

May 26, 2021

Day Automation Systems Inc.
7931 Rae Boulevard
Victor, NY 14564

By this Letter Of Intent ("LOI"), Elmira Heights Central School District authorizes Day Automation Systems, Inc. ("Day Automation"), to provide a design, implementation, and service support program that will lead to facilities and operational improvements summarized in the Request for Proposal dated May 26, 2021. Day Automation shall proceed with a comprehensive energy audit, project design, and contract preparation (collectively the "Program"), including the following:

1. With assistance from the District, Day Automation shall investigate and solicit financing on our behalf for the Program that meets the following financial requirements:
 - Financing term – 15 years or as otherwise directed by the District.
 - Cash flow shall be at least revenue neutral on an annual basis meaning that the value of the energy and operations savings that is guaranteed by Day Automation following implementation of the work recommended under the Program will be equal to or greater than our annual cost, as shown on the proforma included in the Proposal.
2. Upon acceptance of this LOI, Day Automation will begin a comprehensive energy audit for Elmira Heights Central School District in compliance with all currently applicable national, state, and local codes. The Energy Audit to be completed within 90 days. The Energy Audit shall include the following:
 - A description of the proposed project including, the associated costs for individual energy conservation measures.
 - Projected cost avoidance associated with each energy conservation measure identified.
 - Financial analysis projecting costs, payments and energy savings on an annual basis during the term.
3. Day Automation will investigate the availability of grants or other financial aid programs and assist us in the preparation and processing of the appropriate applications.

The projected annual energy savings equal to our annual cost will be guaranteed by Day Automation subject to specified assumptions, such as energy price levels. We will assist the Day Automation staff and team members with the Energy Audit and project design by providing historical energy records, financial statements, full access to building equipment, accurate occupancy levels, building operating schedules and any other information reasonably necessary to conduct the Energy Audit and project design.

Upon receipt from Day Automation of an Energy Audit along with a project proposal that meets the above criteria, Elmira Heights Central School District shall either:

- A. Commence good faith negotiations with Day Automation and enter into a Performance Contracting Agreement for the proposed project ("PCA"). All costs incurred to date with respect to the Energy Audit and development of the project proposal including the project design will be included in the cost contained in the PCA; or
- B. Elect not to enter into a PCA with Day Automation and agree to pay Day Automation the amount of \$ no dollars within 60 days of receipt of the Energy Audit and project proposal for the work performed and expense incurred by Day Automation during the Energy Audit and project design; or
- C. If the project proposal does not, or cannot reasonably be modified to, meet the requirements detailed in items 1 through 3 above, the parties may continue discussions of alternative projects or terminate the discussions. In the event of such termination, Elmira Heights Central School District will have no financial obligation to Day Automation for the work performed and expense incurred by Day Automation during the Energy Audit and project design.

This Project Development Agreement shall be deemed in effect upon authorization by signatories below.

Elmira Heights Central School District

Signature _____

Print Name _____

Title _____

Date _____

Day Automation Systems, Inc.

Signature Steven Heaslip

Print Name - Steven Heaslip

Title - Senior Energy Services Manager

Date May 26, 2021