



To: Parkland School District
1210 Springhouse Road
Allentown, PA 18104

From: McClure Company, 4101 N 6th Street, Harrisburg, PA 17110

Date: **December 9, 2022**

Subject: **Guaranteed Energy Savings Contract Report**

Dear Parkland School District Administrators,

Notice is hereby given pursuant to provisions of the Pennsylvania Public School Code of 1949, as amended, Pennsylvania Sunshine Act of 1986, July 3, P.L. 388 No. 84, as amended, and Guaranteed Energy Savings Projects, Act 57 of 1998, Act 77 of 2004, Act 39 of 2010 and Act 163 of 2016 in Title 62, Chapter 37, Subchapter E, that the Parkland School District (District) will approve and accept an Amendment to Guaranteed Energy Services Agreement from McClure Company (McClure) subject to acceptable review by the District's solicitor. This report is available for public review as defined by Title 62, Chapter 37, Subchapter E as amended by Act 163-2016 for public inspection. This report summarizes estimates of all costs of installation, maintenance, repairs, and debt service and estimates of the amounts by which energy or operating costs will be reduced.

Project Implementation Costs

- Total Project Construction Cost = **\$ 3,395,819**
- Total Amount Financed = **\$ 0**

The total financed amount is subject to change based on the District's financial advisor's recommendations and approval by the Board of Education. Issuance costs and other factors will be fully analyzed by the District and their financial advisor to determine the most beneficial financing package.

Energy and Operational and Savings

- Total 20 Year Energy and Operational Savings = **\$ 623,672**
- Total 20 Year Capital Avoided Outlays = **\$ 3,266,235**
- **Total 20 Year Cumulative Savings = \$ 3,889,907**

General Scope of Work/Energy Conservation Measures for Total Construction Costs

1. Parkland Manor Elementary HVAC Upgrades
2. Preventative Maintenance

Proposed contractors and subcontractors by trade for work listed above:

- Construction Management – McClure Company, Harrisburg, PA
- Mechanical / Service Provider – McClure Company, Harrisburg, PA
- Automatic Temperature Controls – ECCOTROL, Huntingdon Valley, PA

The District has elected to fund the implementation of the EC Measures and other services, as applicable, independent of this Agreement. The Cash Flow shown within this Schedule is shown for illustrated purposes only in terms of agreed upon annual energy, operational and avoided capital savings. The Client is determining the most economical funding arrangement that best aligns with the annual savings.



**Parkland School District
Allentown, PA
Guaranteed Energy Savings Agreement
Project Proforma Cash Flows
20 Year Term**

Total Project Cost	3,395,819	One Time Escalation	Electric	0.0%
Less: Customer Equity	<u>(3,395,819)</u>	Annual Escalation Rates	Electric	3.00%
Total Amount Financed	-		Oil, Gallons	3.00%
First Year Energy Savings	22,799		Propane, Gallons	3.00%
First year Operational Savings	<u>-</u>		Natural Gas, CCF	3.00%
Total First Year Savings	22,799		Tons, Coal	3.00%
			Water	3.00%
			Maintenance	3.00%

	1	2	3	4	5	6	7	8	9
Year	Energy Savings	Operational Savings	Total Savings	Avoided Capital Outlays	Debt Service	Performance Assurance	Net Savings	Accumulated Savings	
const.	11,067		11,067				11,067	11,067	
1	22,799	-	22,799	163,312	-	-	186,110	197,178	
2	23,482	-	23,482	163,312	-	-	186,794	383,972	
3	24,187	-	24,187	163,312	-	-	187,499	571,470	
4	24,913	-	24,913	163,312	-	-	188,224	759,695	
5	25,660	-	25,660	163,312	-	-	188,972	948,666	
6	26,430	-	26,430	163,312	-	-	189,741	1,138,408	
7	27,223	-	27,223	163,312	-	-	190,534	1,328,942	
8	28,039	-	28,039	163,312	-	-	191,351	1,520,293	
9	28,880	-	28,880	163,312	-	-	192,192	1,712,486	
10	29,747	-	29,747	163,312	-	-	193,059	1,905,544	
11	30,639	-	30,639	163,312	-	-	193,951	2,099,495	
12	31,558	-	31,558	163,312	-	-	194,870	2,294,365	
13	32,505	-	32,505	163,312	-	-	195,817	2,490,182	
14	33,480	-	33,480	163,312	-	-	196,792	2,686,975	
15	34,485	-	34,485	163,312	-	-	197,797	2,884,771	
16	35,519	-	35,519	163,312	-	-	198,831	3,083,602	
17	36,585	-	36,585	163,312	-	-	199,897	3,283,499	
18	37,682	-	37,682	163,312	-	-	200,994	3,484,493	
19	38,813	-	38,813	163,312	-	-	202,125	3,686,618	
20	39,977	-	39,977	163,312	-	-	203,289	3,889,907	
	623,672	-	623,672	3,266,235	-	-	3,889,907		

Notes by column:

- (1) Contract Year as defined in the Agreement.
- (2) Projected Energy Use Savings are escalated at the rates listed above
- (3) Projected Operational Savings are escalated at 3% per year. See O&M Breakdown Sheet for more detail.
- (4) Columns (2) plus (3)
- (5) Capital Expenditures avoided by completing proposed Project.
- (6) Estimated payment to financing entity based on financing \$0 at 3.5% for a 20 year term.
- (7) Ongoing Fees for Measurement & Verification
- (8) Annual savings equals columns (4) plus (5) less (6) less (7)
- (9) Accumulated savings