

WHH ENTERPRISES

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DATE

Mr. Jim Dean
City Manager, City of Marianna
2898 Green Street
Marianna, Florida 32446

Dear Jim:

Per our recent discussions, WHH Enterprises is pleased to submit a proposal for project management and owner representative services for the proposed solar plants to be constructed at the wastewater plant and the spray field. WHH proposes to provide the following services:

1. **Assist in negotiating contract with Melvin Engineering.** WHH will prepare a detailed scope of work with a listing of tasks and man-hour estimates for services provided by Melvin Engineering. WHH will review the man-hour estimates and hourly rates for reasonableness. WHH will endeavor to negotiate a fixed fee for the bulk of services provided by Melvin Engineering.
2. **Update pro forma to reflect current market conditions, revised FPU rates, projected electric costs.** The pro forma will be expanded to include City specific results. The grant application was based on economic data from the 4th quarter 2016. Electric rates, solar material costs and electric utility fuel price forecasts have changed in the intervening period. It is likely that the optimum size of the solar facilities will be altered as a result of changes in market conditions. An updated pro forma will provide the means to evaluate the impact of these changes plus will serve as a tool to evaluate various alternatives as the design progresses.
3. **Assist in identifying optimum site for wastewater solar field.** Melvin Engineering has proposed an alternative site for the wastewater solar plant. Site costs, construction costs, limitations on solar plant capacity, interconnection costs and O&M costs need to be evaluated to optimize the site selection. WHH will assist Melvin Engineering to ensure that all impacts to the City are considered and selected site will result in the greatest benefits to the City.
4. **Coordinate net metering application & implementation with FPU.** Melvin Engineering has submitted the application for net metering. FPU's analysis of this application will include estimates for system impact costs and interconnection requirements. WHH will review FPU's analysis for reasonableness to ensure that any interconnection costs and system upgrade costs

proposed by FGU are reasonable and the project is not exposed to any unnecessary costs.

5. **Assist Melvin Engineers in establishing design objectives and key design parameters for project.** Major project decisions include (1) optimum solar plant size, (2) fixed or tracking arrays, (3) central or string inverters and (4) City provided project equipment versus contractor provided equipment all impact initial project costs, size of the site and O&M costs. WHH will assist in the evaluation of these alternatives to ensure that these decisions reflect the City's best interest.
6. **Assist in development of a detailed project schedule and budget.** Project budget needs to accurately estimated in order to compare with the amount of the grants. The feasibility analysis was based on high level estimates developed almost two years ago. A budget including more detail, such as site costs, site preparation costs, major equipment cost, security costs and indirect costs needs to be developed to properly manage the project.
7. **Acquire updated current usage data from wastewater plant and spray field.** WHH last reviewed consumption data in 2016. Also, any expansion plans for either the wastewater plant or spray field needs to be considered. Ultimately the savings are a function of electricity usage at the two facilities. This fundamental input to project design needs to accurately estimated.
8. **Assist in the development of major equipment specifications (panels, invertors, transformers, racking).** Since the City will own and be responsible for operation and maintenance of the two facilities for the next 30 years, the trade offs between initial costs and long-term ownership costs are particularly important. Therefore, the specifications for major equipment are particularly important for this project to achieve the greatest return for the City. WHH will represent the City's interest as the project evaluates the inevitable trade-offs between initial cost and long-term ownership costs.
9. **Optimize solar field KWac rating based on results of up-dated pro forma and land constraints, if any.** The initial feasibility study optimized the size of each facility based on the estimates developed over two years ago. WHH suspects that the optimum size of each facility using current market conditions has changed. Additionally, constraints imposed by the amount of the grant and possible site limitations potentially impact the optimum size of facilities. WHH will revise the analysis to reflect current conditions.
10. **Review project design for implications to O&M.** Virtually every major decision will impact O&M costs. Examples include site selection, string versus central inverters, panel size and ratings, type of racking system and interconnection design. WHH's involvement will ensure that long term O&M cost impacts will be balanced against initial costs.

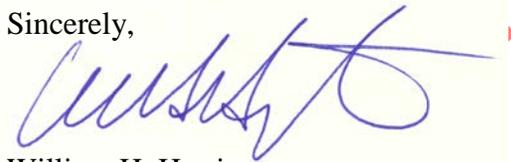
11. **Review major equipment specifications and selection (panels, invertors, transformers, racking).** The selection of major equipment will typically involve trade-offs between initial costs, installation costs and long term operating costs. Involvement by WHH will ensure that each decision is evaluated from the perspective of the City as long-term owner and operator of the facility.
12. **Develop O&M schedule and estimated costs.** Based on project design and equipment selection WHH will develop an O&M schedule with projected costs. This allows the City to evaluate the self-perform versus outsource alternatives.
13. **Review RFP for construction services and assist in selection of construction contractor and negotiation of construction contract.**
14. **Conduct field inspections during construction.** WHH will schedule visits to the construction site every two weeks during construction to monitor schedule, identify critical path items and confirm compliance with construction specifications.
15. **Assist/witness performance testing and confirm compliance with design requirements and specifications.**

WHH will present periodic project updates to the City Commission as requested.

WHH proposes to provide the above services for a fixed fee of \$35,000.

Please review and advise if this proposal is acceptable.

Sincerely,



William H. Herrington