's pro rata share of related charges pursuant to the Note Purchase Agreement[s] among the Authority, [the/each] Purchaser and the Depository (including, without limitation, all other amounts owing to the Holders under the Note Purchase Agreement).
6. The Notes shall be dated August 20, 2018 and shall mature on [March 20, 2019][August 20, 2019].
7. The purchase price of the Notes shall be \$ _____ (par of \$ _____ [less net discount of \$ _____] [plus net premium of \$ _____]).
8. The amounts of the Installments/Mandatory Payments on the Payment Dates are:

Payment Date

Installment/Mandatory Redemption

9. In the event that the Issuer fails to pay all or a portion of the Payment Obligations to the Authority on [March 20, 2019][August 20, 2019], the Notes shall bear a default interest rate per annum beginning [March 20, 2019][August 20, 2019], payable each day such principal amount remains unpaid, in an amount calculated by multiplying such unpaid principal by a percentage equal to the Base Rate plus ____% per annum or such lower interest rate as may be established by the Authority pursuant to an agreement between the Authority and the Holders' Representative. Interest at such default interest rate shall be payable on demand on any Business Day and shall also be payable during the continuance of any event of default.

"Adjusted One Month LIBOR Rate" means for any date an interest rate per annum (rounded upwards, if necessary, to the next 1/16 of 1%) equal to the sum of (i) ____% per annum plus (ii) the quotient of (a) the interest rate determined by the Holders' Representative by reference to the Reuters Screen LIBOR01 Page (or on any successor or substitute page) to be the rate at approximately 11:00 a.m. London time, on such date or, if such date is not a Business Day, on the immediately preceding Business Day, for

dollar deposits with a maturity equal to one (1) month divided by (b) one minus the Reserve Requirement (expressed as a decimal) applicable to dollar deposits in the London interbank market with a maturity equal to one (1) month, provided that if the rate for any date so determined shall be less than zero, such rate shall be zero for purposes of this calculation.

“Base Rate” means, for any day, the highest of (a) the Prime Rate, (b) the Adjusted One Month LIBOR Rate and (c) _____ percent (____%) per annum.

“Business Day” means any day other than (i) a Saturday or Sunday, (ii) a day on which banking institutions in the States of Michigan, Illinois or New York are authorized or required by law or executive order to close or (iii) a day on which the New York Stock Exchange is closed.

“Prime Rate” means, for any day, the rate of interest announced by JPMorgan Chase Bank, N.A. from time to time as its prime commercial rate for U.S. dollar loans, or equivalent, as in effect on such day, with any change in the Prime Rate resulting from a change in said prime commercial rate to be effective as of the date of the relevant change in said prime commercial rate.

“Reserve Requirement” means a percentage equal to the daily average during the most recently completed interest period of the aggregate maximum reserve requirements (including all basic, supplemental, marginal and other reserves), as specified under Regulation D of the Federal Reserve Board, or any other applicable regulation that prescribes reserve requirements applicable to Eurocurrency liabilities (as presently defined in Regulation D) or applicable to extensions of credit by the Purchaser the rate of interest on which is determined with regard to rates applicable to Eurocurrency liabilities. Without limiting the generality of the foregoing, the Reserve Requirement shall reflect any reserves required to be maintained by the Purchaser against any category of liabilities that includes deposits by reference to which the Adjusted One Month LIBOR Rate is to be determined.

10. So long as the Notes are outstanding or any amounts are due and owing to the Authority under this Purchase Contract, the Issuer shall neither pledge nor make any request for an advancement pursuant to Section 17b of the State School Aid Act of 1979, as amended, of any portion of its Pledged State Aid, October 2019 State School Aid, or State School Aid payable thereafter without the prior written consent of the Authority, by its Executive Director, which consent shall not be unreasonably withheld. The Issuer shall not, at any time prior to the maturity of the Notes, issue any other obligations pledging the Pledged State Aid (“Other Obligations”) unless: (i) the Issuer shall have given prior written notice to the Authority of the Issuer’s intent to issue any Other Obligations promptly after forming such intent; (ii) any Other Obligations shall mature after [March 20, 2019][August 20, 2019], and (iii) any pledge of the Pledged State Aid as security for the payment of any Other Obligations shall be: (A) expressly subject to the prior right of interception set forth in this Purchase Contract; and (B) expressly subordinate, under written subordination terms satisfactory to the Authority and its counsel, to the Issuer’s prior pledge of Pledged State Aid as security for the payment of the Notes. “Other Obligations” defined in this paragraph shall not include state aid notes, if any, issued by the Issuer as a separate series on August 20, 2018 and purchased by the Authority with proceeds from the State Aid Revenue Notes, Series 2018A-__ or Series 2018A-__, to be issued by the Authority pursuant to the Trust Indenture dated as of August 1, 2018. Any one or more of the foregoing restrictions set forth in this paragraph may be waived in writing by the Authority, by its Authorized Officer, in his or her sole and absolute discretion.

[Note: If a Purchaser of the Authority’s State Aid Revenue Notes, Series 2018A-__ or Series 2018A-__, requires particular provisions for determining the interest rate on the Notes or a default interest rate, such provisions will be modified, or added to, this Schedule I, as appropriate.]

Enclosure #6A.iv
APPROVAL OF
ADDENDUM NUMBER ONE TO TRANSPORTATION AGREEMENT
Durham School Services
Meeting of 6/25/2018
Presented by Steve Burgess
Prepared by Paula Gutzman

☐ <i>Discussion</i> ☒ <i>Action – Roll Call</i> ☐ <i>Action – Voice</i> <i>Ayes</i> _____ <i>Nays</i> _____		Ellen Champagne	Sharon Lee	Celeste Hawkins	Meredith Schindler	Brenda Meadows	Maria Sheler- Edwards	Sharon Irvine
	1 st /2 nd							
	Aye							
	Nay							
	Abstain							

Rationale/Background Information

Addendum Number One to the Durham School Services Transportation Agreement amends the existing Pupil Transportation and Transportation Fleet Maintenance Services Contract, dated August 1, 2015. The term of contract shall be extended to June 30, 2019. All rates shall increase by 3% on July 1, 2018, as outlined in Exhibit A.

Proposed Motion

" move that the Board of Education approve Addendum Number One to the Transportation Agreement with Durham School Services for a rate increase of 3.0% on July 1, 2018, with a term of contract extended to June 30, 2019."

Budget Impact: ☐ None ☒ As follows:

General Fund: 3% Increase to All Routes, as Outlined in Exhibit A

Attachments:

☒ Enclosed ☐ Issue Study Enclosed ☐ To Be Distributed at Meeting ☐ None

ADDENDUM NUMBER ONE

YPSILANTI COMMUNITY SCHOOLS, hereinafter referred to as “**DISTRICT**”, and **DURHAM SCHOOL SERVICES, L.P.**, hereinafter referred to as “**CONTRACTOR**”, mutually agree to amend the existing **PUPIL TRANSPORTATION AND TRANSPORTATION FLEET MAINTENANCE SERVICES CONTRACT**, dated August 1, 2015, hereinafter referred to as the “**Contract**”, as stated below:

1. The Term of Contract shall be extended to June 30, 2019.
2. All rates shall increase 3.0% on July 1, 2018. A rate scheduled is outlined in Exhibit A.
3. This Addendum is effective July 1, 2018 and is agreed to by the undersigned parties.
4. All other terms and conditions of the original Contract remain the same.

DURHAM SCHOOL SERVICES, L.P.

By: Durham Holding II, L.L.C.,
Its general partner

YPSILANTI COMMUNITY SCHOOLS

By: _____

Name: _____

Title: _____

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

Benjamin Edmondson, Ed.D.
Superintendent
June 25, 2018

EXHIBIT "A" – PRICING PAGE

<u>ROUTE TYPE</u>	<u>Route Count</u>	<u>Threshold</u>	<u>2018-2019</u>
General Ed	32 TOTAL	5.00	\$268.40
		5.25	\$275.09
		5.50	\$281.79
Routes over 6 hours will be charged Route Modifier (excess)		5.75 - 6.00	\$284.78
Route Modifier in 1/4 hour increments (excess)			\$6.70
Special Needs	13 TOTAL	5.00	\$279.58
		5.25	\$286.28
		5.50	\$292.97
Routes over 6 hours will be charged Route Modifier (excess)		5.75 - 6.00	\$296.64
Route Modifier in 1/4 hour increments (excess)			\$6.70
Mid-Day - NOT contiguous to AM/PM - 1 hour		1.00	\$26.78
Mid-Day/Shuttle included with AM/PM			
Contractor Bus Use Fee		Used Bus	\$47.62
		New bus	\$63.30

<u>ADDITIONAL RATES</u>			<u>2018-2019</u>
Route Excess (Driver)		5	\$26.78
Monitor	Per Hour		\$21.05
	Min per day	5 Hours	\$105.27
Athletic Trips / Extra Curricular	Per Hour		\$36.84
	Min per Trip	2 hr min	\$73.69

<u>Other Charges</u>			<u>2018-2019</u>
White Fleet Maintenance	Per Hour		\$52.11

Enclosure #6B.v
APPROVAL OF ENERGY SERVICES CONTRACT, *Schneider Electric*
Meeting of 6/25/2018
Presented by Steven Burgess
Prepared by Paula Gutzman

☐ <i>Discussion</i> ☒ <i>Action – Roll Call</i> ☐ <i>Action – Voice</i> <i>Ayes</i> _____ <i>Nays</i> _____		Ellen Champagne	Sharon Lee	Celeste Hawkins	Meredith Schindler	Brenda Meadows	Maria Sheler- Edwards	Sharon Irvine
	1 st /2 nd							
	Aye							
	Nay							
	Abstain							

Rationale/Background Information

The District has identified needed upgrades to its Facilities, some that are more immediate than others. As stewards of tax payer resources, the District strongly believes we should do all that we can to manage resources without adding additional tax burdens to the community. To this end we are recommending completing money saving projects: i.e. projects that pay for themselves via either the energy or operational savings they generate, by using the vehicle of *performance contracting*. The calculated savings are also guaranteed by ESCO, so there is no risk to the District.

Our June 18th Board meeting conversation on financing included obtaining letters of interest from lenders. Attached is a letter from D. A. Davidson & Co. expressing interest.

Proposed Motion

" move that the Board of Education approve the Energy Services Contract with Schneider Electric Buildings Americas, Inc."

Budget Impact: ☐ None ☒ As follows:

General Fund: \$5,092,654 - paid over 20 years.

Savings over same period guaranteed to be \$6,052,229, a difference of \$959,575.

Attachments:

☒ Enclosed (2) ☐ Issue Study Enclosed ☐ To Be Distributed at Meeting ☐ None

June 18, 2018

Mr. Scott B. Mason, CEM
Schneider Electric, North America Operations
Business Development - Energy and Sustainability Services
5628 Dorado Court, Northeast
Rockford, Michigan 49341
VIA EMAIL: SCOTT.MASON@SCHNEIDER-ELECTRIC.COM

Ms. Kimberly A. Albertson
Director - Project Finance
Schneider Electric, Global Solutions Division, Energy & Sustainability Services
45 Falls Point Landing
Phippsburg, Maine 04562
VIA EMAIL: KIMBERLY.ALBERTSON@SCHNEIDER-ELECTRIC.COM

RE: Ypsilanti Community Schools
County of Washtenaw, Michigan

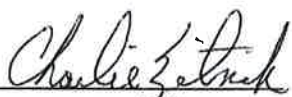
Dear Mr. Mason and Ms. Albertson:

On behalf of D.A. Davidson & Co. ("Davidson") thank you for the opportunity to provide this letter of interest to the Ypsilanti Community Schools (the "School District"). We highly value each opportunity to work with Schneider Electric Buildings Americas ("Schneider Electric"). The purpose of this letter is to express our interest in working with the School District and Schneider Electric in the structuring and financing of its energy conservation program as placement agent of a tax exempt financing solution.

Our Energy Performance / Infrastructure Construction ("EPIC") team of bankers each have in excess of 20 years of experience in the funding of essential purpose infrastructure and equipment leasing, for the public sector. We are experienced and active in municipal finance; and we welcome the opportunity to work with each of you, the District, and its stakeholders, on this vital project. We have completed a cursory review of the financial information provided by Schneider Electric: There is a story to tell that is not self-evident. If we were asked to make a proposal on the proposed financing we would respectfully ask to be given three weeks to a month to complete our due diligence and, more importantly, have an opportunity to personally describe the opportunity to a number of portfolio lenders and non-bank lenders.

Please note this expression of interest is not a commitment or offer to lend or finance, and does not create any obligation to Davidson, Schneider Electric, or the School District. All prospective transactions must meet internal approval requirements for funding.

Sincerely,
D.A. DAVIDSON & CO.

By 
Charles J. Zitnik

D.A. Davidson & Co.
800 West 47th Street, Suite 512 • Kansas City, Missouri 64112 • (816) 360-2270 • Fax (816) 360-2274
www.dadavidson.com
member SIPC



ENERGY SERVICES CONTRACT

This is an Energy Services Contract (this "Contract") by and between Schneider Electric Buildings Americas, Inc. ("ESCO") and [Customer Legal Name Here] ("Customer"), dated June 26, 2018 (the "Date of Commencement") whereby ESCO agrees to provide and perform the energy conservation measures ("ECMs") set forth in the attached schedules and exhibit(s) which are listed below and incorporated fully herein, subject to the terms and conditions set forth herein:

Schedule A: Scope of Work

Schedule B: Performance Assurance Support Services Agreement

Schedule C: Performance Guarantee

Schedule D: Measurement & Verification ("M&V") Plan

Schedule E: Customer Responsibilities for Performance Guarantee

Exhibit A: Performance Assurance Support Services

YPSILANTI COMMUNITY SCHOOLS

Schneider Electric Buildings
Americas, Inc.

By _____ (Signature)	By _____ (Signature)
Print Name Benjamin Edmondson, Ed.D.	Print Name _____
Title Superintendent	Title _____
Date: June 25, 2018	

DEFINITIONS

1. "Actual Savings" is defined as the sum of the total savings realized using the procedures defined in Schedule D plus all adjustments and non-measured savings.
2. "Annual Savings Guarantee" is the amount of energy savings guaranteed by ESCO for a twelve (12) month period beginning on the Savings Guarantee Commencement Date and any subsequent twelve (12) month anniversary thereafter.
3. "Change Order" is defined as a written change in the Project executed by both parties.
4. "Contract Documents" consist of this Contract with the terms and conditions set forth herein, the Schedules identified above, Customer's Request for Proposals (dated April 30, 2018), accepted portions of ESCO's response to the RFP, other documents listed in the Contract, and any mutually agreed upon written modification issued after execution of this Contract. The intent of the Contract Documents is to include all items necessary for the proper execution and completion of the Work by ESCO. The Contract Documents are correlative and complimentary, and ESCO'S performance shall be required only to the extent consistent with the Contract Documents.
5. "Date of Commencement" is the date provided above.
6. "Day" as used herein shall mean calendar day unless otherwise specifically designated.

7. "Excess Savings" is the amount of Actual Savings in excess of the Performance Guarantee to date including any savings achieved during construction.
8. "Guarantee Year" is the twelve (12) month period beginning on the Savings Guarantee Commencement Date and each subsequent twelve (12) month anniversary thereafter.
9. "Performance Guarantee" is the sum of the Annual Savings Guarantee for each year of the guarantee term as set forth in Schedule C or unless terminated earlier in accordance with the Contract Documents.
10. "Performance Period" is defined as the period beginning on the Savings Guarantee Commencement Date and extending through the time period as defined in the Performance Guarantee.
11. "Project" refers to scope of work, as set forth in Schedule A: Scope of Work, made to facilities of Customer.
12. "Savings Guarantee Commencement Date" means the first day of the first utility billing period following the month in which ESCO delivers to Customer the project warranty letter.
13. "Substantial Completion" refers to and shall mean the date the parties have certified in writing, pursuant to a Certificate of Substantial Completion, that the individual scopes of work are sufficiently implemented in accordance with the Contract Documents that Customer may utilize the Project for the use for which it is intended, and is fully complete except for minor items, adjustments and/or corrections.
14. "Warranty Period" is as defined in Article 4.3.
15. "Work" means the services required by the Contract Documents, whether completed or partially completed and, includes all labor, materials, equipment and services provided or to be provided by ESCO to fulfill ESCO'S obligations. The Work may constitute the whole or a part of the Project.

TERMS AND CONDITIONS OF IMPLEMENTATION PORTION OF CONTRACT

ARTICLE 1 – DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION

1.1 ESCO projects it will achieve Substantial Completion of the Work within 365 days from Date of Commencement (the “Contract Time”), subject to adjustments of this Contract Time as provided in the Contract Documents.

ARTICLE 2 – CONTRACT SUM AND PAYMENTS

2.1 The total of all contract payments shall be \$5,092,654 (the “Contract Sum”). Construction progress payments shall be made to ESCO monthly based on the percentage completion of the Project, taking into consideration ESCO’s “Schedule of Values”.

2.1.1 Within fifteen (15) days from the Commencement Date, ESCO shall provide Customer with an schedule for each portion of the Project. Customer will review and approve the proposed schedule for implementation at each site. The Schedule may be used as a basis for reviewing ESCO’s requests for payment. Customer may request the ESCO to defer installation of the materials or equipment on a building by building or project-by-project basis, if Customer deems such deference necessary so as not to disrupt the school environment or other construction activities. Because other activities of the Customer may be proceeding at the same time as Work covered in the Contract, ESCO shall cooperate with Customer to ensure that all Work progresses in a manner that does not unreasonably conflict with Customer’s other activities.

2.2 . The Schedule of Values will be developed by ESCO and provided to Customer at the beginning of project implementation. The Schedule of Values will be based upon the project cost less the project mobilization payment. The Schedule of Values must be approved by the Customer in writing and must be consistent with the Project Schedule and deadlines for Substantial Completion and Final Completion.

2.3 ESCO may submit “Payment Request Forms” and payments shall be made to ESCO on a monthly basis during construction, unless and to the extent reasonably disputed in good faith, in an amount equal to the value of services properly rendered since the last interim payment unless and to the extent reasonably disputed in good faith. If any undisputed payment is over thirty (30) days late from the due date stated on the invoice, Customer shall pay to ESCO an interest penalty of five percent (5%) per annum (see NCL 438.31).

2.4 Within ten (10) days of the Date of Commencement, Customer shall make payment to ESCO for project mobilization expenses (“Project Mobilization Payment”) in the amount of 10% of the Contract Sum.

2.5 For the initial one (1) year beginning at the Savings Guarantee Commencement Date, Customer shall receive the services as described in the Performance Assurance Support Services Agreement (“PASS Agreement”) at no additional cost. Thereafter, the PASS Agreement shall automatically renew for a period of one (1) year, whereby Customer can maintain the current service or upgrade the level of service as provided for in Schedule B. Any additional renewals shall be by written agreement of the parties.

2.6 Payments may be withheld on account of (1) Defective Work not remedied, (2) claims filed by third parties, (3) failure of ESCO to make payments properly to the “Subcontractor(s)” or for labor, materials or equipment, (4) repeated failure to carry out the Work in accordance with the Contract Documents,

2.7 Final payment shall not become due until ESCO has delivered to Customer all close-out documents, all information required by the Contract, and a complete release of all liens arising out of this Contract covering all labor, materials, and equipment for which a lien could be filed, or a bond satisfactory to

Customer to indemnify Customer against such lien.

2.8 The making of final payment shall not constitute a waiver of claims by Customer.

ARTICLE 3 – CUSTOMER

3.1 Except for permits and fees which are the responsibility of ESCO for the Project under the Contract Documents, Customer shall secure and pay for necessary approvals, assessments, and charges required for the use or occupancy of permanent structures or permanent changes in facilities.

3.2 ESCO warrants that materials and equipment furnished by ESCO will be of good quality and new; that the Work will be free from defects not inherent in the quality required or permitted; and that the Work and Services will conform to the requirements of the Contract Documents. If within the Warranty Period, ESCO fails to correct Work that is not in strict accordance with the requirements of the Contract Documents ("Defective Work"), Customer, upon seven (7) days prior written notice to ESCO, and if ESCO does not correct or diligently commence to correct such failure within such notice period, may order ESCO to stop the Work, or any portion thereof, until the cause for such order has been eliminated. However, the right of Customer to stop the Work shall not give rise to a duty on the part of Customer to exercise this right for the benefit of ESCO or any other person or entity.

3.3 Information under Customer's control shall be furnished by Customer with reasonable promptness as requested by ESCO, as permitted by law and as is necessary for ESCO's performance of the Project.

3.4 Customer shall notify ESCO in writing of any or all uses or restrictions in usage of all areas of Customer's facility.

3.5 The foregoing are in addition to any other duties and responsibilities of Customer set forth herein or in any other Contract Documents, including but not limited to those duties and responsibilities set forth in Schedule E.

ARTICLE 4 – ESCO

4.1 ESCO shall supervise and direct the Work, using ESCO'S professional skill and attention in compliance with all applicable laws, including but not limited to the Michigan Revised School Code and the Michigan School Building Construction Act. ESCO shall be solely responsible for and have control over means, methods, techniques, sequences and procedures and for coordinating all portions of the Work under the Contract, unless Contract Documents give other specific instructions concerning these matters.

4.2 ESCO shall provide and pay for all labor, materials, tools, equipment, transportation, machinery, and other services necessary for the proper execution and completion of the Work. ESCO agrees that successful design, installation, and operation of the Project includes all phases of design, installation, monitoring of systems, as well as support, training, and maintenance as specified in the Contract.

4.3 ESCO shall conduct a thorough and systematic performance test of each element and total system of the installed energy conservation measures or ECMs (hereinafter "Acceptance Testing") that are part of the Project. Acceptance Testing shall be designed to determine if the installed equipment that is part of the Project is functioning in accordance with both its published specifications and The Contract, and to determine if building systems and components that are part of the Project are functioning properly. ESCO shall be responsible for correcting and/or adjusting all deficiencies in systems and equipment operations that are part of the Project that may be observed during system commissioning procedures. Customer agrees to repair or replace as necessary any defective existing equipment that is intended to be reused. Prior to Customer acceptance, ESCO shall also provide Customer with satisfactory documentary evidence that the Work is installed as specified.

4.4 ESCO shall cooperate with Customer's operating and maintenance personnel, shall train said personnel in operation and maintenance of any equipment installed as part of the Scope of Work as set

forth in the Contract, and shall provide a customized training program for Customer's personnel. The required training shall be completed prior to ESCO's request for a Certificate of Final Completion. ESCO shall provide training as reasonably necessary with respect to updated or altered equipment, including upgraded software. Such training shall be provided at no additional charge to Customer.

4.5 ESCO shall provide all information required by MCL 380.1274a(3), MCL 380.1274a(7), and MCL 380.1274a(8), and their respective subparagraphs. It is acknowledged that some of the aforementioned information is required to be filed by Customer with the State of Michigan.

4.6 ESCO warrants to Customer for a period of one (1) year from the date of Substantial Completion that the materials and equipment manufactured by ESCO will be of good quality and new unless the Contract Documents require or permit a longer warranty, and further warrants that the Work will conform to the requirements of the Contract Documents and will be free from defects, except for those inherent in the quality of the Work the Contract Documents require or permit. Work, materials, or equipment not conforming to these requirements may be considered defective. ESCO'S warranty excludes remedy for material damage or defect caused by abuse, alterations to the Work not executed with the knowledge of, or by or for ESCO, improper or insufficient maintenance, or improper operation caused by Customer's authorized agents, or for normal wear and tear and normal usage. ESCO shall repair or replace defective material or equipment and re-perform Work to correct any defect within the Warranty Period. ESCO does not warrant products not manufactured by ESCO, but it will pass on to Customer any manufacturer's warranty to the extent permitted. . THE FOREGOING WARRANTIES AND REMEDIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES AND REMEDIES WHETHER STATUTORY, EXPRESS OR IMPLIED (INCLUDING ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE AND ALL WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OR TRADE), AND ESCO WILL NOT BE RESPONSIBLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES OF CUSTOMER. ESCO'S RESPONSIBILITY IN WARRANTY OR CONTRACT SHALL NOT EXCEED THE CONTRACT SUM PAID FOR THE SPECIFIC PRODUCT OR SERVICE THAT GIVES RISE TO THE CLAIM EXCLUDING THIRD PARTY CLAIMS FOR PERSONAL INJURY, DEATH OR PROPERTY DAMAGE OR AS MAY BE REQUIRED BY LAW.

4.7 Acknowledging Customer is tax-exempt, ESCO shall pay any and all sales, consumer, use, real and personal property taxes, and other similar taxes which are legally enacted when bids are received or negotiations concluded, whether or not effective or merely scheduled to go into effect, and shall secure and pay for the building permit and other permits, licenses and inspections necessary for proper execution and completion of the Work. Customer shall provide to ESCO all necessary tax-exempt documents.

4.8 ESCO shall comply with and give notices required by laws, ordinances, rules, regulations, and lawful orders of public authorities bearing on performance of the Work.

4.9 ESCO shall keep the premises and surrounding areas free from accumulation of waste materials or rubbish caused by operations under the Contract. At completion of the Work, ESCO shall remove from and about Project waste materials, rubbish, ESCO'S tools, equipment, machinery and surplus material.

4.10 ESCO shall provide Customer access to the Work in preparation and progress wherever located.

4.11 ESCO shall pay all royalties and license fees, shall defend suits or claims for infringement or patent rights, and shall hold Customer harmless from loss on account thereof.

4.12 Except to the extent of the negligence or willful misconduct of Customer, or its agents, representatives, employees, officers, directors or assigns, ESCO shall indemnify and hold harmless Customer, and agents and employees thereof from and against all third party claims, damages, losses and expenses, including, but not limited to, reasonable attorney's fees, arising out of or resulting from performance of the Work provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property. The indemnification obligation set forth herein shall be on a comparison basis of fault and is understood to be as broad as permitted by law.

4.13 ESCO shall keep the premises and the surrounding area free from accumulation of waste materials or rubbish caused by the Work and, upon completion of the Work, ESCO shall remove all waste materials, rubbish, tools, construction equipment, machinery, and surplus materials.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, ESCO SHALL NOT BE LIABLE IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY) OR OTHERWISE FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES WHATSOEVER. The remedies of Customer set forth herein are exclusive where so stated and the total cumulative liability of ESCO with respect to this Contract or anything done in connection therewith, such as the use of any product covered by or furnished under the Contract, whether in contract, in tort (including negligence or strict liability) or otherwise, shall not exceed the Contract Sum for the specific product, equipment, material or service work performed that gives rise to the claim, excluding third party claims for personal injury, death or property damage or as may be required by law.

ARTICLE 5 – DISPUTE RESOLUTION

5.1 To the extent allowed by applicable law, any controversy or claim arising out of or relating to this Contract, or Contract Documents, or any breach thereof, shall be settled by binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

5.2 The arbitration proceeding location shall be in the county in which the Project is located.

ARTICLE 6 – SUBCONTRACTS

6.1 A Subcontractor is a person or entity who has a direct contract with ESCO to perform a portion of the Work at the site.

6.2 ESCO shall furnish in writing to Customer the names of any proposed Subcontractors to whom ESCO plans to award Work. Contracts between ESCO and Subcontractors shall (1) require each Subcontractor, to the extent of the Work to be performed by the Subcontractor, to be bound to ESCO by the terms of the Contract Documents, and to assume all the obligations and responsibilities which ESCO, by the Contract Documents, assumes toward Customer, and (2) require Customer to be named as a third party beneficiary.

ARTICLE 7 – CHANGES IN THE WORK

7.1 Customer may order changes in Work consisting of additions, deletions or modifications, whereby, the Contract Sum and Contract Time shall be adjusted accordingly, up or down. Such changes in the Work shall be authorized by written Change Order that shall be mutually agreed to and signed by Customer and ESCO. The parties shall negotiate in good faith and use their best efforts to execute any Change Order. Change Orders shall not be binding on Customer unless executed by authorized representatives of both parties.

7.2 Notwithstanding anything to the contrary contained in the Contract Documents, changes to the Contract Sum and Contract Time shall be changed only by Change Order.

7.3 The cost or credit to Customer from a change in the Work shall be determined by mutual agreement and, in the absence of a mutual agreement being reached within a reasonable amount of time after the request for such Change Order was made, the cost or credit to Customer shall be decided by the dispute resolution process as provided in the Contract Documents.

7.4 In the event of any suspension or delay due to the acts or omissions of Customer or Customer directives to stop Work for any reason, through no fault of ESCO, the Contract Time for Substantial

Completion shall be extended to reflect such period of interruption and the Contract Sum shall be negotiated to recover ESCO'S costs of demobilization, delay and remobilization related to such suspension or delay, if any. ESCO agrees it will cooperate with Customer and mitigate such costs to the extent and efforts commercially reasonable as required by law. If such suspension or delay continues for more than ninety (90) consecutive days, through no act or fault of ESCO, ESCO may terminate this Contract and recover from Customer payment for Work properly and timely executed to the date of termination.

ARTICLE 8 – TIME

8.1 The date of Substantial Completion is the date certified by both parties in accordance with Article 9.2.

8.2 If either party cannot timely perform due to conditions outside of their reasonable control, which may include fire, abnormal adverse weather conditions not reasonably anticipatable, unavoidable casualties or any other similar causes, then the parties hereto agree to execute a Change Order allowing for a mutually agreeable extension of time for performance of the affected Work or services to cover such delay.

ARTICLE 9 – PAYMENTS AND COMPLETION

9.1 Payments shall be made as provided in Article 2 of the Contract.

9.2 Upon Substantial Completion, ESCO will issue a certificate of Substantial Completion to Customer, which will be reviewed with Customer along with a list of all remaining work and timelines for completion. See § 8.1. Prior to Substantial Completion, Customer shall promptly review and inspect all Work and, if Customer identifies any non-conforming Work prior to Substantial Completion, it shall promptly inform ESCO in writing of any non-conforming Work. same, and ESCO shall promptly correct any such non-conforming Work.

9.3 The Certificate of Substantial Completion to be executed by ESCO and Customer shall include a written certification from both ESCO and the Customer that, with the exception of punch list items identified, all of the agreed Work is complete and in a form that permits normal and regular operation by Customer of all subject improvements, that all component products and equipment installed and supplied under the Agreement are fully operational and in working order and that each of Customer's buildings where Work was performed are free of construction debris and otherwise in a condition suitable for unrestricted resumption of educational services. The Certificate of Substantial Completion shall also include: (a) an acknowledgement that the Work for the facility improvement measures ("FIM") has been substantially completed and the Substantial Completion Date for each described FIM, (b) an acknowledgment of delivery and receipt of operation and maintenance manuals, as-built drawings, third party warranties, full and final lien waivers from subcontractors and suppliers, and training provided by ESCO under the Agreement, (c) an acknowledgement by the Customer of the warranty start date and warranty period; and (d) a punchlist of items remaining to be completed by ESCO.

9.4 ESCO agrees to achieve final completion, including all punchlist items identified and/or other remaining Work as identified by Customer and ESCO pursuant to an agreed-upon punch-list schedule. Upon final completion, ESCO shall submit the executed Certificate of Final Completion to the Customer along with the final Application for Payment. The Certificate of Final Completion shall include any and all project documentation not previously submitted, including any remaining waivers of lien from subcontractors, as-built drawings and documentation required to verify percentage completion.

ARTICLE 10 – PROTECTION OF PERSONS AND PROPERTY

10.1 ESCO shall be responsible for initiating, maintaining, and supervising all Work, including all safety precautions and programs in connection with the performance of the Contract. ESCO shall take reasonable precautions for safety of, and shall provide reasonable protection to prevent damage, injury or loss to (1)

employees on the Work and other persons who may be affected thereby, (2) the Work and materials and equipment to be incorporated therein, and (3) other property at the site or adjacent thereto. ESCO shall comply with all applicable laws, including the Customer's policies, guidelines, and other reasonable directives of Customer.

10.2 ESCO shall give notices and comply with applicable laws, ordinances, rules, regulations and lawful orders of public authorities bearing on safety of persons and property and their protection from damage, injury or loss.

10.3 The scope of work or service to be performed by ESCO pursuant to this Contract, and the compensation to be paid to ESCO hereunder for Work or services performed, expressly exclude any Work or service of any nature associated or connected with the identification, abatement, cleanup, control or removal of environmentally hazardous materials beyond what is specifically defined and identified in Schedule A of this Contract. "Hazardous Materials" to include, but not be limited to, asbestos and PCBs discovered in or on the premises. Customer agrees that all duties and obligations in connection with any hazardous materials located in or on the premises, other than those defined in Schedule A, are strictly the responsibility of Customer. Customer warrants and represents to the best of Customer's knowledge there are no hazardous materials in or on the premises which will affect, be affected by, come in contact with, or otherwise impact upon or interfere with the Work to be performed by ESCO pursuant to this Contract.

10.4 Should ESCO become aware or suspect the presence of hazardous materials beyond those to be addressed in Schedule A during performance of its Work under this Contract, ESCO will be authorized to cease Work in the affected area immediately, and will promptly notify Customer of the conditions discovered. Should ESCO stop Work because of the discovery or suspicion of hazardous materials, the time for performance of ESCO'S Work or service will be extended to cover the period required for abatement, cleanup, or removal of the hazardous materials. ESCO will not be held responsible for any claims, damages, costs, or expenses of any kind associated with the period during which ESCO has stopped Work as a result of hazardous materials. If appropriate, ESCO will be entitled to an equitable adjustment of the Contract Sum for any increased costs or other charges incurred by ESCO in connection with the existence of its rights under this paragraph.

10.5 Customer will be responsible for taking all necessary steps to correct, abate, clean up, or control hazardous materials not addressed by ESCO in Schedule A in accordance with all applicable statutes and regulations and to the extent necessary to resume Work and/or services, if Customer desires to so continue.

ARTICLE 11 – INSURANCE AND BONDS

11.1 ESCO shall maintain adequate levels and types of insurance coverage appropriate to its business and profession, to the scope of Work and services required by this Agreement, and as may be required by applicable law and the Contract Documents. Such insurance shall be in companies authorized to do business in the jurisdiction in which the Project is located with an A.M. Best's rating of at least A- VII and as a minimum shall include Workers' Compensation and Employer's Liability at statutory limits, Automobile Liability covering all owned, hired and other non-owned vehicles and Commercial General Liability covering public liability, property damage and completed operations with limits not less than \$2,000,000 per occurrence. Certificates of such insurance shall be provided to Customer prior to commencement of the Work. The certificates of insurance shall identify the following as additional insureds under the commercial general and automobile liability coverages with respect to liability arising out of operations performed for them by or on behalf of ESCO: Customer, including all its elected and appointed officials (the "Additional Insureds"). This coverage shall be primary to the Additional Insureds, and not contributing with any other insurance or similar protection available to the Additional Insureds.

11.2 ESCO shall provide payment and performance bonds for 100% of the Contract Sum to secure the faithful performance of the Work, compliance with the terms of this Contract, compliance with applicable laws, and to insure ESCO'S payment obligations to its Subcontractors and suppliers related to the Work. Notwithstanding any provision to the contrary herein, any payment and performance bonds associated with this Contract guarantee only the performance of the installation portion of the Contract, and shall not be

construed to guarantee the performance of: (1) any efficiency or energy savings guarantees, or (2) any support or maintenance service agreement, or (3) any other guarantees or warranties with terms beyond one (1) year in duration from the completion of the installation portion of the Contract. Customer may require a separate bond to guarantee energy savings in accordance with MCL 380.1274a. If a guarantee bond is required, it must be noted by the client prior to contract signing so that costs may be included in the Contract Sum.

ARTICLE 12 – TERMINATION OF THE CONTRACT

12.1 If Customer fails to make undisputed payments to ESCO when due and after thirty (30) days of receiving written notice for payment by ESCO, ESCO may, terminate the Contract and recover from Customer payment for all Work executed to the date of termination.

12.2 If Customer (1) fails or neglects to maintain Customer responsibilities as set forth in Schedule E, or (2) fails to fulfill any of its other obligations or responsibilities under the Contract Documents, ESCO may, after delivery of written notice and providing Customer seven (7) days to cure, terminate the Contract, including, but not limited to the termination of any obligation of ESCO to provide the Performance Guarantee.

12.3 If either party breaches a material provision of this Contract, the other party, after delivery of written notice and providing seven (7) days to cure such breach, may make good such deficiencies and may charge the cost thereof from the breaching party.

12.4 Any remedies provided for in this Article 12, shall not be exclusive of any additional remedies available to a party pursuant to this Contract, in equity or in the law.

ARTICLE 13 – OTHER CONDITIONS OR PROVISIONS

13.1 If any provision of this Contract shall be held to be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired thereby.

13.2 Nothing herein shall be deemed to establish a relationship of principal and agent between ESCO and Customer, or any of their respective agents or employees, and this Contract and the Contract Documents may not be construed as creating any form of legal association or arrangement that would impose liability upon one party for the act or failure to act of the other party. The Contract creates an independent contractor relationship and shall be interpreted consistently with that premise.

13.3 This Contract shall be governed by the laws of the state of Michigan.

13.4 This Contract and all attachments and documents referenced herein sets forth the entire understanding between the parties and supersedes all prior oral or written understandings relating to the subject matter herein. This Contract may not be altered or modified except by a written instrument signed by a duly authorized representative of each party.

13.5 Any failure of either party to require strict performance by the other, or any waiver by either party of any requirement under this Agreement, does not indicate consent to or waive any subsequent failure or breach by the non-waiving party.

13.6 ESCO shall be fully responsible to Customer for the negligent acts and omissions of subcontractors and of all persons brought on site by ESCO. Nothing in this Agreement shall create any contractual relationship between any subcontractor and Customer. Neither party shall assign, transfer, convey or otherwise dispose of this Agreement or any part thereof, or its right, title or interest in the same or any part thereof, without prior written consent of the other party, not to be unreasonably withheld. ESCO shall not assign any of the monies due or that become due and payable under this Agreement without the prior written consent of Customer.

13.7 ESCO shall provide Customer reasonable access to any computer system hardware or software necessary for Customer to operate the equipment installed under this Agreement.

13.8 ESCO is an equal opportunity employer and it does not unlawfully discriminate against anyone on the basis of race, creed, color, age, sex, national origin, disability, handicap or any other protected class identified either in Michigan or federal law.

13.9 Customer reserves the right to approve the identity of representatives and employees of ESCO or any of its subcontractors upon reasonable written request to ESCO. Customer shall retain the right to have any employee of ESCO or any subcontractor removed from the Project at Customer's discretion for any lawful reason following written notice to ESCO.

SCHEDULE A: SCOPE OF WORK

Customer hereby acknowledges and agrees that the scope of work shall be limited to, and ESCO shall only perform, the following:

BUILDING AUTOMATION SYSTEM

An existing Building Automation System (BAS) is to be modified to accommodate the mechanical scope listed below. The improvements will include control and monitoring parameters as outlined below.

ESCO will provide on-site training for BAS improvements. This includes, but is not limited to, system architecture, controller and override panel operation, service tool usage, control drawings, device replacement, product overview and demonstration, logging on and off, system passwords, screen layout, software toolbars and menus, graphic page navigation and use, scheduling (regular, temporary, and special), and basic troubleshooting.

Hot Water Plant – Per the mechanical scope of work the new boilers located at Washtenaw International High School (510 Emerick St.) will be integrated via a LON communication card into the existing Honeywell BAS system. All control points and setpoints will be dependent on the manufacturers equipment. Existing controllers and sensors will be utilized to control the pumps to create a complete and functioning hot water system with new sequence of operations and graphics.

EXCLUSIONS

The following items are excluded from ESCO's scope of work:

- Asbestos abatement of any kind.
- Repair of existing HVAC and control equipment beyond the Scope of Work is excluded. ESCO will reuse existing equipment for the execution of this contract, and assumes the equipment or devices are in good working order. Should the equipment or devices need repair or replacement, this will be the responsibility of the customer. ESCO will create an EDR (equipment deficiency report) to give customer written notification if such equipment or devices are found.
- ESCO is not responsible for existing safeties on equipment or any life safety equipment. Pre and post testing of these life safety systems will be the responsibility of the customer and the sequence will be provided to ESCO.
- Where life safety equipment utilizes compressed air (pneumatics), the source of the air, logic, and actuators will not be removed or modified within the execution of the project.
- ESCO will only control equipment and/or devices shown in the Scope of Work, unless devices are not suitable for automated control. Equipment and devices not in the Scope of Work are excluded.
- Control points on the existing BAS not needed to implement ECMs or functional sequence of operations will not be included in the Schneider Electric BAS unless specified.
- If equipment/devices controlled by the existing BAS are not in the Scope of Work, ESCO is not responsible for their functionality.
- Conduit will only be used from controller panels to the lower of a finished ceiling or 8' for all low voltage wiring, and will be in compliance with local codes and authorities having jurisdiction.
- ESCO will make the final decision for controller selection, point configurations, and end devices selection based on current standards and engineering practices of ESCO.
- ESCO will not be responsible for any modification or extension of the existing WAN/LAN for execution of this project.
- Costs of providing access, access control, or security escorts not specified in the Scope of Work are excluded.
- Unless specified in the controls scope or in the mechanical scope, the repair or replacement of non-functional actuators, dampers, and valves are the responsibility of the owner.

- Demolition of the existing BAS will be performed as needed to implement the new DDC system (reuse of enclosures, wire, and end devices will be determined by ESCO); the total demolition will be the responsibility of the owner, unless otherwise stated.

MECHANICAL & ELECTRICAL RENOVATIONS

Washtenaw International High School's Hot Water Boiler Replacement (510 Emerick St.)

The following scope applies to Washtenaw International High School's heating system:

- Existing two Raypak hot water boilers and their associated primary pumps shall be demolished and removed from site.
- Existing boiler flue shall be removed back to chimney stack and capped.
- Provide six new low mass, condensing hot water boilers within existing mechanical room. They will be sized so the building's heating load at ASHRAE's recommended design outdoor ambient temperature of -0.8degF can be handled by five boilers meaning one boiler is completely redundant. The new boilers shall be installed on new housekeeping pad(s). New combustion air and AL29-4C flue vent duct will be provided to each new boiler.
- New primary pumps shall be provided, one per boiler.
- The new boilers and their associated primary pumps will be tested, balanced and commissioned to operate with the building's existing hot water system. Existing building's secondary pumps and system shall be existing to remain.
- Provide new primary HWS/R off the existing secondary loop, size to match secondary loop. Provide new HWS/R taps off the new primary loop, size per boiler manufacturer's recommended size, and connect to each new boiler.
- Existing natural gas within the space shall be extended and connected to new boilers.
- Provide new emergency push button next to door entering the mechanical room and associated wiring that shall shut down all six new boilers upon activation.
- Provide new condensate neutralization kits for the new boiler's condensate. Condensate shall route to existing floor drain(s) within mechanical room and terminate.
- Provide new electrical wiring from normal power panel and connect to the six new boilers and their associated primary pumps.

MECHANICAL/ELECTRICAL EXCLUSIONS

- Night/holiday work unless otherwise specified in the Scope of Work.
- Additional labor cost due to restriction of allowable work hours.
- Costs incurred due to lack of access to required areas or due to access to storage areas to which materials are to be delivered.
- Costs of providing access, access control, or security escorts not specified in the Scope of Work.
- Hazardous materials testing and abatement not specified in the Scope of Work.
- Materials and labor associated with modifications to existing systems and equipment not identified in these documents as included in the Scope of Work.
- Testing, adjusting, and balancing of existing systems not identified in these documents as included in the Scope of Work.
- Commissioning of existing systems not identified in these documents as included in the Scope of Work.
- Upgrading existing mechanical systems to provide ventilation rates in compliance with current Codes and Standards unless indicated herein to be included.
- Repair or replacement of ceiling beyond that required to accomplish the Scope of Work.
- Painting of floors, walls or ceilings beyond that required to match existing surfaces in the immediate work area.
- Waste disposal other than that required to accomplish the Scope of Work.

- Demolition of equipment, piping and accessories indicated herein to be abandoned in-place unless indicated herein to be included.
- The cost for utilities including natural or propane gas, fuel oil, electricity, potable or nonpotable water during the construction period.
- The cost for equipment and/or utilities to provide temporary heating or cooling of facilities during the construction period.
- Cost escalation of materials as a result of a delay in the construction schedule caused by Customer action or inaction.
- Inspection and permitting fees for agencies (state and/or federal) other than the local authority having jurisdiction and State of Michigan's boiler permitting.
- Fees for third party engineers acting as Customer's agent.
- Water treatment is not included within project. Customer will coordinate and handle any water treatment after boiler replacement project is completed and operational.
- Structural modifications not specified in the Scope of Work.
- Building envelope modifications not specified in the Scope of Work.
- Replacement of ductwork and diffusers not specified in the Scope of Work.
- Replacement of piping not specified in the Scope of Work.
- Ductwork and piping insulation not specified in the Scope of Work.
- Electrical systems not specified in the Scope of Work.
- Equipment replacement and their components not specified in the Scope of Work

LIGHTING RENOVATIONS

ESCO will be performing interior and exterior lighting retrofits at the following Customer facilities.

- Ypsilanti International Elementary School (503 Oak St)
- Erickson Elementary School (1427 Levona St)
- Perry Early Learning Center (550 Perry St)
- Ypsilanti Community Middle School – Willow Run (235 Spencer Lane)
- Washtenaw International High School – East Middle School (510 Emerick St)
- Ypsilanti STEMM/AC Tech (2095 Packard Rd)
- Estabrook Elementary School (1555 W Cross St)
- Ford Early Learning Center (2440 Clark Rd)
- Holmes Elementary School (1255 Holmes Rd)
- Ypsilanti ACCE Program (1076 Ecorse Rd)
- Ypsilanti Middle School – West Middle School (105 N Mansfield)

LED Mixture of LED Tubes Drivers & Controls and Line-Voltage Tubes

- In classroom and office areas, remove existing fluorescent lamps and ballasts and replace with new LED tubes and drivers containing 0-10V drivers. In addition, install Kinetic Rocker Panel Switching and Vacancy Sensors that can wirelessly start fixtures at a designated light output, dim from 10% to 100% light output at the switch, and provide daylight harvesting in areas if required. Each area containing these controls will be commissioned and desired or IES light levels.
- In all non-classroom and office areas, retrofit existing linear fluorescent lamps with new 10.5-watt LED line voltage tubes and removing existing ballasts. De-lamp over illuminated areas with compatible switching.
- Replace existing interior HID / Incandescent fixtures with new LED fixtures with the proper light output.
- Retrofit existing incandescent and CFL and incandescent lamps with LED lamps or fixtures of similar light output.

- Replace existing non-LED exit signs with new LED exit signs.
- Retrofit exterior pole and building mounted HID with new LED fixtures or lamps with the proper light output. The estimate is based on information provided by the district.

EXCLUSIONS / CLARIFICATIONS

The following items are excluded from ESCO'S scope of work:

1. ESCO will be allowed to work daytime, evenings, weekends, and holidays at ESCO discretion, unless otherwise specified in the Scope of Work. ESCO will coordinate schedule with CUSTOMER.
2. Additional labor cost due to restriction of allowable work hours.
3. Costs incurred due to lack of access to required areas or due to access to storage areas to which materials are to be delivered.
4. Costs of providing access, access control, or security escorts not specified in the Scope of Work.
5. Hazardous materials testing and abatement not specified in the Scope of Work.
 - a. Replaced lamps and ballasts will be removed by ESCO
6. Excludes all field, sports, court, playground and performance lighting unless otherwise stated.
7. Outdoor poles will remain for fixtures receiving new lamps unless stated otherwise
8. Lighting system retrofits on the following lamps, ballasts, or fixtures, unless specified in scope of work:
 - a. Incandescent fixtures as follows:
 - i. On dimmers
 - ii. Where heat, fixture size, or photometrics prevent compact fluorescent application
 - iii. With low burn hours
 - iv. In decorative applications
 - b. F48T12 (Instant Start Slimline) fluorescents.
 - c. Battery backup ballasts.
 - d. Exit signs as follows:
 - i. Fluorescent exits
 - ii. Edge-lit signs
 - iii. Incandescent which will not accommodate LED retrofit unit
 - iv. Existing LED exit signs
 - e. Abandoned fixtures.
9. Dimming systems and associated fixtures unless specified in the Scope of Work.
10. Two stage switching (A/B circuit) multi-light output fluorescent fixtures will be converted to row-by-row switching.
11. Support mechanisms and housings of fixtures.
12. Sockets unless otherwise stated.
13. Lenses not specified in the Scope of Work.
14. Fluorescent lamp protective sleeves not specified in the Scope of Work.
15. Fixture protective covers.
16. Fluorescent fixture tombstones not specified in the Scope of Work.
17. Switches, twist timers, and breakers will not be replaced.
18. Switch plates will not be replaced.
19. Electrical wiring except that required for ballast replacement in the fixture.
20. Underground trenching and conduit replacement.
21. Time clocks associated with existing lighting fixtures not specified in the Scope of Work.
22. ESCO is not responsible for replacing, repairing, or removing any existing photo-cell sensor used in exterior lighting systems.
23. Lighting fixtures will not be replaced unless specified in the Scope of Work.
24. Lighting fixtures will not be relocated unless specified in the Scope of Work.
25. Excludes all damage and performance limitations considered Acts of God.

BUILDING ENVELOPE RENOVATIONS

In the following energy conservation measures (ECM) the ESCO shall install the following building envelope measures detailed in each building below:

Ypsilanti International Elementary School

- a) **15**-Existing exterior doors to be weather-stripped.
- b) **1**-Existing interior doors to be weather-stripped.
- c) **635 Feet**-Perimeter sealing of roof wall with 2-part foam.
- d) **175 Feet**-Perimeter sealing of roof wall with 1-part foam (Gym).
- e) **2**-Drywall ceiling repairs.

Erickson Elementary School

- a) **18**-Existing exterior doors to be weather-stripped and sealed.
- b) **1**-Existing interior doors to be weather-stripped and sealed.
- c) **1030 Feet**-Perimeter sealing of roof wall with 2-part foam.
- d) **225 Feet**-Perimeter sealing of roof wall with 1-part foam (Library and Multipurpose).

Perry Early Learning Center

- a) **31**-Existing exterior doors to be weather-stripped and sealed.
- b) **1**-Existing interior doors to be weather-stripped and sealed.
- c) **300 Feet**-Window sealing.
- d) **633 Feet**-Perimeter sealing of roof wall with 2-part foam.
- e) **200 Feet**-Perimeter sealing of roof wall with 1-part foam (Library and Multipurpose).
- f) **12 Feet**-False wall and sealed.

Ypsilanti Community Middle School

- a) **50**-Existing exterior doors to be weather-stripped.
- b) **6**-Existing interior doors to be weather-stripped.

Washtenaw International High School – East Middle School

- a) **54**-Existing exterior doors to be weather-stripped and sealed.
- b) **1**-Pipe penetration to be sealed.

Ypsilanti STEMM/AC Tech

- a) **63**-Existing exterior doors to be weather-stripped and sealed.
- b) **11**-Existing interior doors to be weather-stripped and sealed.
- c) **745 Feet**-Perimeter sealing of roof wall with 2-part foam.
- d) **1**-Overhead door to be sealed on 4 sides.

Estabrook Elementary School

- a) **32**-Existing exterior doors to be weather-stripped and sealed.
- b) **2**-Existing interior doors to be weather-stripped and sealed.
- c) **610 Feet**-Perimeter sealing of roof wall with 2-part foam.
- d) **300 Feet**-Perimeter sealing of roof wall with 1-part foam.
- e) **1**-Overhead door to be sealed on 4 sides.
- f) **3 Square Feet**-Seal openings above dropped ceiling.

Ford Early Learning Center

- a) **28**-Existing exterior doors to be weather-stripped and sealed.
- b) **1**-Existing interior doors to be weather-stripped and sealed.
- c) **1625 Feet**-Perimeter sealing of roof wall with 2-part foam.
- d) **340 Feet**-Perimeter sealing of roof wall with 1-part foam.
- e) **4**-Caulking of windows and doors.

Holmes Elementary School

- a) **26**-Existing exterior doors to be weather-stripped and sealed.
- b) **1**-Existing interior doors to be weather-stripped and sealed.
- c) **38 Feet**-Perimeter sealing of roof wall with 2-part foam.
- d) **210 Feet**-Perimeter sealing of roof wall with 1-part foam.
- e) **625 Feet**-Caulking of roof joint and window frame.
- f) **100 Feet**-Sealing of window.
- g) **1**-Sealing of roof hatch.

Ypsilanti ACCE Program

- a) **21**-Existing exterior doors to be weather-stripped and sealed.
- b) **1**-Existing interior doors to be weather-stripped and sealed.
- c) **1375 Feet**-Perimeter sealing of roof wall with 2-part foam.
- d) **860 Feet**-Perimeter sealing of roof wall with 1-part foam.
- e) **625 Feet**-Caulking of roof joint and window frame.
- f) **2**-Penetrations to be sealed with black foam.
- g) **50 Feet**-Window gasket repair and sealing.
- h) **3 Square Feet**-Holes in ceiling to be sealed (Gym).

Ypsilanti Middle School (West Middles School)

- a) **44**-Existing exterior doors to be weather-stripped and sealed.
- b) **1**-Existing overhead doors to be sealed.

EXCLUSIONS

The following items are excluded from ESCO'S scope of work:

1. Night/holiday work unless otherwise specified in the Scope of Work.
2. Additional labor cost due to restriction of allowable work hours.

3. Costs incurred due to lack of access to required areas or due to access to storage areas to which materials are to be delivered.
4. Costs of providing access, access control, or security escorts not specified in the Scope of Work.
5. Hazardous materials testing and abatement not specified in the Scope of Work.
6. Building facade repairs.
7. Repair of pre-existing water damaged surfaces.
8. Wall tile and other wall covering repairs.
9. Architectural and/or access modifications for Americans with Disabilities Act (ADA) compliance unless otherwise stated.

FLOORING RENOVATIONS

ESCO will be performing interior flooring scope at the following Customer facility.

- Washtenaw International High School – East Middle School (510 Emerick St)

Carpet (CRT) and Luxury Vinyl Tile (LVT) shall be installed throughout the facility. Flooring type shall vary by space type. Material, pattern, and colors have been preselected by Customer. A room-by-room showing area and flooring type is as follows:

RM#	ROOM TYPE	CRT (Gray) SQ FT	LVT (All Orange) SQ FT	CRT (Black Tile) SQ FT	Combo (LVT & CRT) SQ FT	INSTALLED FLOOR
101	Computer Lab				616	Combo
101a	Computer Lab (Storage)		62			LVT
102	Classroom				1003	Combo
103	Classroom				948	Combo
103a	Classroom (Storage)		105			LVT
104	Classroom				1003	Combo
CL A	Classroom				751	Combo
105	Classroom				996	Combo
105a	Classroom (Storage)		109			LVT
106	Classroom				936	Combo
106a	Classroom (Storage)		95			LVT
106b	Classroom (Storage)		51			LVT
107	Classroom				921	Combo
107a	Classroom (Storage)		144			LVT

108a	Band (Storage)	183				Carpet
108b	Band (Storage)	119				Carpet
108c	Band (Storage)	151				Carpet
108d	Band (Storage)	117				Carpet
110a	(Storage)	93				Carpet
200	Corridor		1417			LVT
201	Corridor		1940			LVT
202	Corridor		880			LVT
202a	Foyer			241		Carpet Tile
203	Corridor		706			LVT
204	Corridor		708			LVT
205	Corridor		646			LVT
206	Corridor		646			LVT
207	Corridor		1417			LVT
208	Corridor		1568			LVT
209	Corridor		1568			LVT
210	Corridor		627			LVT
211	Corridor		644			LVT
212	Corridor		464			LVT
212d	Office	149				Carpet
212e	Office	236				Carpet
212f	Corridor		262			LVT
212g	???		87			LVT
212h	???		73			LVT
212j	???		106			LVT
212l	???		124			LVT
212m	Corridor		56			LVT
300	Office	440				Carpet
300	Office		157			LVT
300a	Office	328				Carpet
300d	Office		333			LVT
300e	Office	157				Carpet
300f	Office	263				Carpet
304	Locker		871			LVT
304a	Locker (Office)		130			LVT

304b	Locker (Corridor)		96			LVT
304d	Locker (Restroom)		98			LVT
305	Locker		870			LVT
305a	Locker (Office)		130			LVT
305b	Locker (Corridor)		84			LVT
305d	Locker (Restroom)		134			LVT
306	Gymnasium		30			LVT
307	CAFETERIA		2712			LVT
307b	CAFETERIA (Storage)		317			LVT
308a	CAFETERIA (Corridor)		219			LVT
600	COMMONS		2737			LVT
CL 6B	Classroom				484	Combo
601	Classroom				780	Combo
601a	Office		121			LVT
601b	Storage		122			LVT
602	Classroom				780	Combo
602a	Office		106			LVT
603	Classroom				776	Combo
603a	Classroom Office	153				Carpet
604	Classroom				542	Combo
604a	Classroom Office	153				Carpet
605	Classroom				773	Combo
605a	Classroom Prep				366	Combo
606	Classroom				773	Combo
700	COMMONS		2737			LVT
CL 7B	Classroom				484	Combo
701	Classroom				780	Combo
701a	Office		121			LVT
701b	Storage		122			LVT
702	Classroom				775	Combo
702a	Office		106			LVT
703	Classroom				775	Combo
703a	Classroom Office	153				Carpet
704	Classroom				778	Combo

704a	Classroom Office	153				Carpet
705	Classroom				775	Combo
705a	Classroom Prep				366	Combo
706	Classroom				778	Combo
800	COMMONS		2737			LVT
CL 8B	Classroom				484	Combo
801	Classroom				780	Combo
801a	Office		121			LVT
801b	Storage		122			LVT
802	Classroom		750			LVT
802a	Office		106			LVT
803	Classroom				930	Combo
803a	Classroom Office	153				Carpet
804	Classroom				778	Combo
804a	Classroom Office	153				Carpet
805	Classroom				763	Combo
805a	Classroom Prep				366	Combo
806	Classroom				778	Combo
Totals		3154	30694	241	22838	

EXCLUSIONS

The following items are excluded from ESCO'S scope of work:

1. Night/holiday work unless otherwise specified in the Scope of Work.
2. Additional labor cost due to restriction of allowable work hours.
3. Costs incurred due to lack of access to required areas or due to access to storage areas to which materials are to be delivered.
4. Costs of providing access, access control, or security escorts not specified in the Scope of Work.
5. Hazardous materials testing and abatement not specified in the Scope of Work.
6. Repair of pre-existing water damaged surfaces.
7. Wall tile and other wall covering repairs.
8. Architectural and/or access modifications for Americans with Disabilities Act (ADA) compliance unless otherwise stated.
9. Areas and room numbers not specifically called out in the Scope of Work.

SCHEDULE B: PERFORMANCE ASSURANCE SUPPORT SERVICES AGREEMENT

This Performance Assurance Support Services Agreement (this "PASS Agreement"), is by and between Schneider Electric Buildings Americas, Inc. ("ESCO"), and Ypsilanti Community Schools, a Michigan general powers school district, organized and operating pursuant to the Michigan Revised School Code, MCL 380.1, et seq., as amended ("Customer"). To the extent that the terms and conditions in this PASS Agreement conflict with the terms and conditions in the Contract, the terms and conditions more favorable to Customer, as required by the Agreement, Definitions, § 4, control. Any capitalized terms used and not defined herein are as defined in the Contract.

Customer Legal Name Here

**Schneider Electric Buildings
Americas, Inc.**

By _____ (Signature)	By _____ (Signature)
Print Name _____	Print Name _____
Title _____	Title _____
Date _____	Date _____

A. TERM

This PASS Agreement shall commence at the Savings Guarantee Commencement Date and continue for one (1) year (the "Initial Term") and shall automatically renew for additional one (1) year periods thereafter throughout the entire guarantee term. After the Initial Term, Customer may terminate this PASS Agreement at any time by providing written notice of termination to ESCO.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, OR IN ANY CONTRACT DOCUMENT, IN THE EVENT THAT THE PASS AGREEMENT IS CANCELED OR TERMINATED BY CUSTOMER FOR ANY REASON, THE PERFORMANCE GUARANTEE SET FORTH IN SCHEDULE C SHALL BE DEEMED TO HAVE BEEN MET AND FULFILLED NULL AND VOID AND OF NO FURTHER FORCE OR EFFECT AS OF THE EFFECTIVE TERMINATION DATE OF THE PASS AGREEMENT AND, TO THE EXTENT PERMITTED, BY LAW, ESCO SHALL HAVE NO FURTHER OBLIGATIONS OR LIABILITIES ASSOCIATED WITH SUCH PERFORMANCE GUARANTEE. AS OF THE DATE OF TERMINATION, ESCO REMAINS RESPONSIBLE FOR ANY SAVINGS GUARANTEE APPLICABLE PRIOR TO THE DATE OF TERMINATION.

B. SERVICE SCOPE AND PAYMENT

ESCO shall provide the Performance Assurance Support Services (the "Services") to Customer as set forth in Exhibit A, Section 1 during the Initial Term. ESCO shall also provide all information necessary to comply, and to assist Customer in complying, with MCL 380.2174a, as well as all of the following Services:

1. Within 60 days of each anniversary of the commencement of the Guarantee Term, ESCO will provide Customer with an annual report containing:

- A. an executive overview of the project's performance and Project Benefits achieved to date;
 - B. a summary analysis of the Measured Project Benefits accounting; and
 - C. depending on the M&V Option, a detailed analysis of the Measured Project Benefits calculations.
- 2. During the Guarantee Term, an ESCO Performance Assurance Specialist will monitor the on-going performance of the Improvement Measures, as specified in this Agreement, to determine whether anticipated Measured Project Benefits are being achieved. In this regard, the Performance Assurance Specialist will periodically assist Customer, on-site or remotely, with respect to the following activities:
 - A. review of information furnished by Customer from the facility management system to confirm that control strategies are in place and functioning;
 - B. advise Customer's designated personnel of any performance deficiencies based on such information;
 - C. coordinate with Customer's designated personnel to address any performance deficiencies that affect the realization of Measured Project Benefits; and
 - D. inform Customer of opportunities to further enhance project performance and of opportunities for the implementation of additional Improvement Measures.
- 3. ESCO will:
 - A. conduct pre and post installation measurements required under this Agreement;
 - B. confirm the building management system employs the control strategies, set points and schedules specified in this Agreement; and
 - C. analyze actual as-built information and adjust the Baseline and/or Measured Project Benefits to conform to actual installation conditions (e.g., final lighting benefits calculations will be determined from the as-built information to reflect the actual mix of retrofits encountered during installation).

After the end of Initial Term and each subsequent term thereafter, Customer may either (1) continue with the same level of Services as set forth in the previous term, (2) change the Services level by selecting one or more of the options as set forth in Exhibit A, Section 2 of this PASS Agreement, or (3) terminate this PASS Agreement and the Performance Guarantee in accordance with the termination provisions contained herein.

- 1. After the Initial Term, the prices set forth in Exhibit A may be adjusted annually in accordance with the increase in Consumer Price Index ("CPI").
- 2. ESCO's contract prices include all taxes and fees, acknowledging Customer is tax-exempt.
- 3. After the Initial Term, payment for each year's PASS Agreement is due within thirty (30) days of the start of that year's term. Customer may utilize purchase orders for ease of administration and ordering purposes in implementation of this PASS Agreement (to include: specific products or services, scope of work, quantities, price and delivery terms only).

C. ACCESS

Services provided under this PASS Agreement will be performed during normal working hours (normal working hours shall mean 8:00 a.m. to 5:00 p.m., local time, Monday through Friday, excluding ESCO

holidays) unless specifically stated otherwise in the PASS Agreement. However, ESCO may have the need to access Customer facilities during non-normal working hours and on holidays in order to identify and troubleshoot energy savings issues. Therefore, Customer will provide and permit ESCO reasonable access to Customer's facility and equipment to the extent necessary for ESCO'S personnel to perform the Services. Customer shall also provide access to key personnel to discuss facility operating requirements. ESCO will use commercially reasonable efforts to minimize any disturbance with Customer's operations while providing the Services when instructional activities are not in session, and shall use all reasonable efforts to minimize any disturbance with Customer's operations when instructional activities are in session..

D. RELATIONSHIP

Customer and ESCO are independent contracting parties. Nothing in this PASS Agreement shall be construed to make either party or any of its employees, the partner, joint venturer, agent, or legal representative of the other for any purpose whatsoever, nor grants either party any authority to assume or create any obligation on behalf of or in the name of the other party. As an independent contractor, the mode, manner, method and means employed by ESCO in the performance of the terms and conditions of this PASS Agreement shall be of ESCO'S selection and under the sole control and direction of ESCO. Under the terms of this PASS Agreement, neither Customer nor any company in which it owns a controlling interest shall be required to furnish ESCO or any of its employees with any benefits, including but not limited to severance benefits, unemployment compensation or worker's compensation.

E. INSURANCE

Customer and ESCO shall each maintain insurance coverage, including without limitation, Workers' Compensation and Employer's Liability at statutory limits, Automobile Liability covering all owned, hired and other non-owned vehicles, and Commercial General Liability covering public liability and property damage with limits generally required for its respective industry and operations with not less than \$1,000,000 minimum coverage per occurrence. Such insurance shall be with reputable and financially responsible carriers authorized to transact business in the state in which the facility is located and the services are being performed with an A.M. Best's rating of at least A- VII.

F. LIMITATION OF LIABILITY

NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGE OF ANY KIND, INCLUDING WITHOUT LIMITATION, LOSS OF REVENUE OR PROFIT REGARDLESS OF THE FORM OF ACTION OR THEORY OF RECOVERY, EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE TOTAL CUMULATIVE LIABILITY OF ESCO WITH RESPECT TO THIS PASS AGREEMENT OR ANYTHING DONE IN CONNECTION THEREWITH, SUCH AS THE USE OF ANY DELIVERABLE FURNISHED HEREUNDER SHALL NOT EXCEED THE PRICE PAID FOR THE SERVICE PERFORMED THAT GIVES RISE TO THE CLAIM ON WHICH SUCH LIABILITY IS BASED.

F. SUCCESSORS

Neither this PASS Agreement nor any rights arising hereunder may be assigned, pledged, transferred or hypothecated by ESCO without the consent of Customer; such consent cannot be unreasonably withheld. No Work performed pursuant to this PASS Agreement may be subcontracted in whole or in part by ESCO without the prior written consent of Customer; such consent cannot be unreasonably withheld.

G. ENTIRE AGREEMENT

This PASS Agreement may not be altered or modified in any way except by written instrument signed by a duly authorized representative of each party.

H. SEVERABILITY

If any provision of this PASS Agreement shall be held to be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired thereby.

I. GOVERNING LAW

This PASS Agreement will be governed, interpreted and construed by, under and in accordance with the laws, statutes and decisions of the state of Michigan , without regard to its choice of law provisions. Venue shall be in the federal, state or municipal courts serving the county in which the Services are performed.

SCHEDULE C: PERFORMANCE GUARANTEE

The Performance Guarantee provided by ESCO will be as follows:

Year	Measured Savings	Non-Measured Utility Savings	Non-Measured O&M Savings	Annual Guaranteed Savings	Cumulative Guaranteed Savings
1	\$132,002	\$20,885	\$66,457	\$219,344	\$219,344
2	\$136,305	\$21,566	\$68,623	\$226,494	\$445,838
3	\$140,749	\$22,269	\$70,861	\$233,878	\$679,716
4	\$145,337	\$22,995	\$73,171	\$241,502	\$921,218
5	\$150,075	\$23,744	\$75,556	\$249,375	\$1,170,594
6	\$154,968	\$24,518	\$78,019	\$257,505	\$1,428,099
7	\$160,020	\$25,317	\$80,563	\$265,900	\$1,693,999
8	\$165,236	\$26,143	\$83,189	\$274,568	\$1,968,567
9	\$170,623	\$26,995	\$85,901	\$283,519	\$2,252,086
10	\$176,185	\$27,875	\$88,701	\$292,762	\$2,544,847
11	\$181,929	\$28,784	\$91,593	\$302,306	\$2,847,153
12	\$187,860	\$29,722	\$94,579	\$312,161	\$3,159,314
13	\$193,984	\$30,691	\$97,662	\$322,337	\$3,481,651
14	\$200,308	\$31,692	\$100,846	\$332,846	\$3,814,497
15	\$206,838	\$32,725	\$104,133	\$343,696	\$4,158,193
16	\$213,581	\$33,792	\$107,528	\$354,901	\$4,513,094
17	\$220,544	\$34,893	\$111,034	\$366,471	\$4,879,565
18	\$227,733	\$36,031	\$114,653	\$378,418	\$5,257,982
19	\$235,157	\$37,205	\$118,391	\$390,754	\$5,648,736
20	\$242,824	\$38,418	\$122,251	\$403,493	\$6,052,229
Total	\$3,642,258	\$576,259	\$1,833,711	\$6,052,229	

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, OR IN ANY CONTRACT DOCUMENT, IN THE EVENT THAT THE PASS AGREEMENT IS CANCELED OR TERMINATED BY CUSTOMER FOR ANY REASON, THE PERFORMANCE GUARANTEE SET FORTH IN SCHEDULE C SHALL BE DEEMED TO HAVE BEEN MET AND FULFILLED AS OF THE EFFECTIVE TERMINATION DATE OF THE PASS AGREEMENT AND ESCO SHALL HAVE NO FURTHER OBLIGATIONS OR LIABILITIES ASSOCIATED WITH SUCH PERFORMANCE GUARANTEE.

The procedure used to calculate savings is described in Schedule D.

GUARANTEED SAVINGS RECONCILIATION

Customer, if required, will send ESCO all necessary utility or energy data as set forth in Schedule E herein. Within sixty (60) days of receipt of such information for the previous Guarantee Year, ESCO will determine the Actual Savings for such Guarantee Year hereafter defined as "Savings Reconciliation".

In the event the Actual Savings are less than the Guaranteed Savings for the corresponding twelve (12) months plus the installation period savings, ESCO will pay Customer the difference between the Annual Savings Guarantee and the Actual Savings for the corresponding twelve (12) months. ESCO will make payments for any savings shortfall to Customer within thirty (30) days of that year's Savings Reconciliation. In the event that there are any Excess Savings, such Excess Savings shall be retained by Customer and shall not be used to offset previous shortfalls or to reduce the amount of guaranteed savings for future years.

SCHEDULE D: MEASUREMENT & VERIFICATION PLAN

PROJECTED ANNUAL SAVINGS

The Performance Guarantee as established in Schedule C shall consist of savings from multiple scopes of work. The projected savings from each scope of work is presented in the table below.

Facility	Annual Projected Savings		
	kWh	kW	Therms
Erikson Elementary School	75,227	n/a	2,913
Estabrook Elementary School	113,373	n/a	2,474
Exterior Lighting – All Facilities	TBD	n/a	n/a
Ford YLC	69,711	n/a	3,807
Holmes Elementary School	53,274	n/a	1,218
Perry CDC	93,166	n/a	1,399
Washtenaw International	118,448	n/a	469
Ypsilanti ACCE (Forest)	90,657	n/a	3,371
Ypsilanti Community Middle School	240,862	675	-897
Ypsilanti Intl Elementary School (Adams)	70,654	n/a	2,265
Ypsilanti Middle School (West)	112,807	n/a	239
Ypsilanti STEMM/AC	781,904	2,191	-5,521

The projected savings in the table above are provided for reference only and are not intended to construe a savings guarantee by meter, facility, or energy unit. The savings guarantee is fully defined in Schedule C.

ENERGY, WATER, AND OPERATIONS & MAINTENANCE (O&M) RATE DATA

The cost of energy in any period will be determined by applying the rates as defined below ("Baseline Energy Rates"), or the actual energy rates during the period, as the parties mutually determine, to the energy used in a given period for each fuel type.

Utility Company:	DTE/MISEC		
Rate Schedule:	Marginal Rates		
Facility	\$ / kWh	\$ / kW	\$ / Therm
Erikson Elementary School	\$0.0865	n/a	\$0.586
Estabrook Elementary School	\$0.0865	n/a	\$0.586
Exterior Lighting – All Facilities	TBD	n/a	n/a
Ford YLC	\$0.0865	n/a	\$0.586
Holmes Elementary School	\$0.0865	n/a	\$0.586
Perry CDC	\$0.0865	n/a	\$0.586
Washtenaw International	\$0.0865	n/a	\$0.586
Ypsilanti ACCE (Forest)	\$0.0865	n/a	\$0.586
Ypsilanti Community Middle School	\$0.0583	\$3.96	\$0.586
Ypsilanti Intl Elementary School (Adams)	\$0.0865	n/a	\$0.586
Ypsilanti Middle School (West)	\$0.0865	n/a	\$0.586
Ypsilanti STEMM/AC	\$0.0583	\$3.96	\$0.586
Escalation:	Rates above will be escalated 3.26% annually beginning in Year 2.		

MEASUREMENT & VERIFICATION DETAILS

ESCO certifies that measurement and verification techniques for determining cost savings will be performed in accordance with the protocols promulgated by the International Performance Measurement and

Verification Protocol, Inc., now known as Efficiency Valuation Organization.

OPTION A – LIGHTING EFFICIENCY AND CONTROLS

- A. Overview of M&V Plan, and Savings Calculation
- B. Energy Savings Calculations
- C. Key Parameter Measurement Strategy
- D. Parameter Estimates
- E. Cost Savings Calculations

A. Overview of M&V Plan, and Savings Calculation

Savings in this section are determined by using an “Option A: Retrofit Isolation – Key Parameter Measurement” approach as described in the International Performance Measurement & Verification Protocol (IPMVP Volume I, EVO 10000-1:2012). The remainder of this section describes the energy savings calculations, key parameter measurements that will be conducted, parameters that will be estimated and those values, and how cost savings will be calculated. The energy and cost savings that are determined using this approach will be the annual savings values used for each year of the Performance Period.

B. Energy Savings Calculations

Provided within this section is an explanation of the calculations that will be used to perform energy savings calculations for this verification method.

Equations and Analysis of Energy Savings

Savings are calculated as the difference in energy usage from the baseline conditions, and the Performance Period conditions.

For energy demand, the demand savings will be determined for each fixture and summed for all fixtures that will be retrofitted using the following formula:

Equation 1 – Energy Demand Savings

$$D_{save} = \sum_{i=1}^n [(E_{Pre} \times F_{Pre} - E_{Post} \times F_{Post}) \times M]_i$$

Where,

D_{save} = Demand savings

n = Number of fixtures

E_{Pre} = Power usage of the baseline lighting conditions

E_{Post} = Power usage of the Performance Period lighting conditions

F_{Pre} = Demand diversity factor of the baseline lighting conditions

F_{Post} = Demand diversity factor of the Performance Period lighting conditions

M = Equivalent months of annual demand savings

For energy consumption, the energy savings will be determined for each fixture and summed for all fixtures that will be retrofitted using the following formula:

Equation 2 – Energy Consumption Savings

$$E_{save} = \sum_{i=1}^n [E_{Pre} \times H_{Pre} - E_{Post} \times H_{Post}]_i$$

Where,

E_{save} = Energy savings

H_{Pre} = Baseline burn hours

H_{Post} = Performance Period burn hours

The energy usage of both the baseline and Performance Period lighting conditions are calculated utilizing the same equations. The measured parameters collected during the pre-implementation period will be used to compute the baseline fixture power use. The measured parameters collected during the post-implementation period will be used to compute the Performance Period fixture power use. The equations for a single fixture for both the baseline and Performance Period are shown below using the baseline calculations as an example.

Equation 3 – Total Fixture Power Use

$$E_{\text{Pre}} = E_{\text{Fixt,Pre}} + E_{\text{Cool}} + E_{\text{Heat}}$$

Where,

$E_{\text{Fixt,Pre}}$ = Pre-implementation direct power usage of light fixture

E_{cool} = Indirect cooling power usage associated with the light fixture

E_{heat} = Indirect heating power usage associated with the light fixture

Equation 4 – Fixture Lighting Power Use

$$E_{\text{Fixt,Pre}} = (P \times B)_{\text{Pre}} \times Q$$

Where,

P = Pre-implementation power draw of light fixture

Q = Quantity of associated light fixture

B = Burnout rate of associated light fixture

Equation 5 – Cooling System Power Use

$$E_{\text{Cool}} = E_{\text{Fixt,Pre}} \times CF$$

Where,

CF = Cooling Efficiency Conversion Factor

Equation 6 – Heating System Power Use (penalty)

$$E_{\text{Heat}} = E_{\text{Fixt,Pre}} \times HF$$

Where,

HF = Heating Efficiency Conversion Factor (negative)

C. Key Parameter Measurement Strategy

This section outlines the measurements that will be conducted to determine the measured values in the equations provided above in Paragraph B. For this lighting project, the key parameters that will be measured are the power consumption of each fixture type and the burn hours for each occupancy type. Measurement and documentation strategies for each project phase are outlined below.

Pre-Implementation Measurements and Documentation

Power measurements will be taken on a sample set of baseline fixture types to determine the average power use for that fixture type. The minimum sample sizes and precision of results are different depending on the number of fixtures included in the project. The most common fixtures will have a high degree of certainty in the results, while the least common fixtures will have greater uncertainty in order to ensure measurement costs are commensurate with performance risk. Three different classes of measurement requirements are included:

1. Fixture types with less than 20 total fixtures will not be measured. The estimated wattages provided by the lighting contractor will be used for savings purposes.
2. Fixture types with 20 – 100 total fixtures will have at least 4 measurements taken. Measurements will continue to be taken until the 90% confidence interval for the true population mean spans no more than 10% above and below the mean of the sample.
3. Fixture types with more than 100 total fixtures will have at least 10 measurements taken. Measurements will continue to be taken until the 95% confidence interval for the true population mean spans no more than 5% above and below the mean of the sample.

The mean of a sample set will be treated as the power consumption for that fixture type for all savings calculations.

The table below contains the burn hours that will be used for savings calculations purposes.

Occupancy Code	High Schools	Middle/Jr. High Schools	Elementary Schools
Classrooms	2,780	2,400	2,000
Offices	2,200	2,000	2,000
Restrooms	2,400	2,000	2,000
Halls/Commons	3,680	3,680	3,680
Storage	520	520	520
Gymnasiums	3,120	2,400	2,200
Auditorium	1,000	1,000	1,000
Exterior	TBD	TBD	TBD

Post-Implementation Measurements and Documentation

Power measurements will be taken on a sample set of Performance Period fixture types to determine the average power use for that fixture type. The minimum sample sizes and precision of results are different depending on the number of fixtures included in the project. The most common fixtures will have a high degree of certainty in the results, while the least common fixtures will have greater uncertainty in order to ensure measurement costs are commensurate with performance risk. Three different classes of measurement requirements are included:

1. Fixture types with less than 20 total fixtures will not be measured. The estimated wattages provided by the lighting contractor will be used for savings purposes.
2. Fixture types with 20 – 100 total fixtures will have at least 4 measurements taken. Measurements will continue to be taken until the 90% confidence interval for the true population mean spans no more than 10% above and below the mean of the sample.
3. Fixture types with more than 100 total fixtures will have at least 10 measurements taken. Measurements will continue to be taken until the 95% confidence interval for the true population mean spans no more than 5% above and below the mean of the sample.

The mean of each sample set will be treated as the power consumption for that fixture type for all savings calculations. The preferred locations for measurements for the new retrofit types will be locations where some previous measurement was taken. The number of post-retrofit samples measured is independent from the number of pre-retrofit samples taken. These measurements are taken to determine the average power use of each fixture type, not the reduction of power use in any specific locations. All measurements will be taken using the same equipment and will be calibrated.

Performance Period Measurements and Documentation

No additional measurements will be taken during the Performance Period of this M&V strategy.

D. Parameter Estimates

Of the parameters identified under the equations for energy savings in Section B, several of the parameters are estimates, and will not be measured during any period of the project. Of the variables identified, the parameters that will be estimated for this particular ECM and M&V strategy include: burn hours, demand diversity factors, burnout rates, heating efficiency conversion factors, and cooling efficiency conversion factors. Common information that applies to all fixtures groups is included below:

Heating Efficiency Conversion Factor	TBD therms/kWh
Cooling Efficiency Conversion Factor	TBD (kWh/kWh)
Demand Diversity Factor	100%
Burnout Percent	TBD

E. Cost Savings Calculations

Provided below are the methods and equations used to determine the cost savings associated with this particular methodology.

Cost Savings are calculated as the difference between the baseline and Performance Period energy costs using the utility rates as defined in Schedule D, Energy, Water, and O&M Rate Data. The applicable marginal utility rates will be applied to the baseline and Performance Period energy use as determined in Paragraph B. Equation 7 will be used to compute the total cost savings for each Guarantee Year.

Equation 7 – Total Cost Savings

$$\$_{save} = \sum_{i=1}^n (\$_{Baseline} - \$_{Performance})_i$$

Where,

$\$_{save}$ = Guarantee year cost savings

$\$_{Baseline}$ = Billing period k baseline utility cost for account i

$\$_{Performance}$ = Billing period k performance period utility cost for account i

n = Total number of utility types

NON-MEASURED SAVINGS

A. Overview of M&V Plan, and Savings Calculation

B. Annual Non-Measured Savings

A. Overview of M&V Plan, and Savings Calculation

The Actual Savings associated with this methodology will be agreed upon as outlined herein and will not be verified by measurements after implementation has occurred. Customer and ESCO agree to accept the annual savings values included in Section B with no additional verification. In the event that verification steps are performed by Customer or ESCO, the annual savings values included in Section B will still be the reported savings and values used for reconciling the guarantee in Schedule C. Section B details the agreed upon savings by measure and by category.

B. Annual Non-Measured Savings

Utility Cost Savings

Once the construction of each of the measures below has reached Substantial Completion, the annual savings in the table below will be prorated monthly for each measure until the Savings Guarantee Commencement Date. The annual savings in the table below for each measure will be claimed for each Guarantee Year after the Savings Guarantee Commencement Date. Savings will escalate at 3.26% annually.

Utility Cost Savings Measure	Cost Savings
Adams ES - Envelope	\$1,939
Erickson ES - Envelope	\$2,346
Perry CDC - Envelope	\$1,618
Ypsilanti Comm MS (Willow Run) - Envelope	\$1,161
Ypsilanti HS - Envelope	\$2,229
Estabrook ES - Envelope	\$2,170
Ford YLC - Envelope	\$2,820
Holmes ES - Envelope	\$1,176
Washtenaw Intl (East MS) - Envelope	\$1,154
Ypsilanti MS (West MS) - Envelope	\$991
Ypsilanti ACCE (Forest/George) - Envelope	\$2,430
East Middle School - Boilers	\$850

Any savings accrued prior to the Savings Guarantee Commencement Date will be considered Excess Savings.

Operation and Maintenance Savings

The annual savings in the table below for each measure will be claimed for each Guarantee Year after the Savings Guarantee Commencement Date. Savings will escalate at 3.26% annually.

Operation and Maintenance Savings Measure	Cost Savings
Lighting O&M Savings	\$9,530
Flooring O&M Savings	\$56,927

SCHEDULE E: CUSTOMER RESPONSIBILITIES FOR PERFORMANCE GUARANTEE

GENERAL RESPONSIBILITIES

Customer acknowledges and agrees that proper maintenance is essential to any energy conservation program. Therefore, Customer agrees to undertake the following responsibilities:

Customer agrees to: (1) provide, or cause its suppliers to provide, periodic utility invoices to ESCO within ten (10) days of receipt, (2) execute all Customer responsibilities as outlined herein, and (3) provide to ESCO reasonable access to all Customer facilities and information necessary for ESCO to perform its responsibilities. Access will include, but is not limited to, the following items:

- All buildings listed within this Contract
- All buildings served by the meters listed within this Contract
- All mechanical equipment rooms in the buildings listed within this Contract
- All temperature control and energy management systems which control part or all of any of the buildings listed within this Contract
- Personnel with responsibility for operating and/or managing any of the buildings listed within this Contract
- Monthly utility invoices and billing history for all of the meters listed within this Contract
- Construction documents, equipment inventories, and other documents that may be helpful in evaluating a cause for adjustment as listed within this Contract
- Any data from meters or sub-meters relevant to M&V associated with this Contract

Customer will solely be responsible for providing communications and/or network interface to all buildings for operation and PASS support.

Customer will perform daily facilities monitoring and promptly review any alarm summaries.

Customer will designate a "Primary Operator" of the system. The Primary Operator is defined as the individual who will be trained by ESCO during the installation period and will be responsible for daily operation and maintenance of the equipment and systems necessary to achieve the Performance Guarantee. Customer will notify ESCO within five (5) days after the departure or termination of the Primary Operator. Within ten (10) days of the departure of the current Primary Operator, Customer will designate a new Primary Operator and shall provide ESCO access to train the new Primary Operator. ESCO shall train a new Primary Operator at the sole expense of Customer on a time and materials basis.

MAINTENANCE RESPONSIBILITIES

Customer agrees to use reasonable efforts to maintain the ECMs in original operating condition with allowance for normal wear and tear ("Original Operating Condition"). If an ECM is operating at any state other than the Original Operating Condition as defined above ("Failed ECM"), Customer agrees to (1) repair or replace the ECM, and (2) contact a PASS representative at 1-800-274-5551 option 4. ESCO reserves the right to adjust the amount of Performance Guarantee associated with the Failed ECM for the duration of the failure in the Annual Savings Guarantee.

Customer will agree to maintain all parts of the Project site(s) where the ECM(s) reside including but not limited to components, equipment, machinery, energy management systems, structure of the facility(s), computer hardware, network and IT systems, either existing or newly installed. Customer must comply with the general maintenance requirements specified by equipment manufacturers and the maintenance tasking guidelines included in the operating and maintenance manual. Customer will be responsible to provide to ESCO documentation that proper maintenance has been performed at ESCO'S request within fifteen (15) days of written request.

Notwithstanding anything to the contrary contained herein, all ECM(s) must be maintained in proper working condition in all cases where the performance of said ECM(s) affects or could affect the ability to achieve, measure or verify the Annual Savings Guarantee. If ECM performance issues are caused or exacerbated by ESCO, ESCO shall immediately repair and as necessary replace the ECM at no cost to Customer. Should Customer or ESCO refuse to perform the required maintenance as required in this Contract, ESCO and Customer shall agree to one of the following means of recourse: (1) adjust the Performance Guarantee associated with that ECM pursuant to Schedule E (up or down), or (2) terminate this Performance Guarantee and any and all obligations and liabilities associated therewith upon fifteen (15) days written notice with damages payable to Customer, as applicable.

ADJUSTMENT RESPONSIBILITIES

In addition to the responsibilities of Customer set forth in this Schedule, Customer also agrees to undertake the responsibilities set forth in the Adjustment Schedule as necessary.

ADJUSTMENT SCHEDULE

Below is the procedure for accounting for non-routine adjustments for any of the utility meters included in Schedule D. A non-routine adjustment is required for any change outside of those explicitly defined in Schedule D that will impact the energy use or the verified savings under this Contract. It is Customer's responsibility to notify ESCO of any changes that may necessitate a non-routine baseline adjustment and to perform the required non-routine baseline adjustment steps identified below at Customer's sole expense, unless and to the extent caused or exacerbated by ESCO.

CUSTOMER REQUIRED NON-ROUTINE BASELINE ADJUSTMENT RESPONSIBILITIES

If the required non-routine baseline adjustment steps are not performed, and the change is greater than the threshold limit, savings will be determined with the Assumed Savings Procedure Adjustment, as defined below. Actual Savings will be determined using the Assumed Savings Procedure Adjustment for all billing periods until the required non-routine baseline adjustment steps have been completed, or until the change which necessitated the non-routine baseline adjustment is no longer in place. If Customer fails to notify ESCO of a change necessitating a non-routine baseline adjustment or fails to provide details of the change, savings will be determined with the Assumed Savings Procedure Adjustment.

If the required non-routine baseline adjustment steps are not performed, and the change is less than the threshold limit, savings will be determined with the "Estimated Savings Procedure Adjustment". Actual Savings will be determined using the Estimated Savings Procedure Adjustment for all billing periods until the required non-routine baseline adjustment steps have been completed, or until the change which necessitated the non-routine baseline adjustment is no longer in place.

1. Addition of New Building or New Energy User

- All utility services to the building or energy user which affect the energy use of any meter included in Schedule D must be sub-metered at Customer's expense.
- Threshold limit: the lesser of 10% of the area served by any affected meter, as defined in Schedule D or 20,000 ft².

2. Addition to Existing Building

- All utility services to the addition which affect the energy use of any meter included in Schedule D must be sub-metered at Customer's expense.
- Threshold limit: the lesser of 10% of the area served by any affected meter, as defined in Schedule D or 20,000 ft².

3. Renovation / Modification to Existing Building or Utility Service

- All utility services for the affected portion of the building must be sub-metered before and after the

- change until the effect on the energy consumption has been determined at Customer's expense.
 - Threshold limit: the lesser of 10% of the area served by any affected meter, as defined in Schedule D or 20,000 ft².
- 4. Demolition / Abandonment of Existing Building or Utility Service**
 - All utility services for the affected buildings must be sub-metered before and after the change until the effect on the energy consumption has been determined at Customer's expense.
 - Threshold limit: the lesser of 10% of the area served by any affected meter, as defined in Schedule D or 20,000 ft².
 - 5. Re-commissioning of Out of Service Building**
 - All utility services for the affected buildings must be sub-metered before and after the change until the effect on the energy consumption has been determined at Customer's expense.
 - Threshold limit: the lesser of 10% of the area served by any affected meter, as defined in Schedule D or 20,000 ft².
 - 6. Change in Occupancy**
 - Customer must perform, or cause to be performed, at Customer's expense, a calibrated computer simulation to account for the change. If the impact computed by the simulation is greater than 20% of the projected savings on the meter, the "Assumed Savings Procedure" listed below will be followed. In no event will the adjusted savings be reported as less than the savings achieved in the preceding project year.
 - Threshold limit: 5% of the total occupant count in the base year.
 - 7. Change in Schedule**
 - Customer must perform, or cause to be performed, at Customer's expense, a calibrated computer simulation to account for the change. If the impact computed by the simulation is greater than 20% of the projected savings on the meter, the Assumed Savings Procedure will be followed. In no event will the adjusted savings be reported as less than the savings achieved in the preceding project year.
 - Threshold limit: 5% of the total scheduled hours for the meter as defined in Schedule D.
 - 8. Change in Set-points**
 - Customer must perform, or cause to be performed, at Customer's expense, a calibrated computer simulation to account for the change. If the impact computed by the simulation is greater than 20% of the projected savings on the meter, the Assumed Savings Procedure will be followed. In no event will the adjusted savings be reported as less than the savings achieved in the preceding project year.
 - Threshold limit: An average of 0.5° from the set-points defined in Schedule D.
 - 9. Change in Operational Calendar**
 - Customer must perform, or cause to be performed, at Customer's expense, a calibrated computer simulation to account for the change. If the impact computed by the simulation is greater than 20% of the projected savings on the meter, the Assumed Savings Procedure will be followed. In no event will the adjusted savings be reported as less than the savings achieved in the preceding project year.
 - Threshold limit: 5% of the total scheduled hours for the meter as defined in Schedule D.
 - 10. Change in Plug Load**
 - Customer must perform, or cause to be performed, at Customer's expense, a simulation of energy impact to account for the change. If the computed impact is greater than 20% of the projected savings on the meter, the Assumed Savings Procedure will be followed. In no event will the adjusted savings be reported as less than the savings achieved in the preceding project year.
 - Threshold limit: 1% of the base year peak 15-minute average kW for the affected meter.

12. Missing Bills

- Customer is required to provide ESCO with utility bills for meters defined in Schedule D within ten (10) days of receipt of each bill or provide ESCO direct access to retrieve the utility bills electronically. If utility bills are not received by ESCO within sixty (60) days of such request, the Assumed Savings Procedure will be used.

13. Failure to Operate ECMs According to Operational and Design Intent

- Customer agrees to operate the ECMs according to the Operational and Design Intent of the ECMs, provided to Customer by ESCO in writing. Failure to do so will necessitate a baseline adjustment using the Assumed Savings Procedure.

14. Failure to Perform Project Specific Customer Responsibilities

- Customer agrees to perform the project specific Customer responsibilities as defined in Schedule E. Failure to do so will necessitate a baseline adjustment using the Assumed Savings Procedure.

ASSUMED SAVINGS PROCEDURE ADJUSTMENT

- If the Actual Savings for the affected meter(s) in the prior Guarantee Year are greater than or equal to the projected savings for the affected meter(s), the Actual Savings from the prior Guarantee Year will be reported while savings are assumed for the affected meter(s).
- If the Actual Savings for the affected meter(s) in the prior Guarantee Year are less than the projected savings for the affected meter(s) and there have been less than twenty-four (24) months since the commencement of the Performance Period, Actual Savings will be reported at the projected savings level while savings are assumed for the affected meter(s).
- If the Actual Savings for the affected meter(s) in the prior Guarantee Year are less than the projected savings for the affected meter(s) and there have been twenty-four (24) months or more since the commencement of the Performance Period, Actual Savings will be reported as the average of the achieved savings over the two (2) most recent Guarantee Year plus half (1/2) of the difference between the projected savings and the average of the achieved savings over the two (2) most recent Guarantee Years.
 - If pursuant to the Assumed Savings Procedure, ESCO makes improvements to the Project beyond the original scope as defined in Schedule A., which results in an increase in the Actual Savings, an M&V plan accounting for those improvements will be executed and the resulting savings will be added to the Actual Savings.

ESTIMATED SAVINGS PROCEDURE ADJUSTMENT

- At ESCO'S reasonable and profession discretion and in accordance with industry standards, ESCO will estimate the impact of the change using computerized building simulations, manual calculations, or other generally accepted estimating procedures and may ignore any changes which fall below the threshold limit.

EXHIBIT A: PERFORMANCE ASSURANCE SUPPORT SERVICES

SECTION 1 – SERVICES DURING INITIAL TERM

ESCO shall provide the Performance Assurance Support Services (the "Services") defined below to Customer during the Initial Term as defined in Schedule B.

On-Site Visit

Schneider Electric will provide On-Site Energy Consulting consisting of 1 site visit per year. This service will include a site assessment to determine current conditions and identify areas of improvement. Each site visit will be documented in a report indicating the findings and outlining a plan for further improvement. Each site visit will average 8 hours, but will vary depending upon the needs of that particular visit. Customer is responsible for providing access to all mechanical and electrical equipment and any supervision required by Customer. Site visits must be requested 14 days or more prior to the requested date. Schneider Electric and Customer will work to schedule a mutually acceptable date for each visit.

Measurement & Verification with Savings Reporting

Schneider Electric will perform the measurement & verification as outlined in the M&V plan and provide Client with a report of the annual calculated savings. Schneider Electric will also assist in any reporting that is required by state law.

SECTION 2 – SERVICES AFTER INITIAL TERM

After the end of Initial Term and each subsequent term thereafter, Customer may either (1) renew the same level of Service as set forth in the Initial Term or previous term, (2) change the Service level by selecting one or more of the options defined below, or (3) terminate this PASS Agreement and the Savings Guarantee in accordance with the termination provisions contained herein. All prices will be calculated at the time of renewal.

On-Site Visit

Schneider Electric will provide On-Site Energy Consulting consisting of 1 site visit per year. This service will include a site assessment to determine current conditions and identify areas of improvement. Each site visit will be documented in a report indicating the findings and outlining a plan for further improvement. Each site visit will average 8 hours, but will vary depending upon the needs of that particular visit. Customer is responsible for providing access to all mechanical and electrical equipment and any supervision required by Customer. Site visits must be requested 14 days or more prior to the requested date. Schneider Electric and Customer will work to schedule a mutually acceptable date for each visit.

Measurement & Verification with Savings Reporting

Schneider Electric will perform the measurement & verification as outlined in the M&V plan and provide Client with a report of the annual calculated savings. Schneider Electric will also assist in any reporting that is required by state law.

The available service options may be amended from time to time at the sole discretion of ESCO, but agreed-upon service levels shall be provided until the end of any then-existing Term. ESCO shall provide prompt written notice of any changes to service options.

Enclosure #6C.i
APPROVAL OF ADMINISTRATIVE SALARIES, 2018/19
Meeting of 6/25/2018
Presented by Dr. Benjamin Edmondson
Prepared by Paula Gutzman

☐ Discussion ☒ Action – Roll Call ☐ Action – Voice Ayes _____ Nays _____		Celeste Hawkins	Meredith Schindler	Brenda Meadows	Ellen Champagne	Sharon Lee	Maria Sheler-Edwards	Sharon Irvine
	1 st /2 nd							
	Aye							
	Nay							
	Abstain							

Rationale/Background Information

Administrative and deans of students pay increases have been proposed, at an increase of 2%.

Proposed Motion

" move that the Board of Education approve a two percent increase in administrative and deans of students salaries for 2018/19."

Budget Impact: ☐ None ☒ As follows:

General Fund: approximately 95% of increase amount

Grant Funds: approximately 5% of increase amount

Attachments:

☐ Enclosed ☐ Issue Study Enclosed ☒ To Be Distributed Separately ☐ None

Enclosure #7
SECOND READS of POLICY
NEOLA UPDATES: Vol. 31 / #1 and POLICY REVIEW: District Wellness
Meeting of 6/25/2018
Presented by Dr. Benjamin Edmondson
Prepared by Paula Gutzman

SECOND READ

Approval will be considered at this meeting.

Background Information

Re: NEOLA of Michigan Local Templates/Policy Updates - Vol. 31, No. 1
Policy Reviews: District Wellness Policy, #8510

The Board of Education shall adopt bylaws and policies for the organization and operation of this Board and the District. The Policy subcommittee reviewed the following bylaws/policies on June 4th and June 7, 2018, and has now submitted these to begin the approval process. A First Read of the following bylaws/policies were considered at the June 18, 2018 Board meeting.

The following bylaws/policies are included in this packet:

NEOLA 31, #1:

- #1619: Group Health Plans
- #1619.01: Privacy Protections ...
- #1619.02: Privacy Protections ...
- #1619.03: Patient Protection ...
- #2628: State Aid Incentives
- #3142: Probationary Teachers
- #3419: Group Health Plans
- #3419.01: Privacy Protections ...
- #3419.02: Privacy Protections ...
- #3419.03: Patient Protection ...
- #3420: Health Insurance Benefit (delete)
- #4419: Group Health Plans
- #4419.01: Privacy Protections ...
- #4419.02: Privacy Protections ...
- #4419.03: Patient Protection ...
- #4420: Health Insurance Benefit (delete)
- #5830: Student Fund-Raising
- #6424: Purchasing Cards
- #6605: Crowdfunding
- #9700: Relations with ...

REVIEW: #8510: District Wellness Policy

Attachments:

(available on website)

☐ Enclosed ☐ Issue Study Enclosed ☒ To Be Distributed *Separately* ☐ None

Enclosure #11
REQUEST FOR CLOSED SESSION SECTION 8(a) OMA
Consideration of Complaint/Claims Against Employee
Meeting of 6/25/2018
Presented by Dr. Benjamin Edmondson
Prepared by Paula Gutzman

☐ Discussion ☒ Action – Roll Call ☐ Action – Voice Ayes _____ Nays _____		Ellen Champagne	Sharon Lee	Celeste Hawkins	Meredith Schindler	Brenda Meadows	Maria Sheler- Edwards	Sharon Irvine
	1 st /2 nd							
	Aye							
	Nay							
	Abstain							

Rationale/Background Information

In accordance with Michigan's Open Meetings Act (OMA), enacted in 1976 as Public Act 267, all closed meetings must be called by a motion at a public meeting of the Board of Education followed by a roll call vote. The Board of Education needs to meet in closed session under Section 8(a) of the Open Meetings Act, *Consideration of Complaint/Claims Against Employee*.

Closed session has been requested by the employee.

Proposed Motion

" move that the Board of Education convene in closed session under Section 8(a) of the OMA for the consideration of a complaint/claims against an employee."

Budget Impact: ☒ None ☐ As follows:

Attachments:

☐ Enclosed ☒ To Be Distributed to Board Secretary Sheler-Edwards @ Meeting

Called to Closed Session at: _____

Reconvene at: _____

Enclosure #13

APPROVAL OF RESOLUTION

Decision to Proceed Upon Tenure Charges Pursuant to Teachers' Tenure Act

Presented by Dr. Benjamin Edmondson

Prepared by Paula Gutzman

☐ Discussion ☒ Action – Roll Call ☐ Action – Voice Ayes _____ Nays _____		Celeste Hawkins	Meredith Schindler	Brenda Meadows	Ellen Champagne	Sharon Lee	Maria Sheler- Edwards	Sharon Irvine
	1 st /2 nd							
	Aye							
	Nay							
	Abstain							

Rationale/Background Information

This resolution, *Decision to Proceed Upon Tenure Charges Pursuant to the Teachers' Tenure Act*, has been submitted for consideration to the Board of Education by the Superintendent, Dr. Benjamin Edmondson.

Proposed Motion

"... move that the Board of Education approve the attached resolution: Decision to Proceed Upon Tenure Charges Pursuant to the Teachers' Tenure Act."

Budget Impact: ☒ None ☐ As follows:

Attachments:

☐ Enclosed ☒ To Be Distributed at Meeting ☐ None