

VERDIGRE SHARED ENERGY SAVINGS PROGRAM

APPENDIX C

PROCEDURE

Steps

1. Application
2. Energy audit
3. Preparation of audit results
4. a) Make an appointment for conference with business
b) present proposed improvements
5. Business makes decision on improvements to be made
6. Auditor works up bid specifications for work to be done
7. Specifications to administrator who provides 3 copies to business (applicant)
8. Business applicant secures bids for approved improvements based on the bid specifications
9. a) Bids are submitted to administrator
b) Auditor checks bids for any work or material changes and recalculates payback period
10. Final determination as to - eligibility will be made by administrator
11. Administrator reviews final proposed improvement numbers with business applicant

Forms

1. Application form
2. Consumption use
3. Annual consumption history
4. Audit form & documentation
5. Proposed improvements form-Part I
6. Presentation notes
7. Contractor's list
8. Specifications - bid sheet
9. Bid justification request
10. Proposed Improvements Form - Part II
11. Choice of contractor/bid
6. Presentation notes

12. If all improvements qualify under 60/40 pool - administrator approves project & verifies property ownership & legal description

13. Work up contract/loan agreement for applicant's signature (Insurance will be in place) (When inspections need to be made) (How often draws will be made)

14a. Preconstruction Conference scheduled and notice sent to DED

14.1a. Preconstruction conference held and begin documentation of construction contract activity

14.2a. The construction work begins and notice sent to DED within 10 days of contract award

14.3a. Contractor submits weekly payroll records for employees covered by Davis-Bacon laws

14.4a. Contractor requests approval from business and Program administrator for changes in cost, material or method of material application as needed.

14.5a. Auditor inspects work in progress and interviews contractor employees

15a. Applicant submits final bills for job to administrator

16a. Administrator arranges for auditor to make final inspection of work completed to insure proper installation (other inspections on work in progress will be made as appropriate and as defined in agreement.

12. Contract/Loan Agreement

13. Notice of Contract Award-Preconstruction Conference

14. Construction Contract Checklist
15. Minutes following the Preconstruction Report Format

16. Notice to Proceed
17. Wage Determination - Knox County
18. Notice to All Employees
19. Contractor's Agreement/Contract for Weatherization

20. Notice of Start of Construction

21. Payroll or contractor's own form

22. Change Request and Approval

23. Inspection form
24. Record of Employee Interview

23. Inspection Form

Approval letter
↓
agreement goes to 17a

- | | | | |
|--------|--|------|--|
| 17a. | Signing of loan/grant documents for 60/40 pool - file deed | 25. | Promisory Note |
| | | 26. | Deed of Trust |
| | | 27. | Insurance Binder |
| 18a. | Funds to pay approved project are requested from DED | 28. | DED Request for Funds |
| 18.5a. | Contractor signs Statement of Compliance and provides Waivers from the subcontractors. Program administrator completes the Construction Contract Checklist. | 14. | Constsruction Contract Checklist |
| | | 29. | Statement of Compliance |
| | | 30. | Subcontractor/Supplier Waiver |
| 19a. | Upon receipt of funds from DED check(s) issued in payment (two-party check if contractor or supplier is involved). | 31. | Log of payments |
| 20a. | Business begins payments on 40% loan portion - laon documents are transferred to Neligh Bank, who will service the loan for the Village. (payments flow to Village as program income for future program activities.) | 32. | Quarterly Report on loan status |
| 21a. | Business provides quarterly information on actual energy consumption until loan is paid. Data is monitored for abnormalities. | 33. | Quarterly report on energy consumption |
| | | 33.3 | Pre-Improvement Consumption Data |
| | | 33.6 | Post-Improvement Consumption Data |
| 22a. | Business may apply to village to have payments reduced if energy savings are not being recognized through no fault of theirs. | 34. | Payment Adjustment Request |
| 23a. | Business finishes paying loan. Cancelled note is returned to them. Loss payee is deleted on insurance. Deed of trust is released. | | |
| 12b. | Amount of proposed improvements exceeds amount eligible for 60/40 pool. | | |
| 13b. | Business decides on options for amount over 60/40 pool amount. | | |

- 14b. Business elects to apply to S.I. pool.
- 15b. Application documents completed for S.I. Pool - Returns these to administrator.
- 16b. Administrator reviews application to S.I. Pool with Bank (Loan application, financial statement, proposed improvement & bios)
- 17b. Bank gives preliminary approval to application
- 18b. Administrator notifies business of preliminary approval.
- 19b. Administrator obtains other required documents
- 20b. Administrator presents remaining documents to bank
- 21b. Bank gives final approval
- 22b. Complete steps 14a through 16a.
- 23b. Sign loan documents for S.I. pool
- 24b. Complete steps 18a, 18.5a, 19a.
- 25b. Business begins payments on S.I. Pool Loan - loan documents are transferred to Neligh Bank, who will service the loan for the village. (Payments on village's 38% flow into program income for future program activities)
- 26b. Same as 21a. (22a is not an option under this pool)
- 27b. Same as 23a.
- 35. Loan application
- 36. Financial Statement
- 38. Preliminary approval letter
- 39. Preliminary disapproval letter
- 40. Appraisal, title opinion, insurance binders
- 38. Approval letter
- 39. Disapproval letter
- 16. Notice to Proceed
- 41. Participation agreement between Village and bank
- 42. Note
- 43. Deed of Trust