



# Pullman School District

## Regular Board Meeting

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### Date and Time

Wednesday July 23, 2025 at 6:30 PM PDT

### Location

Paul R. Sturm Community/Board Room  
Pullman High School  
510 NW Greyhound Way  
Pullman, WA 99163

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### Agenda

#### I. Opening Items

A. Record Attendance

B. Call the Meeting to Order

*President will call the meeting to order.*

C. Flag Salute

*Pledge of Allegiance*

D. Land Acknowledgement Statement

*Pullman Public Schools reside on the homelands of the Nimiipuu (Nez Perce) people. We express our deepest respect for and gratitude towards the original and current stewards of this land. We*

*acknowledge our role in building mutual respect and connections to support current and future generations.*

**E. Approval of Agenda**

*The board or superintendent will revise the agenda if needed at this time; and approve by motion*

**II. Reports, Correspondence & Program**

Board members and the superintendent will give informational reports at this time.

**A. Board Reports**

**B. Superintendent's Report**

**C. Program Reports**

- Report: Community Engagement Board and Attendance - Ryan Mulvey, Assistant Superintendent

**D. A Community of Belonging - Update**

**III. Public Comment**

*The public comment section of the agenda provides an opportunity for individuals or members of a group to address the board on educational issues. If you intend to provide public comment this evening, you may register to speak using the sign-in sheet located near the boardroom entrance. To ensure fairness and provide for an orderly meeting, we respectfully require that individuals speak only once for a maximum of three minutes and may not transfer their speaking time to others. Please be attentive as your name will be called in the order it is listed on the sign-in sheet. To assist board members in review and consideration of your comments, we appreciate your providing a written copy of your remarks along with your email or mailing address on the sign-in sheet. When addressing the board, please approach the microphone and state your name before presenting your comments. The board will listen and may offer clarification, if needed. However, the board will not engage in a discussion at this time. Depending on the nature of the topic, the board may decide to schedule it as a discussion item for a future meeting. We kindly request that all comments remain civil and respectful, and we remind you to consider the impact of your words and know that you bear personal responsibility for their content. We caution you to avoid certain statements that may infringe upon the rights of others under various laws, including those protecting privacy or prohibiting defamation. Providing public comment demonstrates your feelings of engagement and participation in the decision-making process in our community. We thank you in advance for your public comment.*

#### **IV. Consent Agenda**

*To expedite business at a board meeting, the board approves the use of a consent agenda, which includes items considered to be routine in nature. Any item, which appears on the consent agenda, may be removed from the consent agenda by a member of the board and voted on separately. The remaining items will be voted on by a single motion.*

**A.** Minutes - June 25, 2025 Regular Board Meeting

**B.** Minutes - June 30, 2025 Special Board Meeting

**C.** Personnel Report

**D.** Professional/Personal Services Contracts

**E.** Warrants

*Expense claims audited and certified by the auditing officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, have been recorded on a listing which has been made available to the board.*

**F.** Student Transfer Requests

**G.** Budget Status Report

**H.** Records Destruction Log

**I.** Short-Term Interlocal Agreement - Pullman School District and City of Pullman

#### **V. No Action Items**

*Action items have previously been discussed by the board. The board will now take action, by motion.*

#### **VI. Discussion Items**

*Discussion items are presented to the board for discussion. If they need action they will be brought back at the next meeting.*

**A.** Pullman School District - ZEN Solar Power Purchase Agreements

Presenter: Juston Pollestad, Executive Director of Operations

**B. 2025-2026 Budget Presentation**

Presenter: Diane Hodge, Finance Director

**C. 2025-2026 Assessment Plan**

Presenter: Ryan Mulvey, Assistant Superintendent

**D. 2025-2026 State and Federal Grants Approval**

Presenter: Ryan Mulvey, Assistant Superintendent

**E. 2025-2026 School Meal Prices**

Presenter: Juston Pollestad, Executive Director of Operations

**F. 2025-2026 Clubs and Fundraisers**

Presenter: Juston Pollestad, Executive Director of Operations

**G. Prime Vendor Contract Renewal**

Presenter: Juston Pollestad, Executive Director of Operations

**H. Annual Organizational Meeting**

Presenter: Nathan Roberts, Board of Directors

**VII. Informational Items**

*Informational Items do not require action or discussion by the board. The items are included in the agenda for the board to review, and may be moved to the discussion items section of the board agenda by any board member. Informational Items may include board procedure updates and non-substantive policy updates.*

**A. Administrative Requirements Update**

**B. Expense Claim Audit - Community Update Board Schedule**

**C. Board Calendar & Communication Plan**

**D. The Pullman Promise: Priorities, Goals, Success Indicators**

**VIII. Executive or Closed Session**

*The board recesses into an executive or closed session by motion, stating how long it will last and if action will be taken. Following the executive or closed session the board president convenes the regular meeting.*



**A.** Negotiations

**B.** Personnel

**IX. Closing Items**

**A.** Adjourn Meeting

*The president will adjourn the meeting.*

# Coversheet

## Minutes - June 25, 2025 Regular Board Meeting

<b>Section:</b>	IV. Consent Agenda
<b>Item:</b>	A. Minutes - June 25, 2025 Regular Board Meeting
<b>Purpose:</b>	Approve Minutes
<b>Submitted by:</b>	
<b>Related Material:</b>	Minutes for Regular Board Meeting on June 25, 2025

DRAFT



## Pullman School District

# Minutes

## Regular Board Meeting

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### Date and Time

Wednesday June 25, 2025 at 6:30 PM

### Location

Paul R. Sturm Community/Board Room  
Pullman High School  
510 NW Greyhound Way  
Pullman, WA 99163

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### Directors Present

Amanda Tanner, Arron Carter, Lisa Waananen Jones, Nathan Roberts

### Directors Absent

Craig Nelson

### Guests Present

Bob Maxwell, Courtney Hodge, Diane Hodge, Juston Pollestad

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## I. Opening Items

### A. Record Attendance

### B. Call the Meeting to Order

Nathan Roberts called a meeting of the board of directors of Pullman School District to order on Wednesday Jun 25, 2025 at 6:30 PM.

**C. Flag Salute**

**D. Land Acknowledgement Statement**

**E. Approval of Agenda**

Changes to the agenda:

- Personnel Report Addendum – Added as consent agenda item
- Payroll Warrant Authorization – Added as consent agenda item

Arron Carter made a motion to approve the agenda as amended.

Amanda Tanner seconded the motion.

The board **VOTED** unanimously to approve the motion.

**II. Reports, Correspondence & Program**

**A. Board Reports**

- Arron Carter: Shared that he is working on a community update article to be published in August and invited fellow board members to share any topics they'd like included. Board members suggested covering ongoing issues such as the path project and the Aquatic Center, encouraging community involvement. Additional ideas included highlighting school supply needs and promoting the Kiwanis "Stuff the Bus" donation drive, including how the community and board members can support the effort. Board Director Carter noted that other organizations are also involved in supporting the event.
- Lisa Waananen Jones: No report.
- Amanda Tanner: No report.
- Nathan Roberts: No report.

**B. Superintendent's Report**

- Introduced our new administrative hires, Elizabeth Pavlik, the new Franklin Elementary Principal, and Cheyenne Webber who is continuing her leadership as the Principal of Kamiak Elementary. Principal Pavlik and Principal Webber provided a brief background and noted what they are looking forward to in these new positions.
- Received email regarding Johnson Property to start the application process for the title which will then lead to the selling of the property.
- Purchase and sales agreement on the Pullman Aquatic Center is underway.

- Working on short-term interlocal agreement for September-December with the City of Pullman and then will work on a more permanent interlocal agreement.

### C. A Community of Belonging - Update

The board recently approved adding a new member to the DEIB Task Force to represent the community of individuals with disabilities. Discussion focused on how to recruit this new member and replace student members who have graduated. Board members suggested reviewing previous applications, particularly from individuals who identified with this perspective, before issuing a new call for applications. There was support for also reaching out to students and encouraging reapplication from those who previously applied. Board Director Roberts will review existing applications with Board Director Nelson, make recommendations, and develop a plan to finalize membership by July.

## III. Public Comment

### A. Speakers

**Written Public Comment Submitted to the Board by Chris Cook** (*Read aloud by Amanda Tanner*)

Topic: A written comment was submitted by a representative of the Garfield-Palouse Track & Field program expressing gratitude to Lincoln Middle School Principal Cameron Grow and Assistant Athletic Director Amy Caessens. The letter thanked them for their generosity in providing access to the LMS track facility during the season, noting that LMS was the only school to respond to their requests. The writer highlighted the positive impact on their athletes and praised Cameron Grow and Amy Caessens for their leadership, empathy, and support.

## IV. Consent Agenda

### A. Minutes - June 11, 2025 Regular Board Meeting

Arron Carter made a motion to approve the minutes as part of the consent agenda from Regular Board Meeting on 06-11-25.

Lisa Waananen Jones seconded the motion.

The board **VOTED** unanimously to approve the motion.

### B. Minutes - June 18, 2025 Board Work Session

Arron Carter made a motion to approve the minutes as part of the consent agenda from Board Work Session on 06-18-25.

Lisa Waananen Jones seconded the motion.

The board **VOTED** unanimously to approve the motion.

### C.

## Personnel Report

### D. Professional/Personal Services Contracts

### E. Warrants

### F. Student Transfer Requests

### G. Budget Status Report

### H. Consent Agenda Approval (Items A-G)

Arron Carter made a motion to approve the consent agenda.

Lisa Waananen Jones seconded the motion.

The board **VOTED** unanimously to approve the motion.

## V. Discussion Items

### A. Pullman School District - ZEN Solar Power Purchase Agreements

**Presenter: Juston Pollestad, Executive Director of Operations and David Funk, ZEN Solar Representative**

Mr. Funk provided an update on the ZEN Solar proposal, summarizing key points from a previous presentation and outlining next steps. The project includes installing solar panels at four district facilities—Pullman High School, Lincoln Middle School, Kamiak Elementary, and the Transportation Facility—under separate Power Purchase Agreements (PPAs) at a fixed rate per kilowatt-hour. There is no cost to the district for the first 10 years, after which the district has the option to purchase the systems. The estimated net energy savings is approximately \$3 million, which must be used to support low-income students. ZEN Solar will handle installation and ongoing maintenance, and the panels are expected to last 30–40 years. Insurance for the systems would typically be provided by the district, with reimbursement from ZEN. Renewable energy credits will be owned by ZEN, with any monetized revenue shared with the district.

In response to board member questions, the ZEN representative clarified that each project would take about two years to complete, and insurance coverage would begin once a system is fully operational. While 2D site plans and stamped electrical drawings are standard, 3D renderings may be possible at some locations, such as Lincoln Middle School, where panels would be more visible. The representative confirmed that while no existing grant funding is included for student learning components, ZEN can provide system data to support student engagement and analysis in career-path programs. Annual reporting on the program's impact is required, and PRWA can assist with fund aggregation and compliance. Regarding damage, ZEN will monitor the systems remotely and cover repairs unless the damage is caused by the district, in which case the district

would cover the cost. The representative also explained that solar panel replacement strategies include storing extra panels on-site for future use, though evolving technology may influence how replacements are managed. The board will continue reviewing the proposals and determine next steps.

## **B. Resolution 24-25:11 Lease of Surplus Real Property - Pioneer Center**

### **Presenter: Juston Pollestad, Executive Director of Operations**

The Pioneer Center contains classrooms, offices, and storage space that are not currently needed for school district purposes. In accordance with District Policy 6112, outlining the general process for leasing surplus real property not currently needed for school district purposes, the district is initiating the process to lease a portion of this facility and proceed with the advertisement in the paper for 45 days as required.

Amanda Tanner made a motion to move Resolution 24-25:11 Lease of Surplus Real Property - Pioneer Center to an action item.

Arron Carter seconded the motion.

The board **VOTED** unanimously to approve the motion.

*Board Director Tanner clarified this is not the actual lease but the approval of the advertisement of the surplus real property.*

Amanda Tanner made a motion to approve Resolution 24-25:11 Lease of Surplus Real Property - Pioneer Center.

Arron Carter seconded the motion.

The board **VOTED** unanimously to approve the motion.

## **VI. Executive or Closed Session**

### **A. Personnel and Negotiations**

N. Roberts announced there will be an Executive Session to discuss Personnel and Negotiations that will end at 7:50pm.

## **VII. Closing Items**

### **A. Adjourn Meeting**

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 7:50 PM.

Respectfully Submitted,  
Nathan Roberts

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## **Documents used during the meeting**

- Board Report - 6.25.2025 Personnel.pdf
- Admin Salary Schedule 2025-2026.pdf
- Board Report - 6.25.2025 Personnel - Addendum.pdf
- Board Report - Contracts 6.25.2025.pdf
- CK Summaries 6.25.25.pdf
- Payroll Warrant Authorization Form\_June 2025.pdf
- 2025 06.25 Regular Board Meeting - Student Transfer Requests.pdf
- Budget Status Report May.2025.pdf
- ES ZEN Solar Power Purchase Agreement 6.25.25.pdf
- Pullman SD Community Solar Project Update.pdf
- ZEN Power Purchase Agreement\_Pullman SD\_Pullman HS.pdf
- ZEN Power Purchase Agreement\_Pullman SD\_Kamiak ES.pdf
- ZEN Power Purchase Agreement\_Pullman SD\_Lincoln MS.pdf
- ZEN Power Purchase Agreement\_Pullman SD\_Bus Depot.pdf
- ES Lease of Surplus Real Property - Pioneer Center 6.25.25.pdf
- Resolution 24-25-11 LEASE OF SURPLUS REAL PROPERTY.pdf
- June Administrative Requirements Update.pdf
- Expense Claim Audit Comm Update Schedule.pdf
- Board of Directors Communication Plan 2024-2025\_1.22.25.pdf
- The Pullman Promise.pdf



# Coversheet

## Minutes - June 30, 2025 Special Board Meeting

<b>Section:</b>	IV. Consent Agenda
<b>Item:</b>	B. Minutes - June 30, 2025 Special Board Meeting
<b>Purpose:</b>	Approve Minutes
<b>Submitted by:</b>	
<b>Related Material:</b>	Minutes for Special Board Meeting on June 30, 2025

DRAFT



## Pullman School District

### Minutes

#### Special Board Meeting

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##### **Date and Time**

Monday June 30, 2025 at 6:30 PM

##### **Location**

Paul R. Sturm Community/Board Room  
Pullman High School  
510 NW Greyhound Way  
Pullman, WA 99163

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##### **Directors Present**

Amanda Tanner, Lisa Waananen Jones, Nathan Roberts

##### **Directors Absent**

Arron Carter, Craig Nelson

##### **Guests Present**

Bob Maxwell, Juston Pollestad

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#### **I. Opening Items**

##### **A. Record Attendance**

##### **B. Call the Meeting to Order**

Nathan Roberts called a meeting of the board of directors of Pullman School District to order on Monday Jun 30, 2025 at 6:30 PM.

### C. Approval of Agenda

Changes to the agenda:

There is a modification to the order of discussion items. Items that were originally listed to be discussed in the order of A, B, and C will be discussed in the following order: B, A, C.

Amanda Tanner made a motion to move approval of the agenda as amended.

Lisa Waananen Jones seconded the motion.

The board **VOTED** unanimously to approve the motion.

## II. Discussion Items

### A. Resolution 24-25:12 Sale of Surplus Real Property

**Presenter: Juston Pollestad, Executive Director of Operations**

The Board reviewed Resolution No. 24-25:12 declaring the district's intent to sell the 2.25-acre property that includes the Pullman Aquatic Center. The property has been deemed no longer necessary for current or future educational purposes. In accordance with district policy, the property is being declared surplus and prepared for sale, pending Board approval. Upon approval, the property will be sold to Schweitzer Engineering Laboratories, Inc. (SEL) under the terms of the Purchase and Sale Agreement.

Clarification was provided that although the property will be sold to SEL, the Purchase and Sale Agreement includes provisions allowing continued district use of the facility for swim teams, Fifth Grade Camp, and other school-related activities. Director Pollestad also clarified the boundaries of the property.

Amanda Tanner made a motion to move Resolution 24-25:12 to an action item.

Lisa Waananen Jones seconded the motion.

The board **VOTED** unanimously to approve the motion.

Amanda Tanner made a motion to approve Resolution 24-25:12 Sale of Surplus Real Property.

Lisa Waananen Jones seconded the motion.

The board **VOTED** unanimously to approve the motion.

### B. Purchase and Sales Agreement between Pullman School District and Schweitzer Engineering Laboratories (Pullman Aquatic Center)

**Presenter: Juston Pollestad, Executive Director of Operations**

Pullman School District has entered into a Purchase and Sale Agreement with Schweitzer Engineering Laboratories (SEL) for the transfer of ownership of the Pullman Aquatic Center and the surrounding 2.25 acres of property. This agreement outlines the terms and conditions under which SEL will acquire the facility and associated land from the District. The sale aligns with the District's long-term facility and operational planning goals and represents a collaborative effort to ensure the property continues to serve the

community in a meaningful way. SEL's intended use of the property will reflect their ongoing investment in the Pullman community and commitment to support local infrastructure. District administration has worked closely with legal counsel and real estate professionals to ensure that the agreement protects the District's interests while facilitating a smooth transition. All necessary due diligence and procedural steps will be followed prior to finalizing the transfer. Additional updates regarding timelines, closing procedures, and any remaining operational considerations (including interim facility use agreements, if applicable) will be brought to the board as needed.

Board Director Tanner expressed appreciation for SEL's generosity and noted the benefit of this sale for the city, the district and the local community.

Director Pollestad shared that, if all proceeds as planned, the sale is expected to be finalized after September 15, 2025.

Lisa Waananen Jones made a motion to move the purchase and sale agreement - Sale of Surplus Real Property from a discussion item to an action item.

Amanda Tanner seconded the motion.

The board **VOTED** unanimously to approve the motion.

Amanda Tanner made a motion to approve the purchase and sale agreement - Sale of Surplus Real Property.

Lisa Waananen Jones seconded the motion.

The board **VOTED** unanimously to approve the motion.

### **C. Short-Term Interlocal Agreement between the City of Pullman and Pullman School District**

**Presenter: Juston Pollestad, Executive Director of Operations**

The existing Interlocal Agreement between the Pullman School District and the City of Pullman is set to expire on August 31, 2025. To ensure uninterrupted operations of the Pullman Aquatic Center during the anticipated property transfer, a short-term extension of the agreement has been established from September 1 through December 31, 2025.

Board Director Waananen Jones inquired if the agreement remained the same; Director Pollestad confirmed it is the current agreement extended also with no changes to the rate. Board Director Roberts expressed support for the extension to allow time for the City and SEL to collaborate and plan for the transfer of the facility.

Amanda Tanner made a motion to move the Short-Term Interlocal Agreement between the City of Pullman and PSD to an action item.

Lisa Waananen Jones seconded the motion.

The board **VOTED** unanimously to approve the motion.

Amanda Tanner made a motion to approve the Short-Term Interlocal Agreement between the City of Pullman and PSD.

Lisa Waananen Jones seconded the motion.

The board **VOTED** unanimously to approve the motion.

### III. Closing Items

#### A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 6:43 PM.

Respectfully Submitted,  
Nathan Roberts

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### Documents used during the meeting

- Purchase and Sale Agreement Sale of Surplus Real Property PDF.pdf
- SEL and Pullman School District PSA.pdf
- Board Meeting Exec Summary 6-30-25 Purchase and Sale Agreement Resolution PDF.pdf
- Pullman Board Resolution for Sale of Surplus Real Property.pdf
- Board Meeting Exec Summary 6-30-25 Short Term Interlocal PDF.pdf
- Short-Term Interlocal City and PSD Properties 6-30-25.pdf

# Coversheet

## Personnel Report

**Section:** IV. Consent Agenda

**Item:** C. Personnel Report

**Purpose:** FYI

**Submitted by:**

**Related Material:**

Board Report - 7.23.2025 Personnel.pdf

Exempt Supv Salary Schedule 2025-2026.pdf

Unrepresented Classified Employee Wage Schedule 2024-2025 (Updated 4.30.25).pdf

Building Secretaries 2025-2026.pdf

# MEMORANDUM

TO: Board of Directors

FROM: Bob Maxwell, Superintendent  
Dagny Myers, Human Resources Director

DATE: July 23, 2025

SUBJECT: **Personnel Report**

*Employment with the District will be conditional upon the district's receipt of a criminal conviction history record that is clear of any convictions, adjudications, protective orders, final decisions, or criminal charges in accordance with Washington State law and conditional upon receipt of a Sexual Misconduct Disclosure Form from prior Washington State employer(s), where employment was in a school setting, indicating that no sexual misconduct materials were found in the records of such employer(s) pursuant to RCW 28A.400 and WAC 180-87-080.*

## **I recommend the Board of Directors accept the following:**

**Certified:** **Heath Bingman**, special education teacher at Lincoln Middle School, resignation effective at the completion of the 2024-2025 school year

**Kayla Brown** as summer school teacher at Pullman High School (July 1st through July 31st, T-Th, 4 hours per day)

**Amy Caessens** as summer school teacher at Pullman High School (July 1st through July 31st, T-Th, 4 hours per day)

**Megan Conley**, second grade teacher at Franklin Elementary School, request for a leave of absence for the 2025-2026 school year

**Katie Evermann**, counselor at Pullman High School, resignation effective at the completion of the 2024-2025 school year

**Rachel Machava** as 1.0 FTE English language development teacher at Jefferson Elementary School beginning the 2025-2026 school year

**Classified:** **Jennifer Hamilton**, teaching and learning program manager, resignation effective August 1, 2025

**Jason Henrichs** as transportation supervisor

**Delaney Vallely-Barret**, assistant cook/cashier at Franklin Elementary School, resignation effective at the completion of the 2024-2025 school year

**Xin Wang**, assistant cook/cashier at Pullman High School, request for a leave of absence beginning August 27, 2025 through December 19, 2025

## **I recommend the Board of Directors approve the following wage schedules for the 2025-2026 school year (see attached):**

- Exempt Supervisor Wage Schedule
- Secretaries Wage Schedule

**I recommend the Board of Directors approve the following change to the Unrepresented Classified Employee Wage Schedule (see attached):**

- Update the Payroll/HR Technician salary range to better align with the duties and responsibilities of the position

**I recommend the Board of Directors approve the following supplemental/stipend payments:**

**Kristen Coke-Sutton**, key club advisor at Pullman High School, resignation

**Jacob Hogg**, head girls swim coach and head boys swim coach at Pullman High School, resignation

**Josh Wheatley**, science bowl advisor at Pullman High School, resignation

**Ed Wilhelm**, assistant cross country coach, assistant boys basketball coach, and assistant girls basketball coach at Lincoln Middle School, resignation

**For Your Information:**



## Exempt Supervisor 2025-2026 Wage Schedule

<b>Position</b>	<b>Step 1</b>	<b>Step 2</b>	<b>Step 3</b>	<b>Step 4</b>	<b>Step 5</b>
Transportation Supervisor	\$80,206	\$82,612	\$85,091	\$87,644	\$90,273
Maintenance Supervisor	\$80,206	\$82,612	\$85,091	\$87,644	\$90,273
Nutrition Services Supervisor	\$87,955	\$90,594	\$93,312	\$96,111	\$98,994
Admin Assistant to the Superintendent	\$89,562	\$92,249	\$95,017	\$97,867	\$100,803
Lead District Nurse	\$96,962	\$99,871	\$102,867	\$105,953	\$109,132
Human Resources Director	\$117,797	\$121,331	\$124,971	\$128,720	\$132,582
Information & Instructional Tech Supervisor	\$117,797	\$121,331	\$124,971	\$128,720	\$132,582
Finance Director	\$158,405	\$163,157	\$168,051	\$173,093	\$178,286

**Pending Board Approval**

# Unrepresented Classified Employee Wage Schedule 2024-2025

Transportation	Step 1	Step 2	Step 3	Step 4	Step 5
Bus Driver	26.82	27.90	29.01	30.17	31.38
Vehicle Technician	29.35	30.52	31.74	33.01	34.33
Assistant Transportation & Vehicle Technician Supervisor	32.32	33.61	34.96	36.36	37.81
Diesel/Equipment Mechanic	33.95	35.31	36.72	38.19	39.72
Transportation Clerk	21.65	22.52	23.42	24.36	25.33

Food Services	Step 1	Step 2	Step 3	Step 4	Step 5
Food Service Worker	17.99	18.71	19.46	20.23	21.04
Assistant Cook/Cashier	19.85	20.65	21.47	22.33	23.22
Elementary Head Cook	20.86	21.69	22.56	23.46	24.40
Secondary Head Cook	23.01	23.93	24.89	25.89	26.92

District Office Staff	Step 1	Step 2	Step 3	Step 4	Step 5
Instructional Programs Clerk	25.35	26.36	27.42	28.51	29.65
Payroll/HR Technician	33.95	35.31	36.72	38.19	39.72

LMS Office Staff	Step 1	Step 2	Step 3	Step 4	Step 5
Attendance Technician	25.35	26.36	27.42	28.51	29.65

PHS Office Staff	Step 1	Step 2	Step 3	Step 4	Step 5
Attendance/Discipline Technician	25.35	26.36	27.42	28.51	29.65

Maintenance	Step 1	Step 2	Step 3	Step 4	Step 5
Maintenance Technician	29.35	30.52	31.74	33.01	34.33

Special Services	Step 1	Step 2	Step 3	Step 4	Step 5
Nurse	33.95	35.31	36.72	38.19	39.72
School-Based Mental Health Therapist	38.22	39.74	41.33	42.99	44.71

PENDING BOARD APPROVAL

Pullman School District No. 267  
**Pullman School District Building Secretaries**

**Appendix A**  
**2025-2026 Wage Schedule**

Range	Step One	Step Two	Step Three	Step Four	Step Five	Step Six	Step Seven
Secretary	\$26.61	\$27.41	\$28.23	\$29.08	\$29.95	\$30.85	\$31.77

# Coversheet

## Professional/Personal Services Contracts

<b>Section:</b>	IV. Consent Agenda
<b>Item:</b>	D. Professional/Personal Services Contracts
<b>Purpose:</b>	
<b>Submitted by:</b>	
<b>Related Material:</b>	Board Report - Contracts 7.23.2025.pdf

# MEMORANDUM

TO: Board of Directors

FROM: Bob Maxwell, Superintendent  
Dagny Myers, Human Resources Director

DATE: July 23, 2025

SUBJECT: **Professional/Personal Services Contract Report**

*Employment with the District will be conditional upon the district's receipt of a criminal conviction history record that is clear of any convictions, adjudications, protective orders, final decisions, or criminal charges in accordance with Washington State law and conditional upon receipt of a Sexual Misconduct Disclosure Form from prior Washington State employer(s), where employment was in a school setting, indicating that no sexual misconduct materials were found in the records of such employer(s) pursuant to RCW 28A.400 and WAC 180-87-080.*

**I recommend the Board of Directors approve the following Professional/Personal Services Contracts:**

**Huddle Up** to provide make-up occupational therapy services for Pullman School District students, September 2, 2025 through November 21, 2025, \$5,840.40.

**Washington Center for Deaf and Hard of Hearing Youth** to provide technical assistance and support to the District for the delivery of a full range of educational services to students who are deaf or hard of hearing, August 1, 2025 through July 31, 2026, \$225.00 per direct service hour provided at District request.

**Washington State School for the Blind** to provide an Itinerant Teacher of blind/low vision learners for on-site consultation and/or direct services for District blind/low vision student(s) during the 2025-2026 school year, \$32,596.88 for setup of services, staffing, and access to up to 3.75 days per month of service time.

**Washington State School for the Blind** to provide an Orientation and Mobility Instructor for on-site consultation and/or direct services for District blind/low vision student(s) during the 2025-2026 school year, \$6,519.38 for setup of services, staffing, and access to up to 0.75 days per month of service time.

# Coversheet

## Warrants

<b>Section:</b>	IV. Consent Agenda
<b>Item:</b>	E. Warrants
<b>Purpose:</b>	FYI
<b>Submitted by:</b>	
<b>Related Material:</b>	CK Summaries 7.23.25.pdf Additional CK Summary 7.23.25.pdf

ASB LMS BMO

The following vouchers, as audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, are approved for payment. Those payments have been recorded on this listing which has been made available to the board.

As of July 23, 2025, the board, by a \_\_\_\_\_ vote, approves payments, totaling \$1,176.68. The payments are further identified in this document.

Total by Payment Type for Cash Account, AP ACH:  
ACH Numbers 242500190 through 242500190, totaling \$1,176.68

Secretary _____	Board Member _____
Board Member _____	Board Member _____
Board Member _____	Board Member _____

Check Nbr	Vendor Name	Check Date	Check Amount
242500190	BMO Corporate Mastercard	07/10/2025	1,176.68
1	ACH	Check(s) For a Total of	1,176.68

	0	Manual	Checks For a Total of	0.00
	0	Wire Transfer	Checks For a Total of	0.00
	1	ACH	Checks For a Total of	1,176.68
	0	Computer	Checks For a Total of	0.00
Total For	1	Manual, Wire Tran, ACH & Computer	Checks	1,176.68
Less	0	Voided	Checks For a Total of	0.00
			Net Amount	1,176.68

F U N D   S U M M A R Y

Fund	Description	Balance Sheet	Revenue	Expense	Total
40	Associated Stude	-29.43	0.00	1,206.11	1,176.68



The following vouchers, as audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, are approved for payment. Those payments have been recorded on this listing which has been made available to the board.

As of July 23, 2025, the board, by a \_\_\_\_\_ vote, approves payments, totaling \$19,103.94. The payments are further identified in this document.

Total by Payment Type for Cash Account, AP ACH:  
ACH Numbers 242500191 through 242500191, totaling \$19,103.94

Secretary _____	Board Member _____
Board Member _____	Board Member _____
Board Member _____	Board Member _____

Check Nbr	Vendor Name	Check Date	Check Amount
242500191	BMO Corporate Mastercard	07/10/2025	19,103.94
1	ACH	Check(s) For a Total of	19,103.94

	0	Manual	Checks For a Total of	0.00
	0	Wire Transfer	Checks For a Total of	0.00
	1	ACH	Checks For a Total of	19,103.94
	0	Computer	Checks For a Total of	0.00
Total For	1	Manual, Wire Tran, ACH & Computer	Checks	19,103.94
Less	0	Voided	Checks For a Total of	0.00
		Net Amount		19,103.94

## FUND SUMMARY

Fund	Description	Balance Sheet	Revenue	Expense	Total
40	Associated Stude	-50.80	0.00	19,154.74	19,103.94

GF BMO

The following vouchers, as audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, are approved for payment. Those payments have been recorded on this listing which has been made available to the board.

As of July 23, 2025, the board, by a \_\_\_\_\_ vote, approves payments, totaling \$33,832.37. The payments are further identified in this document.

Total by Payment Type for Cash Account, AP ACH:  
ACH Numbers 242500192 through 242500192, totaling \$33,832.37

Secretary _____	Board Member _____
Board Member _____	Board Member _____
Board Member _____	Board Member _____

Check Nbr	Vendor Name	Check Date	Check Amount
242500192	BMO Corporate Mastercard	07/10/2025	33,832.37
1	ACH	Check(s) For a Total of	33,832.37

	0	Manual	Checks For a Total of	0.00
	0	Wire Transfer	Checks For a Total of	0.00
	1	ACH	Checks For a Total of	33,832.37
	0	Computer	Checks For a Total of	0.00
Total For	1	Manual, Wire Tran, ACH & Computer	Checks	33,832.37
Less	0	Voided	Checks For a Total of	0.00
			Net Amount	33,832.37

FUND SUMMARY

Fund	Description	Balance Sheet	Revenue	Expense	Total
10	General Fund	-166.30	0.00	33,998.67	33,832.37

The following vouchers, as audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, are approved for payment. Those payments have been recorded on this listing which has been made available to the board.

As of July 23, 2025, the board, by a \_\_\_\_\_ vote, approves payments, totaling \$429.24. The payments are further identified in this document.

Total by Payment Type for Cash Account, Wire Transfers:  
Wire Transfer Payments 202400086 through 202400088, totaling \$429.24

Secretary _____	Board Member _____
Board Member _____	Board Member _____
Board Member _____	Board Member _____

Check Nbr	Vendor Name	Check Date	Check Amount
202400086	Department Of Revenue	07/07/2025	193.99
202400087	Department Of Revenue	07/07/2025	80.23
202400088	Department Of Revenue	07/07/2025	155.02

3	Wire Transfer Check(s) For a Total of	429.24
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	0	Manual	Checks For a Total of	0.00
	3	Wire Transfer	Checks For a Total of	429.24
	0	ACH	Checks For a Total of	0.00
	0	Computer	Checks For a Total of	0.00
Total For	3	Manual, Wire Tran, ACH & Computer	Checks	429.24
Less	0	Voided	Checks For a Total of	0.00
			Net Amount	429.24

F U N D   S U M M A R Y

Fund	Description	Balance Sheet	Revenue	Expense	Total
10	General Fund	349.01	0.00	0.00	349.01
40	Associated Stude	80.23	0.00	0.00	80.23

The following vouchers, as audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, are approved for payment. Those payments have been recorded on this listing which has been made available to the board.

As of July 23, 2025, the board, by a \_\_\_\_\_ vote, approves payments, totaling \$127.25. The payments are further identified in this document.

Total by Payment Type for Cash Account, County Treasurer Warrants:  
Warrant Numbers 26736355 through 26736355, totaling \$127.25

Secretary _____	Board Member _____
Board Member _____	Board Member _____
Board Member _____	Board Member _____

Check Nbr	Vendor Name	Check Date	Check Amount
26736355	Hernandez-Martinez, Isaac	07/09/2025	127.25
1	Computer	Check(s) For a Total of	127.25



	0	Manual	Checks For a Total of	0.00
	0	Wire Transfer	Checks For a Total of	0.00
	0	ACH	Checks For a Total of	0.00
	1	Computer	Checks For a Total of	127.25
Total For	1	Manual, Wire Tran, ACH & Computer	Checks	127.25
Less	0	Voided	Checks For a Total of	0.00
			Net Amount	127.25

F U N D   S U M M A R Y

Fund	Description	Balance Sheet	Revenue	Expense	Total
10	General Fund	127.25	0.00	0.00	127.25



The following vouchers, as audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, are approved for payment. Those payments have been recorded on this listing which has been made available to the board.

As of July 23, 2025, the board, by a \_\_\_\_\_ vote, approves payments, totaling \$10,589.40. The payments are further identified in this document.

Total by Payment Type for Cash Account, County Treasurer Warrants:  
Warrant Numbers 26736356 through 26736359, totaling \$10,589.40

Secretary _____	Board Member _____
Board Member _____	Board Member _____
Board Member _____	Board Member _____

Check Nbr	Vendor Name	Check Date	Check Amount
26736356	InTouch Receipting	07/24/2025	2,108.16
26736357	Russell Sign Company	07/24/2025	531.24
26736358	Surffur	07/24/2025	7,875.00
26736359	WIAA	07/24/2025	75.00

4	Computer	Check(s) For a Total of	10,589.40
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	0	Manual	Checks For a Total of	0.00
	0	Wire Transfer	Checks For a Total of	0.00
	0	ACH	Checks For a Total of	0.00
	4	Computer	Checks For a Total of	10,589.40
Total For	4	Manual, Wire Tran, ACH & Computer	Checks	10,589.40
Less	0	Voided	Checks For a Total of	0.00
			Net Amount	10,589.40

F U N D S U M M A R Y

Fund	Description	Balance Sheet	Revenue	Expense	Total
40	Associated Stude	-630.00	0.00	11,219.40	10,589.40

The following vouchers, as audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, are approved for payment. Those payments have been recorded on this listing which has been made available to the board.

As of July 23, 2025, the board, by a \_\_\_\_\_ vote, approves payments, totaling \$636.19. The payments are further identified in this document.

Total by Payment Type for Cash Account, AP ACH:  
ACH Numbers 242500193 through 242500196, totaling \$636.19

Secretary \_\_\_\_\_
Board Member \_\_\_\_\_

Board Member \_\_\_\_\_
Board Member \_\_\_\_\_

Board Member \_\_\_\_\_
Board Member \_\_\_\_\_

Check Nbr	Vendor Name	Check Date	Check Amount
242500193	Bogle, Altaira K	07/24/2025	510.26
242500194	El Chabib, Zena	07/24/2025	9.24
242500195	Hodge, Courtney Erin	07/24/2025	103.60
242500196	John, Jamie Elizabeth	07/24/2025	13.09

4
ACH

Check(s) For a Total of

636.19

	0	Manual	Checks For a Total of	0.00
	0	Wire Transfer	Checks For a Total of	0.00
	4	ACH	Checks For a Total of	636.19
	0	Computer	Checks For a Total of	0.00
Total For	4	Manual, Wire Tran, ACH & Computer	Checks	636.19
Less	0	Voided	Checks For a Total of	0.00
		Net Amount		636.19

F U N D   S U M M A R Y

Fund	Description	Balance Sheet	Revenue	Expense	Total
10	General Fund	0.00	0.00	636.19	636.19

CAP AGH

The following vouchers, as audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, are approved for payment. Those payments have been recorded on this listing which has been made available to the board.

As of July 23, 2025, the board, by a \_\_\_\_\_ vote, approves payments, totaling \$3,700.00. The payments are further identified in this document.

Total by Payment Type for Cash Account, AP ACH:

ACH Numbers 242500197 through 242500197, totaling \$3,700.00

Secretary _____	Board Member _____
Board Member _____	Board Member _____
Board Member _____	Board Member _____

Check Nbr	Vendor Name	Check Date	Check Amount
242500197	Design West Architects	07/24/2025	3,700.00

1	ACH	Check(s) For a Total of	3,700.00
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	0	Manual	Checks For a Total of	0.00
	0	Wire Transfer	Checks For a Total of	0.00
	1	ACH	Checks For a Total of	3,700.00
	0	Computer	Checks For a Total of	0.00
Total For	1	Manual, Wire Tran, ACH & Computer	Checks	3,700.00
Less	0	Voided	Checks For a Total of	0.00
			Net Amount	3,700.00

F U N D S U M M A R Y

Fund	Description	Balance Sheet	Revenue	Expense	Total
20	Capital Projects	0.00	0.00	3,700.00	3,700.00



The following vouchers, as audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, are approved for payment. Those payments have been recorded on this listing which has been made available to the board.

As of July 23, 2025, the board, by a \_\_\_\_\_ vote,  
Approves payments, totaling \$36,014.53. The payments are further identified in the document.

Total by Payment Type for Cash Account, AP ACH:

ACH numbers 242500198 through 242500204, totaling \$36,014.53

Secretary _____	Board Member _____
Board Member _____	Board Member _____
Board Member _____	Board Member _____

Check Nbr	Vendor Name	Check Date	Check Amount
242500198	Center for the Collaborative	07/24/2025	14,287.16
242500199	H & H Business	07/24/2025	19,698.25
242500200	Haramoto, Kameron	07/24/2025	50.00
242500201	Heiszler, Matthew	07/24/2025	50.00
242500202	Maxwell, Robert	07/24/2025	475.00
242500203	US Lines and Uniform	07/24/2025	1,344.12
242500204	Ventresco, Dominick	07/24/2025	110.00
7	ACH	Check(s) For a Total of	36,014.53

	0	Manual	Checks For a Total of	0.00
	0	Wire Transfer	Checks For a Total of	0.00
	7	ACH	Checks For a Total of	36,014.53
	0	Computer	Checks For a Total of	0.00
Total For	7	Manual, Wire Tran, ACH & Computer Checks		36,014.53
Less	0	Voided	Checks For a Total of	0.00
			Net Amount	36,014.53

### FUND SUMMARY

Fund	Description	Balance Sheet	Revenue	Expense	Total
10	General Fund	0.00	0.00	0.00	36,014.53



The following vouchers, as audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, are approved for payment. Those payments have been recorded on this listing which has been made available to the board.

As of July 23, 2025, the board, by a \_\_\_\_\_ vote, approves payments, totaling \$1,830.70. The payments are further identified in this document.

Total by Payment Type for Cash Account, County Treasurer Warrants:  
Warrant Numbers 26736360 through 26736366, totaling \$1,830.70

Secretary \_\_\_\_\_
Board Member \_\_\_\_\_

Board Member \_\_\_\_\_
Board Member \_\_\_\_\_

Board Member \_\_\_\_\_
Board Member \_\_\_\_\_

Check Nbr	Vendor Name	Check Date	Check Amount
26736360	Bessey, Michael Marvin	07/24/2025	79.50
26736361	Bickelhaupt, Jill Danielle	07/24/2025	500.40
26736362	Cheslek, David J	07/24/2025	125.00
26736363	Fishback, Haylee	07/24/2025	141.00
26736364	Jones, Jeffrey Scott	07/24/2025	705.60
26736365	Sams, Tyler Thomas	07/24/2025	102.20
26736366	Wendt, Cody Ogden	07/24/2025	177.00

7
Computer
Check(s) For a Total of
1,830.70

	0	Manual	Checks For a Total of	0.00
	0	Wire Transfer	Checks For a Total of	0.00
	0	ACH	Checks For a Total of	0.00
	7	Computer	Checks For a Total of	1,830.70
Total For	7	Manual, Wire Tran, ACH & Computer	Checks	1,830.70
Less	0	Voided	Checks For a Total of	0.00
			Net Amount	1,830.70

F U N D S U M M A R Y

Fund	Description	Balance Sheet	Revenue	Expense	Total
10	General Fund	0.00	0.00	1,830.70	1,830.70

The following vouchers, as audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, are approved for payment. Those payments have been recorded on this listing which has been made available to the board.

As of July 23, 2025, the board, by a \_\_\_\_\_ vote, approves payments, totaling \$4,386.55. The payments are further identified in this document.

Total by Payment Type for Cash Account, County Treasurer Warrants:  
Warrant Numbers 26736367 through 26736368, totaling \$4,386.55

Secretary _____	Board Member _____
Board Member _____	Board Member _____
Board Member _____	Board Member _____

Check Nbr	Vendor Name	Check Date	Check Amount
26736367	Pioneer Title Company	07/24/2025	378.00
26736368	SynTier Engineering, Inc	07/24/2025	4,008.55

2	Computer	Check(s) For a Total of	4,386.55
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	0	Manual	Checks For a Total of	0.00
	0	Wire Transfer	Checks For a Total of	0.00
	0	ACH	Checks For a Total of	0.00
	2	Computer	Checks For a Total of	4,386.55
Total For	2	Manual, Wire Tran, ACH & Computer	Checks	4,386.55
Less	0	Voided	Checks For a Total of	0.00
			Net Amount	4,386.55

## FUND SUMMARY

Fund	Description	Balance Sheet	Revenue	Expense	Total
20	Capital Projects	0.00	0.00	4,386.55	4,386.55



The following vouchers, as audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, are approved for payment. Those payments have been recorded on this listing which has been made available to the board.

As of July 23, 2025, the board, by a \_\_\_\_\_ vote, approves payments, totaling \$412,288.03. The payments are further identified in this document.

Total by Payment Type for Cash Account, County Treasurer Warrants:  
Warrant Numbers 26736369 through 26736422, totaling \$412,288.03

Secretary \_\_\_\_\_

Board Member \_\_\_\_\_

Board Member \_\_\_\_\_

Board Member \_\_\_\_\_

Board Member \_\_\_\_\_

Check Nbr	Vendor Name	Check Date	Check Amount
26736369	A-L Compressed Gases of Spokane	07/24/2025	4,483.79
26736370	Allegra Print & Imaging	07/24/2025	4,968.14
26736371	Avant Assessment LLC	07/24/2025	159.60
26736372	Avista Utilities	07/24/2025	75,500.31
26736373	Bryson Sales & Service	07/24/2025	17.48
26736374	Ccooper Services	07/24/2025	570.00
26736375	City Of Pullman	07/24/2025	15,949.24
26736376	City of Pullman Water	07/24/2025	12,366.03
26736377	CivicPlus LLC	07/24/2025	8,151.19
26736378	CMRS-FP	07/24/2025	3,000.00
26736379	Coleman Oil Company LLC	07/24/2025	2,628.19
26736380	Community Colleges Of Spokane	07/24/2025	150,631.95
26736381	Dunlap, Ryan D	07/24/2025	50.00
26736382	Envoy Plan Services, Inc.	07/24/2025	17.50
26736383	Evco Sound And Electronics	07/24/2025	1,321.94
26736384	Ferguson Enterprises Inc	07/24/2025	834.85
26736385	First Step Internet	07/24/2025	105.00
26736386	FLO Analytics	07/24/2025	2,100.00
26736387	Forest Wrecker Service	07/24/2025	750.00
26736388	Four Star Supply Co., Inc	07/24/2025	515.86
26736389	Gordon, Alexander J	07/24/2025	50.00
26736390	HD SUPPLY	07/24/2025	7,429.89
26736391	Incident IQ, LLC	07/24/2025	11,973.20
26736392	King County Director's Assoc	07/24/2025	1,781.14
26736393	Kovanda, Rachel Cathy	07/24/2025	75.00
26736394	Kuhl Auto Parts, LLC	07/24/2025	96.37
26736395	Leader Services	07/24/2025	2,291.80
26736396	Level 3 Communications, LLC	07/24/2025	355.11
26736397	LinkIt!	07/24/2025	21,177.50
26736398	McCune's Instruments	07/24/2025	80.66
26736399	McGraw-Hill School Education H	07/24/2025	364.54
26736400	Moscow-Pullman Bldg. Supply	07/24/2025	1,118.41
26736401	Neill's Flowers LLC	07/24/2025	224.64

Check Nbr	Vendor Name	Check Date	Check Amount
26736402	NEWESD 101	07/24/2025	38,596.05
26736403	Northwest Auto Parts	07/24/2025	81.06
26736404	OFFICE DEPOT	07/24/2025	761.68
26736405	Otis Elevator Co	07/24/2025	337.64
26736406	Overhead Door, Inc	07/24/2025	1,231.20
26736407	ParentsSquare	07/24/2025	11,260.00
26736408	Pioneer Manufacturing Co	07/24/2025	2,329.88
26736409	Pollestad, Juston B	07/24/2025	150.00
26736410	PowerSchool Group LLC	07/24/2025	5,508.00
26736411	Project Lead the Way	07/24/2025	4,150.00
26736412	Pullman Regional Hospital	07/24/2025	2,300.00
26736413	Pullman Disposal	07/24/2025	7,183.70
26736414	RWC Group	07/24/2025	1,850.08
26736415	Solution Tree	07/24/2025	321.83
26736416	TK Elevator Corporation	07/24/2025	1,467.06
26736417	US Foods, Inc.	07/24/2025	553.24
26736418	WA ST Center for Childhood Dea	07/24/2025	675.00
26736419	Washington State School for th	07/24/2025	915.00
26736420	WeVideo	07/24/2025	1,230.08
26736421	WSIPC	07/24/2025	37.95
26736422	Yellow Duck Refrigeration	07/24/2025	209.25

54	Computer	Check(s) For a Total of	412,288.03
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	0	Manual	Checks For a Total of	0.00
	0	Wire Transfer	Checks For a Total of	0.00
	0	ACH	Checks For a Total of	0.00
	54	Computer	Checks For a Total of	412,288.03
Total For	54	Manual, Wire Tran, ACH & Computer Checks		412,288.03
Less	0	Voided	Checks For a Total of	0.00
		Net Amount		412,288.03

FUND SUMMARY

Fund	Description	Balance Sheet	Revenue	Expense	Total
10	General Fund	-1,148.23	0.00	413,436.26	412,288.03

The following vouchers, as audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, are approved for payment. Those payments have been recorded on this listing which has been made available to the board.

As of July 23, 2025, the board, by a \_\_\_\_\_ vote, approves payments, totaling \$12,931.06, and voids/cancellations, totaling \$11,973.20. The payments and voids are further identified in this document.

Total by Payment Type for Cash Account, County Treasurer Warrants:  
Warrant Numbers 26736423 through 26736423, totaling \$12,931.06  
Voids/Cancellations, totaling \$11,973.20

Secretary _____	Board Member _____
Board Member _____	Board Member _____
Board Member _____	Board Member _____

Check Nbr	Vendor Name	Check Date	Check Amount
26736423	Incident IQ, LLC	07/24/2025	12,931.06
1	Computer	Check(s) For a Total of	12,931.06



Check Nbr	Vendor Name	Check Date	Check Amount
26736391	Incident IQ, LLC	07/24/2025	11,973.20
1	Void	Check(s) For a Total of	11,973.20

Check Summary

	0	Manual	Checks For a Total of	0.00
	0	Wire Transfer	Checks For a Total of	0.00
	0	ACH	Checks For a Total of	0.00
	1	Computer	Checks For a Total of	12,931.06
Total For	1	Manual, Wire Tran, ACH & Computer	Checks	12,931.06
Less	1	Voided	Checks For a Total of	11,973.20
		Net Amount		957.86

F U N D S U M M A R Y

Fund	Description	Balance Sheet	Revenue	Expense	Total
10	General Fund	957.86	0.00	0.00	957.86

# Coversheet

## Student Transfer Requests

<b>Section:</b>	IV. Consent Agenda
<b>Item:</b>	F. Student Transfer Requests
<b>Purpose:</b>	FYI
<b>Submitted by:</b>	
<b>Related Material:</b>	2025 07.23 Regular Board Meeting - Student Transfer Requests.pdf



# SCHOOL BOARD REPORT

## Student Transfer Requests

**July 23, 2025**

### **Transfer Requests 2024-2025**

#### **Released from PSD**

- A. Contreras, Grade 8, Released to Puget Sound Skills Center, Law & Justice Careers Summer Program, in the Highline School District – New

### **Transfer Requests 2025-2026**

#### **Released to PSD**

- L. Lenssen, Grade 11, Released from Colfax School District – Renewal
- G. Kuhle, Grade 12, Released from Colton School District – Renewal
- B. Bonner, Grade 7, Released from Palouse School District – Renewal
- E. Bonner, Grade 10, Released from Palouse School District – Renewal
- I. Rohrbaugh-Ayers, Grade 10, Released from Garfield School District – Renewal
- Ca. Stewart, Grade 9, Released from Palouse School District – Renewal
- Co. Stewart, Grade 12, Released from Palouse School District – Renewal

#### **Released from PSD**

- Av. Taylor, Grade 3, Released to Leonard M. Jennings Elementary in the Colfax School District – Renewal
- As. Taylor, Grade 5, Released to Leonard M. Jennings Elementary in the Colfax School District – Renewal
- T. Taylor, Grade 7, Released to Leonard M. Jennings Elementary in the Colfax School District – Renewal

# Coversheet

## Budget Status Report

<b>Section:</b>	IV. Consent Agenda
<b>Item:</b>	G. Budget Status Report
<b>Purpose:</b>	
<b>Submitted by:</b>	
<b>Related Material:</b>	Budget Status Report - June.pdf

3wa6amswa12.p 18-4  
05.25.02.00.00PULLMAN SCHOOL DISTRICT #267  
2024-2025 Budget Status Report

07/15/25

Page:1  
2:31 PM10--General Fund-- FUND BALANCE -- AGENCY ACCOUNTS -- Revised -- BUDGET-STATUS-REPORT  
Fiscal Year 2024 (September 1, 2024 - August 31, 2025)For the PULLMAN SCHOOL DISTRICT #267 School District for the Month of June, 2025

	ANNUAL BUDGET	ACTUAL FOR MONTH	ACTUAL FOR YEAR	ENCUMBRANCES	BALANCE	PERCENT
<u>A. REVENUES/OTHER FIN. SOURCES</u>						
1000 Local Taxes	5,817,000	22,718.89	5,635,979.50		181,020.50	96.89
2000 Local Support Non Tax	873,850	36,518.24	687,720.93		186,129.07	78.70
3000 State Revenue-General Purpose	26,969,312	1,408,640.56	20,886,999.72		6,082,312.28	77.45
4000 State Revenue-Special Purpose	6,957,089	633,417.22	5,757,275.80		1,199,813.20	82.75
5000 Federal Revenue-General Purpose	0	.00	.00		.00	0.00
6000 Federal Revenue-Special Purpose	2,208,724	194,819.48	1,702,783.03		505,940.97	77.09
7000 Other School Districts	24,000	.00	171.85		23,828.15	0.72
8000 Other Entities	515,500	.00	.00		515,500.00	0.00
9000 Other Financing Sources	0	.00	1,047.90		1,047.90-	0.00
<u>Total REVENUES/OTHER FIN. SOURCES</u>	43,365,475	2,296,114.39	34,671,978.73		8,693,496.27	79.95
<u>B. EXPENDITURES</u>						
00 Regular Instruction	23,325,811	1,997,833.91	19,550,814.15	3,351,913.19	423,083.66	98.19
10 Federal Stimulus	0	.00	.00	0.00	.00	0.00
20 Special Ed Instruction	5,820,427	478,193.09	4,607,670.90	810,443.44	402,312.66	93.09
30 Vocational Ed Instruction	1,713,549	145,931.99	1,413,191.75	247,175.81	53,181.44	96.90
40 Skills Center Instruction	0	.00	.00	0.00	.00	0.00
50+60 Compensatory Education Instruction	2,190,598	182,605.32	1,641,621.09	259,295.66	289,681.25	86.78
70 Other Instruction Programs	767,433	9,562.48	75,424.66	11,439.21	680,569.13	11.32
80 Community Services	39,000	.00	1,414.43	0.00	37,585.57	3.63
90 Support Services	10,911,139	815,319.27	9,277,021.98	1,608,868.54	25,248.48	99.77
<u>Total EXPENDITURES</u>	44,767,957	3,629,446.06	36,567,158.96	6,289,135.85	1,911,662.19	95.73
<u>C. OTHER FIN. USES TRANS. OUT (GL 536)</u>	0	.00	.00			
<u>D. OTHER FINANCING USES (GL 535)</u>	0	.00	.00			
<u>E. EXCESS OF REVENUES/OTHER FIN.SOURCES OVER(UNDER) EXP/OTH FIN USES (A-B-C-D)</u>	1,402,482-	1,333,331.67-	1,895,180.23-		492,698.23-	35.13
<u>F. TOTAL BEGINNING FUND BALANCE</u>	3,467,707		4,242,571.87			
<u>G. GLS 896, 897, 898 ACCOUNTING CHANGES AND ERROR CORRECTIONS (+OR-)</u>	XXXXXXXXXX		.00			
<u>H. TOTAL ENDING FUND BALANCE (E+F + OR - G)</u>	2,065,225		2,347,391.64			

**I. ENDING FUND BALANCE ACCOUNTS:**

G/L 810 Restricted For Other Items	0	.00
G/L 815 Restricted for Unequalized Dedu	0	.00
G/L 821 Restricted for Carryover of Res	0	37,926.49
G/L 823 Restricted for Carryover of Tra	0	.00
G/L 825 Restricted for Skills Center	0	.00
G/L 828 Restricted for C/O of FS Rev	0	.00
G/L 830 Restricted for Debt Service	0	.00
G/L 835 Restrictd For Arbitrage Rebate	0	.00
G/L 840 Nonspnd FB - Invent/Prepd Itms	3,311	7,550.18
G/L 845 Restricted for Self Insurance	0	.00
G/L 850 Restricted for Uninsured Risks	0	.00
G/L 870 Committed to Other Purposes	0	.00
G/L 872 Commitd to Min Fnd Bal Policy	0	.00
G/L 873 Committed to Depreciation Sub-F	0	.00
G/L 875 Assigned Contingencies	0	.00
G/L 884 Assigned to Other Cap Projects	0	.00
G/L 888 Assigned to Other Purposes	0	.00
G/L 890 Unassigned Fund Balance	1,288,183-	922,909.89-
G/L 891 Unassigned Min Fnd Bal Policy	3,350,097	3,224,824.86
 <u>TOTAL</u>	 2,065,225	 2,347,391.64

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05.25.02.00.00PULLMAN SCHOOL DISTRICT #267  
2024-2025 Budget Status Report

07/15/25

Page:1  
2:31 PM20--Capital Projects-- FUND BALANCE -- AGENCY ACCOUNTS -- Revised -- BUDGET-STATUS-REPORT  
Fiscal Year 2024 (September 1, 2024 - August 31, 2025)For the PULLMAN SCHOOL DISTRICT #267 School District for the Month of June, 2025

	ANNUAL BUDGET	ACTUAL FOR MONTH	ACTUAL FOR YEAR	ENCUMBRANCES	BALANCE	PERCENT
<u>A. REVENUES/OTHER FIN. SOURCES</u>						
1000 Local Taxes	255,000	1,060.24	246,227.18		8,772.82	96.56
2000 Local Support Non-Tax	114,800	9,716.30	103,603.81		11,196.19	90.25
3000 State Revenue-General Purpose	0	.00	.00		.00	0.00
4000 State Revenue-Special Purpose	0	.00	.00		.00	0.00
5000 Federal Revenue-General Purpose	0	.00	.00		.00	0.00
6000 Federal Revenue-Special Purpose	0	.00	.00		.00	0.00
7000 Other School Districts	0	.00	.00		.00	0.00
8000 Other Entities	0	.00	.00		.00	0.00
9000 Other Financing Sources	0	.00	.00		.00	0.00
<u>Total REVENUES/OTHER FIN. SOURCES</u>	369,800	10,776.54	349,830.99		19,969.01	94.60
<u>B. EXPENDITURES</u>						
10 Sites	0	3,378.00	15,378.00	2,655.00	18,033.00-	0.00
20 Buildings	2,138,800	.00	13,644.12	0.00	2,125,155.88	0.64
30 Equipment	255,686	.00	119,152.66	2,812.44	133,720.90	47.70
40 Energy	0	.00	.00	0.00	.00	0.00
50 Sales & Lease Expenditure	0	.00	.00	0.00	.00	0.00
60 Bond Issuance Expenditure	4,500	.00	.00	0.00	4,500.00	0.00
90 Debt	0	.00	.00	0.00	.00	0.00
<u>Total EXPENDITURES</u>	2,398,986	3,378.00	148,174.78	5,467.44	2,245,343.78	6.40
<u>C. OTHER FIN. USES TRANS. OUT (GL 536)</u>	0	.00	.00			
<u>D. OTHER FINANCING USES (GL 535)</u>	0	.00	.00			
<u>E. EXCESS OF REVENUES/OTHER FIN.SOURCES OVER (UNDER) EXP/OTH FIN USES (A-B-C-D)</u>	2,029,186-	7,398.54	201,656.21		2,230,842.21	109.94-
<u>F. TOTAL BEGINNING FUND BALANCE</u>	2,479,149		2,564,458.65			
<u>G. GLS 896, 897, 898 ACCOUNTING CHANGES AND ERROR CORRECTIONS (+OR-)</u>	XXXXXXXXX		.00			
<u>H. TOTAL ENDING FUND BALANCE (E+F + OR - G)</u>	449,963		2,766,114.86			



I. ENDING FUND BALANCE ACCOUNTS:

G/L 810 Restricted For Other Items	0	.00
G/L 825 Restricted for Skills Center	0	.00
G/L 830 Restricted for Debt Service	0	.00
G/L 835 Restricted For Arbitrage Rebate	0	.00
G/L 840 Nonspnd FB - Invent/Prepd Itms	0	.00
G/L 850 Restricted for Uninsured Risks	0	.00
G/L 861 Restricted from Bond Proceeds	35,830	1,699,953.54
G/L 862 Committed from Levy Proceeds	255,000-	88,450.84-
G/L 863 Restricted from State Proceeds	0	.00
G/L 864 Restricted From Federal Proceed	0	.00
G/L 865 Restricted from Other Proceeds	0	.00
G/L 866 Restricted from Impact Proceeds	0	.00
G/L 867 Restricted from Mitigation Fee	0	.00
G/L 869 Restricted from Undistributed P	0	.00
G/L 870 Committed to Other Purposes	0	.00
G/L 889 Assigned to Fund Purposes	669,133	1,154,612.16
G/L 890 Unassigned Fund Balance	0	.00
<u>TOTAL</u>	449,963	2,766,114.86

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05.25.02.00.00PULLMAN SCHOOL DISTRICT #267  
2024-2025 Budget Status Report

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Page:1  
2:31 PM30--Debt Service Fund-- FUND BALANCE -- AGENCY ACCOUNTS -- Revised -- BUDGET-STATUS-REPORT  
Fiscal Year 2024 (September 1, 2024 - August 31, 2025)For the PULLMAN SCHOOL DISTRICT #267 School District for the Month of June, 2025

	ANNUAL BUDGET	ACTUAL FOR MONTH	ACTUAL FOR YEAR	ENCUMBRANCES	BALANCE	PERCENT
<u>A. REVENUES/OTHER FIN. SOURCES</u>						
1000 Local Taxes	7,119,300	26,033.64	6,919,283.89		200,016.11	97.19
2000 Local support Non-Tax	85,000	11,423.62	86,989.75		1,989.75-	102.34
3000 State Revenue-General Purpose	0	.00	.00		.00	0.00
5000 Federal Revenue-General Purpose	0	.00	.00		.00	0.00
9000 Other Financing Sources	0	.00	.00		.00	0.00
<u>Total REVENUES/OTHER FIN. SOURCES</u>	7,204,300	37,457.26	7,006,273.64		198,026.36	97.25
<u>B. EXPENDITURES</u>						
Matured Bond Expenditures	4,680,000	.00	4,680,000.00	0.00	.00	100.00
Interest on Bonds	2,560,116	1,223,507.68	2,560,115.36	0.00	.64	100.00
Interfund Loan Interest	0	.00	.00	0.00	.00	0.00
Bond Transfer Fees	0	.00	.00	0.00	.00	0.00
Arbitrage Rebate	0	.00	.00	0.00	.00	0.00
Underwriter's Fees	10,000	.00	1,400.00	0.00	8,600.00	14.00
<u>Total EXPENDITURES</u>	7,250,116	1,223,507.68	7,241,515.36	0.00	8,600.64	99.88
<u>C. OTHER FIN. USES TRANS. OUT (GL 536)</u>	0	.00	.00			
<u>D. OTHER FINANCING USES (GL 535)</u>	0	.00	.00			
<u>E. EXCESS OF REVENUES/OTHER FIN.SOURCES OVER (UNDER) EXPENDITURES (A-B-C-D)</u>	45,816-	1,186,050.42-	235,241.72-		189,425.72-	413.45
<u>F. TOTAL BEGINNING FUND BALANCE</u>	3,984,549		3,811,793.58			
<u>G. GLS 896, 897, 898 ACCOUNTING CHANGES AND ERROR CORRECTIONS (+OR-)</u>	XXXXXXXXXX		.00			
<u>H. TOTAL ENDING FUND BALANCE (E+F + OR - G)</u>	3,938,733		3,576,551.86			
<u>I. ENDING FUND BALANCE ACCOUNTS:</u>						
G/L 810 Restricted for Other Items	0		.00			
G/L 830 Restricted for Debt Service	3,938,733		3,576,551.86			
G/L 835 Restrictd For Arbitrage Rebate	0		.00			
G/L 870 Committed to Other Purposes	0		.00			
G/L 889 Assigned to Fund Purposes	0		.00			
G/L 890 Unassigned Fund Balance	0		.00			
<u>TOTAL</u>	3,938,733		3,576,551.86			

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05.25.02.00.00PULLMAN SCHOOL DISTRICT #267  
2024-2025 Budget Status Report

07/15/25

Page:1  
2:31 PM40--Associated Student Body Fund-- FUND BALANCE -- AGENCY ACCOUNTS -- Revised -- BUDGET-STATUS-REPORT  
Fiscal Year 2024 (September 1, 2024 - August 31, 2025)For the PULLMAN SCHOOL DISTRICT #267 School District for the Month of June, 2025

	ANNUAL BUDGET	ACTUAL FOR MONTH	ACTUAL FOR YEAR	ENCUMBRANCES	BALANCE	PERCENT
<u>A. REVENUES</u>						
1000 General Student Body	236,105	3,344.04	126,055.03		110,049.97	53.39
2000 Athletics	153,970	6,339.77	145,651.41		8,318.59	94.60
3000 Classes	13,400	6,096.50	23,121.70		9,721.70-	172.55
4000 Clubs	125,900	13,640.94	179,939.63		54,039.63-	142.92
6000 Private Moneys	7,000	.00	3,769.48		3,230.52	53.85
<u>Total REVENUES</u>	536,375	29,421.25	478,537.25		57,837.75	89.22
<u>B. EXPENDITURES</u>						
1000 General Student Body	258,725	2,967.28	34,430.82	6,296.66	217,997.52	15.74
2000 Athletics	233,307	19,479.69	170,824.06	11,684.22	50,798.72	78.23
3000 Classes	13,640	4,980.74	8,639.44	1,062.00	3,938.56	71.12
4000 Clubs	209,055	16,642.33	176,205.82	2,014.79	30,834.39	85.25
6000 Private Moneys	7,000	.00	2,571.13	0.00	4,428.87	36.73
<u>Total EXPENDITURES</u>	721,727	44,070.04	392,671.27	21,057.67	307,998.06	57.32
<u>C. EXCESS OF REVENUES</u>						
<u>OVER (UNDER) EXPENDITURES (A-B)</u>	185,352-	14,648.79-	85,865.98		271,217.98	146.33-
<u>D. TOTAL BEGINNING FUND BALANCE</u>	543,116		525,766.31			
<u>E. GLS 896, 897, 898 ACCOUNTING</u>	XXXXXXXXX		.00			
<u>CHANGES AND ERROR CORRECTIONS (+OR-)</u>						
<u>F. TOTAL ENDING FUND BALANCE</u>	357,764		611,632.29			
<u>C+D + OR - E)</u>						
<u>G. ENDING FUND BALANCE ACCOUNTS:</u>						
G/L 810 Restricted for Other Items	0		.00			
G/L 819 Restricted for Fund Purposes	357,764		611,632.29			
G/L 840 Nonspnd FB - Invent/Prepd Itms	0		.00			
G/L 850 Restricted for Uninsured Risks	0		.00			
G/L 870 Committed to Other Purposes	0		.00			
G/L 889 Assigned to Fund Purposes	0		.00			
G/L 890 Unassigned Fund Balance	0		.00			
<u>TOTAL</u>	357,764		611,632.29			

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05.25.02.00.00PULLMAN SCHOOL DISTRICT #267  
2024-2025 Budget Status Report

07/15/25

Page:1  
2:31 PM90--Transportation Vehicle Fund-- FUND BALANCE -- AGENCY ACCOUNTS -- Revised -- BUDGET-STATUS-REPORT  
Fiscal Year 2024 (September 1, 2024 - August 31, 2025)For the PULLMAN SCHOOL DISTRICT #267 School District for the Month of June, 2025

	ANNUAL BUDGET	ACTUAL FOR MONTH	ACTUAL FOR YEAR	ENCUMBRANCES	BALANCE	PERCENT
<u>A. REVENUES/OTHER FIN. SOURCES</u>						
1000 Local Taxes	0	.00	.00		.00	0.00
2000 Local Support Non Tax	21,000	2,493.96	24,400.86		3,400.86-	116.19
3000 State Revenue-General Purpose	0	.00	.00		.00	0.00
4000 State Revenue-Special Purpose	553,391	.00	.00		553,391.00	0.00
5000 Federal Revenue-General Purpose	0	.00	.00		.00	0.00
6000 Federal, Special Purpose	0	.00	.00		.00	0.00
8000 Other Entities	0	.00	.00		.00	0.00
9000 Other Financing Sources	0	.00	.00		.00	0.00
<u>A. TOTAL REV/OTHER FIN.SRCS (LESS TRANS)</u>	574,391	2,493.96	24,400.86		549,990.14	4.25
<u>B. 9900 TRANSFERS IN FROM GF</u>	0	.00	.00		.00	0.00
<u>C. Total REV./OTHER FIN. SOURCES</u>	574,391	2,493.96	24,400.86		549,990.14	4.25
<u>D. EXPENDITURES</u>						
Type 30 Equipment	686,000	.00	160,916.00	194,128.18	330,955.82	51.76
Type 40 Energy	0	.00	.00	0.00	.00	0.00
Type 60 Bond/Levy Issuance and/or Electi	0	.00	.00	0.00	.00	0.00
Type 90 Debt	0	.00	.00	0.00	.00	0.00
<u>Total EXPENDITURES</u>	686,000	.00	160,916.00	194,128.18	330,955.82	51.76
<u>E. OTHER FIN. USES TRANS. OUT (GL 536)</u>	0	.00	.00			
<u>F. OTHER FINANCING USES (GL 535)</u>	0	.00	.00			
<u>G. EXCESS OF REVENUES/OTHER FIN SOURCES OVER (UNDER) EXP/OTH FIN USES (C-D-E-F)</u>	111,609-	2,493.96	136,515.14-		24,906.14-	22.32
<u>H. TOTAL BEGINNING FUND BALANCE</u>	644,526		651,880.55			
<u>I. GLS 896, 897, 898 ACCOUNTING CHANGES AND ERROR CORRECTIONS (+OR-)</u>	XXXXXXXXX		.00			
<u>J. TOTAL ENDING FUND BALANCE (G+H + OR - I)</u>	532,917		515,365.41			

K. ENDING FUND BALANCE ACCOUNTS:

G/L 810 Restricted For Other Items	0	.00
G/L 819 Restricted for Fund Purposes	532,917	515,365.41
G/L 830 Restricted for Debt Service	0	.00
G/L 835 Restrictd For Arbitrage Rebate	0	.00
G/L 850 Restricted for Uninsured Risks	0	.00
G/L 889 Assigned to Fund Purposes	0	.00
G/L 890 Unassigned Fund Balance	0	.00
<u>TOTAL</u>	532,917	515,365.41

# Coversheet

## Records Destruction Log

<b>Section:</b>	IV. Consent Agenda
<b>Item:</b>	H. Records Destruction Log
<b>Purpose:</b>	
<b>Submitted by:</b>	
<b>Related Material:</b>	Records Destruction Log - SES 7.23.25.pdf Records Destruction Log_PHS 7.23.25.pdf



Pullman School District - Regular Board Meeting - Agenda - Wednesday July 23, 2025 at 6:30 PM  
**6570F: Pullman School District Records Destruction Log**

The purpose of this form is to document compliance and reasonable accountability by verifying that specific public records have met current, approved minimum retention periods before being destroyed pursuant to RCW 40.14.070, WAC 434-610-070, and WAC 434-640-010, -020, and -030. Please fill out this form when destroying all public records whose minimum retention is *other than* "Retain until no longer needed for agency business then destroy" (such as records covered in the "Records with Minimal Retention Value" section of the Local Government Common Records Retention Schedule (CORE)).

Legal Disposition Authority (taken from Records Retention Schedule)				Agency Records			
Records Series Title	Records Series DAN	Records Retention Schedule	Minimum Retention Period	Description (Box/item numbers, volume, etc.)	Dates Covered	Date Minimum Retention Met	Method(s) of Destruction (See examples, below*)
Attendance Records 2019-2020			4 years	Attendance daily sheets	2019-20	6/15/21	Shred
Pcard & Purchase orders			6 years	BMO's, purchase cards/orders 2018-2019	2018-2019	6/25	Shred

\*Examples of methods of destruction: electronic deletion, in-house OR outside contractor shredding, secure recycling, other (describe)

**Statement:** The public records listed above have met their minimum retention period(s), are not subject to ongoing or reasonably anticipated litigation or public records requests, are not needed for audit or other agency business, and shall be destroyed.

The individual responsible for inventorying the listed records must sign below prior to the Records Manager's approval:

Employee Signature: Christa Sanford Printed Name: Christa Sanford Division: Office manager  
 Records Manager Signature: Robert Maxwell Printed Name: Robert Maxwell

The retention and disposition action for this Public Records Destruction Log is "Retain for the life of the agency" pursuant to CORE series GS50-09-06.



2022

**6570F: Pullman School District Records Destruction Log**

The purpose of this form is to document compliance and reasonable accountability by verifying that specific public records have met current, approved minimum retention periods before being destroyed pursuant to RCW 40.14.070, WAC 434-610-070, and WAC 434-640-010, -020, and -030. Please fill out this form when destroying all public records whose minimum retention is *other than* "Retain until no longer needed for agency business then destroy" (such as records covered in the "Records with Minimal Retention Value" section of the Local Government Common Records Retention Schedule (CORE)).

Legal Disposition Authority (taken from Records Retention Schedule)				Agency Records			
Records Series Title	Records Series DAN	Records Retention Schedule	Minimum Retention Period	Description (Box/item numbers, volume, etc.)	Dates Covered	Date Minimum Retention Met	Method(s) of Destruction (See examples, below*)
cumulative student records	7.1 & 7.2	3yrs	3yrs	2019 Graduates & ND 3yrs or older	2018-19 or older	6/22	outside shred
Teacher plan books	S051-06E-03 Rev.1	1yr	1yr	PHS Plan Books	2020-21	6/22	}
STUDENT ATTENDANCE	7.3	4yrs	4yrs	Student Attendance Doc's	2019-20	6/22	

\*Examples of methods of destruction: electronic deletion, in-house OR outside contractor shredding, secure recycling, other (describe)

**Statement:** The public records listed above have met their minimum retention period(s), are not subject to ongoing or reasonably anticipated litigation or public records requests, are not needed for audit or other agency business, and shall be destroyed.

The individual responsible for inventorying the listed records must sign below prior to the Records Manager's approval:

Employee Signature: Colet Lowery Printed Name: Colet Lowery Division: PHS office manager  
 Records Manager Signature: Robert Maxwell Printed Name: Robert Maxwell

The retention and disposition action for this Public Records Destruction Log is "Retain for the life of the agency" pursuant to CORE series GS50-09-06.



2023

## 6570F: Pullman School District Records Destruction Log

The purpose of this form is to document compliance and reasonable accountability by verifying that specific public records have met current, approved minimum retention periods before being destroyed pursuant to RCW 40.14.070, WAC 434-610-070, and WAC 434-640-010, -020, and -030. Please fill out this form when destroying all public records whose minimum retention is *other than* "Retain until no longer needed for agency business then destroy" (such as records covered in the "Records with Minimal Retention Value" section of the Local Government Common Records Retention Schedule (CORE)).

Legal Disposition Authority (taken from Records Retention Schedule)				Agency Records			
Records Series Title	Records Series DAN	Records Retention Schedule	Minimum Retention Period	Description (Box/item numbers, volume, etc.)	Dates Covered	Date Minimum Retention Met	Method(s) of Destruction (See examples, below*)
CUMULATIVE STUDENT RECORDS	7.1 & 7.2	3yrs	3yrs	2020 Graduates & WD 3yrs or older	2019-20 and older	June 2023	outside contractor
TEACHING RECORDS	SD 51 - 06E 03 REV. 1	1yr	1 yr	PHS Plan Books	2021-22	June 2023	
STUDENT ATTENDANCE	7.3	4yr	4yr	Student Attendance Documents	2018-19	June 2023	

\*Examples of methods of destruction: electronic deletion, in-house OR outside contractor shredding, secure recycling, other (describe)

**Statement:** The public records listed above have met their minimum retention period(s), are not subject to ongoing or reasonably anticipated litigation or public records requests, are not needed for audit or other agency business, and shall be destroyed.

The individual responsible for inventorying the listed records must sign below prior to the Records Manager's approval:

Employee Signature: Colet Lowery Printed Name: Colet Lowery Division: PHS Office Manager  
 Records Manager Signature: Robert Maxwell Printed Name: Robert Maxwell

The retention and disposition action for this Public Records Destruction Log is "Retain for the life of the agency" pursuant to CORE series GS50-09-06.



2023

## 6570F: Pullman School District Records Destruction Log

The purpose of this form is to document compliance and reasonable accountability by verifying that specific public records have met current, approved minimum retention periods before being destroyed pursuant to RCW 40.14.070, WAC 434-610-070, and WAC 434-640-010, -020, and -030. Please fill out this form when destroying all public records whose minimum retention is *other than* "Retain until no longer needed for agency business then destroy" (such as records covered in the "Records with Minimal Retention Value" section of the Local Government Common Records Retention Schedule (CORE)).

Legal Disposition Authority (taken from Records Retention Schedule)				Agency Records			
Records Series Title	Records Series DAN	Records Retention Schedule	Minimum Retention Period	Description (Box/item numbers, volume, etc.)	Dates Covered	Date Minimum Retention Met	Method(s) of Destruction (See examples, below*)
ALE	SD51-01-37 Rev 3	4 yrs	4 yrs	2014 - 2015 ALE Docs	2014-15	2019	Outside Shred
ALE	SD2012-074 Rev. 2	5 yrs	5 yrs	2014 - 2015 ALE Docs	2014-15	2020	↓
SBA'S	SD2014-025	5 yrs	5 yrs.	2017-2018 Lists, Teacher Assessments etc.	2017-18	2023	↓

\*Examples of methods of destruction: electronic deletion, in-house OR outside contractor shredding, secure recycling, other (describe)

**Statement:** The public records listed above have met their minimum retention period(s), are not subject to ongoing or reasonably anticipated litigation or public records requests, are not needed for audit or other agency business, and shall be destroyed.

The individual responsible for inventorying the listed records must sign below prior to the Records Manager's approval:

Employee Signature: Colet Lowery Printed Name: Colet Lowery Division: PHS office manager  
 Records Manager Signature: Robert Mayfield Printed Name: Robert Mayfield

The retention and disposition action for this Public Records Destruction Log is "Retain for the life of the agency" pursuant to CORE series GS50-09-06.



2024

## 6570F: Pullman School District Records Destruction Log

The purpose of this form is to document compliance and reasonable accountability by verifying that specific public records have met current, approved minimum retention periods before being destroyed pursuant to RCW 40.14.070, WAC 434-610-070, and WAC 434-640-010, -020, and -030. Please fill out this form when destroying all public records whose minimum retention is *other than* "Retain until no longer needed for agency business then destroy" (such as records covered in the "Records with Minimal Retention Value" section of the Local Government Common Records Retention Schedule (CORE)).

Legal Disposition Authority (taken from Records Retention Schedule)				Agency Records			
Records Series Title	Records Series DAN	Records Retention Schedule	Minimum Retention Period	Description (Box/item numbers, volume, etc.)	Dates Covered	Date Minimum Retention Met	Method(s) of Destruction (See examples, below*)
Student Attendance	SD 51 0401 REV. 1	4yrs	6yrs	Student Attendance Documents PHS	2019-20	6/2024	outside shred
"	7.3	4yrs	6yrs	" PHS	2019-20	6/24	
Cumulative Student records	7.1 & 7.2	3yrs	3yrs	2024 Graduates & WD 3yrs or older	2020-21 or older	June 2024	
ALE Records	SD 20 12-074 Rev 2	5yrs	5yrs	WSLP, etc ALE Files	2018-2019	June 2024	

\*Examples of methods of destruction: electronic deletion, in-house OR outside contractor shredding, secure recycling, other (describe)

**Statement:** The public records listed above have met their minimum retention period(s), are not subject to ongoing or reasonably anticipated litigation or public records requests, are not needed for audit or other agency business, and shall be destroyed.

The individual responsible for inventorying the listed records must sign below prior to the Records Manager's approval:

Employee Signature: Colet Lowery Printed Name: Colet Lowery Division: PHS Office Manager  
 Records Manager Signature: Robert Maxwell Printed Name: Robert Maxwell

The retention and disposition action for this Public Records Destruction Log is "Retain for the life of the agency" pursuant to CORE series GS50-09-06.



2025

## 6570F: Pullman School District Records Destruction Log

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Legal Disposition Authority (taken from Records Retention Schedule)				Agency Records			
Records Series Title	Records Series DAN	Records Retention Schedule	Minimum Retention Period	Description (Box/item numbers, volume, etc.)	Dates Covered	Date Minimum Retention Met	Method(s) of Destruction (See examples, below*)
Cumulative student records	7.1 or 7.2	3yrs	3yrs	2022 Graduates & WD 3yrs or older	2021-22 or older	June 2025	outside shred
Student Attendance	SD 51-04-01 REV. 1	7.3	4yrs	Attendance Logs Records	2020-21	June 2025	}
Teacher plan Books	SD 51-09-01 Rev. 1	1yr	1 yr	Teacher plan books	2023-2024	June 2025	
Financial Records	2017-2018	6 yrs	6 yrs	Financial Records 2017-2018	2017-2018	June 2025	
Student tracking	SD 51-04-14 Rev. 2 (a2)	1yr	1yr	Late arrival/early departure slips	2021-2024	June 2025	

\*Examples of methods of destruction: electronic deletion, in-house OR outside contractor shredding, secure recycling, other (describe)

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# Coversheet

## Short-Term Interlocal Agreement - Pullman School District and City of Pullman

**Section:** IV. Consent Agenda  
**Item:** I. Short-Term Interlocal Agreement - Pullman School District and City of Pullman  
**Purpose:**  
**Submitted by:**  
**Related Material:** Short-Term Interlocal Agreement - City of Pullman and Pullman SD.pdf

RESOLUTION NO. R-30-25

A RESOLUTION AUTHORIZING THE EXECUTION OF AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF PULLMAN AND PULLMAN SCHOOL DISTRICT NO. 267, FOR THE PURPOSE OF SHARING CERTAIN PROPERTY.

WHEREAS, the City Council for the City of Pullman has before it an Interlocal Agreement entitled "An Interlocal Agreement Relating to the Sharing of Certain Property by Pullman School District No. 267 and the City of Pullman," which is attached hereto and marked as Exhibit "A"; and,

WHEREAS, the City Council for the City of Pullman has determined it to be in the best interests of the City of Pullman to authorize the execution of said Agreement; now, therefore,

IT IS HEREBY RESOLVED that the Mayor and Director of Finance and Administrative Services are each hereby authorized and directed to execute the agreement for said services and to deliver an executed copy thereof to Pullman School District No. 267.

IT IS FURTHER RESOLVED that the Mayor and Director of Finance and Administrative Services are each hereby authorized and directed to take such further action as may be appropriate in order to effect the purpose of this Resolution and the Agreement authorized thereby.

BE IT FURTHER RESOLVED that executed copies of said Agreement shall be filed with the county auditor or, alternatively, listed by subject on each party's website or other electronically retrievable public source before the Agreement enters into force.

ADOPTED by the City Council of the city of Pullman at a regular meeting held on the 8<sup>th</sup> day of July, 2025.

DATED this 8<sup>th</sup> day of July, 2025.



  
Mayor Francis Benjamin

ATTEST:

  
City Clerk Dee Stiles-Elliott

Approved as to Form:

---

City Attorney Thaddeus O'Sullivan

Return to:  
 City of Pullman  
 Attention: City Clerk  
 190 SE Crestview Pullman, WA 99163

Document Title:

AN INTERLOCAL AGREEMENT RELATING TO THE SHARING OF CERTAIN  
 PROPERTY BY PULLMAN SCHOOL DISTRICT NO. 267 AND THE CITY OF  
 PULLMAN (RCW Chapter 39.34)

Reference Number(s) of Related Documents:  
**Resolution No. R-30-25**

Grantor/Grantee: Pullman School District No. 267, a  
 municipal corporation of the state of Washington

Grantor/Grantee: City of Pullman, a municipal corporation  
 of the state of Washington

1. Legal Description: N/A

SUBDIVISION	SECTION	TOWNSHIP	RANGE	MERIDIAN

**AN INTERLOCAL AGREEMENT RELATING TO THE SHARING OF CERTAIN  
PROPERTY BY PULLMAN SCHOOL DISTRICT NO. 267 AND  
THE CITY OF PULLMAN (RCW CHAPTER 39.34)**

THIS AGREEMENT is between the CITY OF PULLMAN, a municipal corporation of the state of Washington (hereinafter referred to as the "City"), and PULLMAN SCHOOL DISTRICT NO. 267, a municipal corporation of the state of Washington (hereinafter referred to as the "School District"), and is entered into pursuant to the Washington Interlocal Cooperation Act, RCW chapter 39.34.

The City and the School District wish to further their cooperation in the joint use of City-owned property ("City Properties") and School District-owned property ("School District Properties" identified in Schedules A, B and C ("Joint-Use Properties"), to facilitate community access and accomplish programs for their respective benefit. This Agreement constitutes the entire agreement of the parties and supersedes all prior agreements, contracts, and understandings, written or oral.

This Agreement recognizes that School District facilities are primarily for School District use and that City facilities are primarily for City use.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND AGREEMENTS TO BE KEPT AND PERFORMED BY THE PARTIES HERETO, IT IS AGREED AS FOLLOWS:

**1. PURPOSE**

The purpose of this Agreement is to enable the parties to make the most efficient use of their property for the benefit of community access by setting forth terms and conditions of continuing use applicable to all property involving joint use by the City and the School District. These provisions apply to all joint-use and jointly



operated property, identified in the attached Schedules A (School-Owned Facilities), B (City-Owned or Leased Facilities), and C (Jointly-Operated Facilities). However, the specific terms and conditions unique to the properties set forth in sections 6 and 7 shall take precedence over all other conflicting provisions in this Agreement.

## 2. ADMINISTRATION

No new separate legal or administrative entity is created to administer this Agreement. Representatives of the City's Public Services Department and the School District administration shall meet no less than once per quarter, or as required, in order to review the activities under this Agreement and to make recommendations, if necessary, to the City Council and to the School District Board of Directors for the succeeding period and at such other times as the parties deem necessary to provide for the administration of this Agreement. No separate budget or financing method is created by this Agreement. The parties do not anticipate acquiring jointly-owned personal or real property under this Agreement. Any personal property of a party used in the performance of this Agreement in the possession of the other party shall be returned to the owner promptly upon completion of each requested task that utilized the property.

## 3. MAINTENANCE AND CAPITAL

Each party to this Agreement shall be responsible for maintaining its joint-use property, real or personal, except as hereafter provided. Any party contemplating capital improvements to the other party's property or facilities, shall obtain advance written approval from the other party before the capital expenditure is made with such approval to include terms and conditions as deemed appropriate by

both parties.

#### 4. TERM

The term of this Agreement shall be from September 1, 2025, through December 31, 2025.

#### 5. AGREEMENT AS TO USE OF JOINT-USE PROPERTIES

5.1 The Joint-Use Properties subject to this Agreement are identified in Schedules A, B, and C attached hereto and incorporated herein.

5.2 The School District Properties include public school buildings, athletic and play fields, and such other facilities and property identified from time to time by the School District and included in Schedule A.

5.3 The City Properties include parks, athletic and play fields, tennis courts, restrooms, and such other facilities and property identified from time to time by the City and included in Schedule B.

5.4 Except as otherwise provided herein, no rental or expenses shall be charged to a party for the use of any Joint-Use Properties.

5.5 The City and the School District shall maintain property liability insurance for losses due to use on property each owns and for activities conducted by the party on properties identified in Schedules A and B as it currently exists and is hereinafter amended.

5.6 The City shall supervise all programs and activities it conducts on School District Properties and shall, at the end of

any session of use, return all items used to their normal storage areas.

5.7 The School District shall supervise all programs and activities it conducts on City Properties and shall, at the end of any session of use, return all items used to their normal storage areas.

5.8 All requests for the use of Joint-Use Properties shall be made no less than 60 days prior to the event or activity requiring the use of the other party's property. The parties will use their best efforts to coordinate and commit to firm schedule requirements in order to accommodate the needs of each other, consistent with the needs and programs of each. Complete schedules will be kept as well as future projections of use as are reasonably practical.

5.9 The City and School District shall exchange requests for use of property and facilities covered by the Agreement with the appropriate facility contacts. The City and School District shall designate these facility contacts for each location as set forth in Schedule D. The schedule shall be finalized no later than ten (10) calendar days following the request for approval. Except for cancellations or rescheduled events, parties shall not advertise activities at the other party's property without confirmed scheduling approval.

5.10 Each party shall have priority for its own activities or its own property. However, once scheduling is completed, except in exceptional circumstances, the City and the School District shall give priority to the previously approved schedule. Use of Joint-Use Properties will otherwise be on a first-come, first-served basis.

5.11 Should any scheduled use of the joint-use property be canceled, the party canceling shall promptly notify the other party.

6. MILITARY HILL PARK AND ROWLAND LIONS ATHLETIC COMPLEX

The Military Hill Park and Rowland Lions Athletic Complex shall be jointly maintained. Equipment needs and maintenance responsibilities will be reviewed at least annually by the School District Activities Director and Director of Operations and the City's Parks and Facilities Director or Parks Manager or assigns as per Schedule D.

7. SUNNYSIDE GYMNASIUM

7.1 Background. The Sunnyside Gymnasium is the result of joint City and School District funding to provide an enlarged gymnasium to accommodate the combined programs of the City and the School District.

7.2 Survival. The terms and conditions of this Section 7 shall survive the termination of this Agreement and shall remain in effect during the useful life of the gymnasium.

7.3 The scheduling requirements contained in paragraph 5.8-5.10 are modified as follows for purposes of use and scheduling of Sunnyside Gymnasium. The gymnasium shall be made available to the City upon the following terms and conditions:

7.3.1 The School District shall have use of the gymnasium until school ends on school days scheduled Monday through Friday. The School District shall be allowed a reasonable period (normally approximately 15

minutes) to remove volleyball nets or other equipment before the gymnasium is available for City use.

7.3.2 The City shall have use of the gymnasium subject to School District maintenance after school-on-school days, anytime Saturday or Sunday, on school holidays, or during school vacations.

7.3.3 Should mutual written agreement not be reached on scheduling resulting in both parties desiring to use the gymnasium at the same time, then parties will alternate use for each timed scheduled activity. The School District has the first use in this Agreement. Once this provision is utilized the next use will revert to the City. Declaration of use in this section must be made in writing or electronically by the executing party to the School District Activities Director and Director of Operations and the City's Public Services Director and Parks Manager or assigns.

7.3.4 All requests for use of the gymnasium after school Monday through Friday or Saturday or Sunday by third-party groups sponsored by the School District or the City shall be made to the City and will only be authorized after approval by the City and the School District.

7.3.5 The City shall supervise all of its programs and activities conducted in the gymnasium.

7.3.6 The City and the School District shall return all equipment and supplies to the proper storage areas after use of the gymnasium.

7.3.7 The City and the School District shall each pay 50% of the cost of painting, improvements, alterations, repairs, or replacements that are mutually approved in writing.

7.3.8 Except as provided, the School District shall be solely responsible for the maintenance of the gymnasium at no cost to the City.

7.3.9 Each party shall be responsible for damages incurred by their respective programs.

#### 8. RIGHTS NOT ASSIGNABLE

Neither party shall assign any rights hereunder to any other person or entity - governmental or otherwise, without the prior written approval of the other party.

#### 9. EFFECTIVE DATE AND FILING REQUIREMENTS

Following the execution of this Agreement by the parties, and in compliance with RCW 39.34.040, the Agreement shall be filed with the county auditor or, alternatively, listed by subject on each party's website or other electronically retrievable public source before the Agreement enters into force.

#### 10. HOLD HARMLESS

Each party hereby covenants and agrees to hold the other party harmless from any liability of any nature whatsoever arising out of injury to persons or property as a result of its own activities under this Agreement.

#### 11. ENTIRE AGREEMENT

This Agreement embodies the entire Agreement between the City and

the School District regarding the subjects herein. No alteration or variation of terms of this Agreement shall be valid unless made in writing and signed by the parties hereto. Oral understanding or agreements not incorporated herein shall not be binding.

## 12. NOTICES

All notices to be given under this Agreement shall be given as follows:

### 12.1 Notice to the City:

City of Pullman  
Attention: City Administrator  
190 SE Crestview Street  
Building A  
Pullman, WA 99163

### 12.2 Notice to the School District:

Pullman School District No. 267  
Attention: Superintendent  
240 SE Dexter Street  
Pullman, WA 99163

## 13. APPROVALS

13.1 The City Council of the City, by resolution adopted at its meeting held, has approved and authorized the terms of this Agreement on July 8, 2025.


13.2 The Board of Directors of the School District, by motion passed at its meeting held, has approved and authorized the terms of this Agreement on \_\_\_\_\_, 2025.


## 14. INTERPRETATION AND ATTORNEY FEES AND COSTS

This agreement shall be deemed and construed to have been prepared

mutually and any uncertainty or ambiguity existing therein shall not be construed against any party. In the event that any party shall take an action, whether judicial or otherwise, to enforce or interpret any of the terms of the Agreement, the prevailing party shall be entitled to recover from the other party all expenses which it may reasonably incur in taking such action, including attorneys' fees and costs, whether incurred in a court of law or otherwise.

CITY OF PULLMAN,  
a municipal corporation of the  
State of Washington

By   
Mayor Francis A. Benjamin

ATTEST:  
  
City Clerk Dee Stiles-Elliott

Date: July 10, 2025

PULLMAN SCHOOL DISTRICT NO. 267,  
a municipal corporation of the  
State of Washington

By \_\_\_\_\_  
Board Chairperson

ATTEST:  
\_\_\_\_\_  
Secretary of the Board

Date: \_\_\_\_\_



Schedule A

## CITY/SCHOOL FACILITY COMPARISON &amp; NEEDS

School Facility	Description	Season/Dates for City Use	City Needs/Requests
Jefferson	Gymnasium	Winter	M-Th 5:30-6:30pm
	Playfield	Fall	M-Th 4:15-6:15pm
Kamiak	Gymnasium	Winter	M-Th 5:30-6:30pm
	Playfield	Fall	M-Th 4:15-6:15pm
Franklin	Gymnasium	Winter	M-Th 5:30-6:30pm
Lincoln	Soccer Playfield	Fall/Spring	M-F 3:00-6:30pm; Sat 8:00-12:30pm
	Soccer Playfield	Summer	M-Th 6:00-7:00pm
	Football Playfield	Summer	M-Th 6:00-7:00pm
	Aux Gym	Winter	M-Th 5:15-6:45pm Sat 8:30-12:30pm
Pullman High	Softball Fields	Late Spring/Summer	M-F 6:00-8:00pm
	Auditorium	Summer	Single Week of Use
Sunnyside	Playfield	Fall/Spring/Summer	Daily Use

Schedule B

## CITY/SCHOOL FACILITY COMPARISON &amp; NEEDS

Facility	Description	Season/rates/Times for School	School Needs/Requests
Garden Plots	Sunnyside Park	Unknown	Unknown
Playfields	Bowman	Unknown	Unknown
	Krugel	Unknown	Unknown
	McGee	Unknown	Unknown
	Sunnyside	Unknown	Unknown
	Thatuna	Unknown	Unknown
	Wiley	Unknown	Unknown
Parks	Krugel Park	Unknown	Unknown
	Lawson Gardens	Unknown	Unknown
	McGee	Unknown	Unknown
	Reaney	Unknown	Unknown
	Sunnyside	Unknown	Unknown
	Terre View	Unknown	Unknown
Pool	Outdoor - Reaney Park	Unknown	Unknown
Tennis Courts	Sunny side Park	Unknown	Unknown
	Krugel Park	Unknown	Unknown

Schedule C

## CITY/SCHOOL FACILITY COMPARISON &amp; NEEDS

Facility	City Schedule	PSD Schedule	City Maintained	PSD Maintained	City Capital	PSD Capital
Military Hill Park	Yes		Yes		Yes	
Quann	Yes	Yes	Yes	Yes		
Small Football Field	Yes	Yes	Yes			
Upper Quann	Yes	Yes	Yes			
Military Hill Tennis Cts	Yes	Yes	Yes	Yes	Yes	Yes
Pullman Aquatic Center	Yes	Yes	Yes	Yes	Yes	Yes
Sunnyside Gymnasium	Yes	Yes		Yes	Yes	Yes

**Aquatic Center Operations and Cost-Sharing Agreement**

- 1. Automatic Removal from Schedule C.** The parties agree that the Indoor – PAC facility shall be automatically removed from Schedule C upon the School District's transfer of said facility to a third party by deed on the closing date.
- 2. Operation and Maintenance.** The City agrees to operate and maintain the Aquatic Center through December 31, 2025, or until such time as the facility is transferred by the School District to a third party by deed on the closing date, whichever occurs first.
- 3. Consideration and Payment.** In consideration of the City's operation of the Aquatic Center and its availability for use by the School District as set forth herein, the School District shall remit monthly payments to the City in the amount of Seven Thousand Nine Hundred Seventy-Four and 62/100 Dollars (\$7,974.62), beginning on September 1, 2025, and continuing through December 2025, or until such time as the facility is transferred as described above, whichever occurs first.
- 4. Budgeting and Financial Performance.** The City shall be solely responsible for the preparation and administration of the Aquatic Center's operational budget and shall keep the School District reasonably informed as to the financial performance of the facility.
- 5. Repair and Maintenance Costs.** The City and the School District agree to share equally all costs and expenditures related to the repair, replacement, and maintenance of the Aquatic Center, including but not limited to those affecting the premises, improvements, and appurtenances. The City shall include anticipated repairs and replacements in its annual budgeting process and shall confer with the School District prior to incurring such expenditures. The School District agrees to remit its share of such costs within thirty (30) days of receiving an invoice from the City.
- 6. Scheduling and Use.** From September 1, 2025, through December 31, 2025, the City shall consult with the School District regarding the scheduling of pool activities. The City shall have priority in scheduling public swim periods. Both parties shall cooperate in good faith to coordinate scheduling in a manner that reasonably accommodates each party's desired use of the facility.

TBD

Schedule D

# Coversheet

## Pullman School District - ZEN Solar Power Purchase Agreements

<b>Section:</b>	VI. Discussion Items
<b>Item:</b>	A. Pullman School District - ZEN Solar Power Purchase Agreements
<b>Purpose:</b>	
<b>Submitted by:</b>	
<b>Related Material:</b>	ES ZEN Solar Power Purchase Agreement 7.23.25.pdf ZEN Power Purchase Agreement_Pullman SD_Bus Depot.pdf ZEN Power Purchase Agreement_Pullman SD_Kamiak ES.pdf ZEN Power Purchase Agreement_Pullman SD_Lincoln MS.pdf ZEN Power Purchase Agreement_Pullman SD_Pullman HS.pdf



*To Ensure Learning While Challenging and Supporting Each Student to Achieve Full Potential*

Pullman School District No. 267 • 240 SE Dexter • Pullman, WA 99163 • (509) 332-3581

## ***ZEN Solar Power Purchase Agreement***

**Executive Summary**

**July 23, 2025**

***By: Juston Pollestad***

*Executive Director of Operations*

### **Background:**

ZEN Solar has prepared Power Purchase Agreement (PPA) proposals for Pullman School District. The proposals include the installation of solar panels at four district facilities: Pullman High School (PHS), Lincoln Middle School (LMS), Kamiak Elementary School (KES), and the Transportation Facility. Each site will receive solar energy at the same fixed rate per kilowatt-hour (\$/kWh), offering consistency and predictability in energy costs across the district.

ZEN Solar's proposal represents an opportunity for the district to reduce long-term energy expenses and further its commitment to sustainability. However, due to the unique nature of each facility, a separate PPA will be required for each location.

### **Recommended Board Action:**

Approve the Pullman School District Power Purchase Agreements with ZEN Solar.

### **Motion to Approve**

I move that the Board approve the Pullman School District Power Purchase Agreements with ZEN Solar.

☐ Approved

☐ Not Approved

**Date:** \_\_\_\_\_

**Board Secretary Signature:** \_\_\_\_\_

# Solar Power Purchase Agreement

This Solar Power Purchase Agreement (this “**Agreement**”) is entered into by the parties listed below (each a “**Party**” and collectively the “**Parties**”) as of the date signed by Seller below (the “**Effective Date**”).

<i>Purchaser:</i>		<i>Seller:</i>	
Name and Address	Pullman School District 170 NW Albion Dr. Pullman, WA 99163 Attention: Juston Pollestad	Name and Address	Zero Emissions Northwest, LLC 3216 N Washington St, Spokane WA 99205
Phone	509-332-3581	Phone	509-518-5147
Fax	509-336-7202	Fax	N/A
E-mail	TBD@fpsd267.org	E-mail	David.Funk@zeroemissionsnorthwest.com
Premises Ownership	Purchaser owns the Premises.	Additional Seller Information	
Tax Status	Tax Exempt		
Project Name	Pullman Middle School Community Solar Project		

This Agreement sets forth the terms and conditions of the purchase and sale of solar generated electricity from the solar panel system described in **Exhibit 2** (the “**System**”) and installed on the real property comprising Purchaser’s premises described or depicted in Schedule A to **Exhibit 2** (the “**Premises**”), including any buildings and other improvements on the Premises other than the System (the “**Improvements**”).

The exhibits listed below are incorporated by reference and made part of this Agreement.

<b>Exhibit 1</b>	Pricing
<b>Exhibit 2</b>	System Description, Delivery Point and Premises
<b>Exhibit 3</b>	General Terms and Conditions

<i>Purchaser:</i>	<b>Pullman School District</b>
Signature:	
Printed Name:	
Title:	
Date:	

<i>Seller:</i>	<b>Zero Emissions Northwest, LLC</b>
Signature:	
Printed Name:	
Title:	
Date:	



# Exhibit 1:

## Pricing

1. **Initial Term:** Ten (10) years, beginning on the Commercial Operation Date (the “Initial Term”).
2. **Additional Terms:** Up to two (2) terms of five (5) years, each beginning on the expiration of the Initial Term, each an “Additional Term”.
3. **Contract Price:**

Contract Year	Solar Energy \$/kWh	Insurance Premium	Total Solar CONTRACT PRICE \$/kWh	Average \$/kWh
1	\$ 0.028	\$ 0.009	\$ 0.037	
2	\$ 0.029	\$ 0.009	\$ 0.038	
3	\$ 0.029	\$ 0.010	\$ 0.039	
4	\$ 0.030	\$ 0.010	\$ 0.039	
5	\$ 0.030	\$ 0.010	\$ 0.040	
6	\$ 0.031	\$ 0.010	\$ 0.041	
7	\$ 0.032	\$ 0.010	\$ 0.042	
8	\$ 0.032	\$ 0.011	\$ 0.043	
9	\$ 0.033	\$ 0.011	\$ 0.044	
10	\$ 0.033	\$ 0.011	\$ 0.044	\$ 0.040

Contract Year	Estimated Utility \$/kWh	Estimated Solar kWh	Estimated Utility Purchases without Solar	Total Utility Purchases without Solar
1	\$ 0.102	178,000	\$ 18,200	
2	\$ 0.106	177,000	\$ 18,800	
3	\$ 0.110	176,000	\$ 19,400	
4	\$ 0.115	175,000	\$ 20,100	
5	\$ 0.119	174,000	\$ 20,800	
6	\$ 0.124	173,000	\$ 21,500	
7	\$ 0.129	172,000	\$ 22,200	
8	\$ 0.134	171,000	\$ 23,000	
9	\$ 0.140	170,000	\$ 23,700	
10	\$ 0.145	169,000	\$ 24,500	\$ 212,200

Contract Year	Total Solar \$/kWh	Estimated Solar kWh	Estimated Solar Purchases	Total Solar Purchases
1	\$ 0.037	178,000	\$ 6,600	
2	\$ 0.038	177,000	\$ 6,700	
3	\$ 0.039	176,000	\$ 6,800	
4	\$ 0.039	175,000	\$ 6,900	
5	\$ 0.040	174,000	\$ 7,000	
6	\$ 0.041	173,000	\$ 7,100	
7	\$ 0.042	172,000	\$ 7,200	
8	\$ 0.043	171,000	\$ 7,300	
9	\$ 0.044	170,000	\$ 7,400	
10	\$ 0.044	169,000	\$ 7,500	\$ 70,500

Contract Year	Avoided Utility Purchases	Total Avoided Purchases
1	\$ 11,600	
2	\$ 12,100	
3	\$ 12,600	
4	\$ 13,200	
5	\$ 13,800	
6	\$ 14,400	
7	\$ 15,000	
8	\$ 15,700	
9	\$ 16,300	
10	\$ 17,000	\$ 141,700

The first Contract Year shall commence on the Commercial Operation Date, and each subsequent Contract Year shall commence on the anniversary of the Commercial Operation Date.

- 4. Contract Price Assumptions.** The Contract Price is based on the following assumptions:
- a. Interconnection costs for the System will not exceed \$0.00 in the aggregate.
  - b. Statutory prevailing wage rates (e.g., Davis-Bacon) do not apply.
  - c. All prices in this Agreement are calculated based on an upfront rebate of 100%. In the event that the reimbursable rebate is not paid by the Utility, the PPA price shall be equal to 95% of the Utility rate.
  - d. The Contract Price is exclusive of Seller's Taxes (as defined in Section 3(d) of Exhibit 3), and Buyer shall be responsible for all Seller's Taxes at the rates in effect as of the Effective Date.
- 5. Contract Price Exclusions.** Unless Seller and Purchaser have agreed otherwise in writing, and except as otherwise provided in Section 2(c) of Exhibit 3, the Contract Price excludes the following:
- a. Unforeseen groundwork (including excavation and circumvention of underground obstacles). Upgrades or repair to customer or utility electrical infrastructure (including: client or utility service, transformers, substations, poles, breakers, reclosers, and disconnects).
  - b. Snow removal, tree removal, tree trimming, mowing and any landscape improvements.
  - c. Decorative fencing and/or any visual screening materials, decorative enhancements to solar support structures (including: painting, paint matching, masonry/stone work, and any lighting not required to meet the minimum code compliance).
  - d. Removal of existing lighting, light poles, or concrete light post bases.
  - e. Roof membrane maintenance or reroofing work.
  - f. Structural upgrades to the Improvements, including ADA upgrades.
  - g. Installation of public information screen or kiosk (including accompanying internet connection, power supply, technical support and ADA access).
  - h. Changes in System design caused by any inaccuracy or ambiguity in information provided by Purchaser, including information regarding Purchaser's energy use, the Premises and the Improvements, including building plans and specifications.
- 6. Termination Payment Schedule (Exhibit 3, Section 11(b)):**

Contract Year	Termination Payment
1	\$72,000
2	\$71,000
3	\$70,000
4	\$69,000
5	\$68,000
6	\$67,000
7	\$66,000
8	\$65,000
9	\$64,000
10	\$63,000

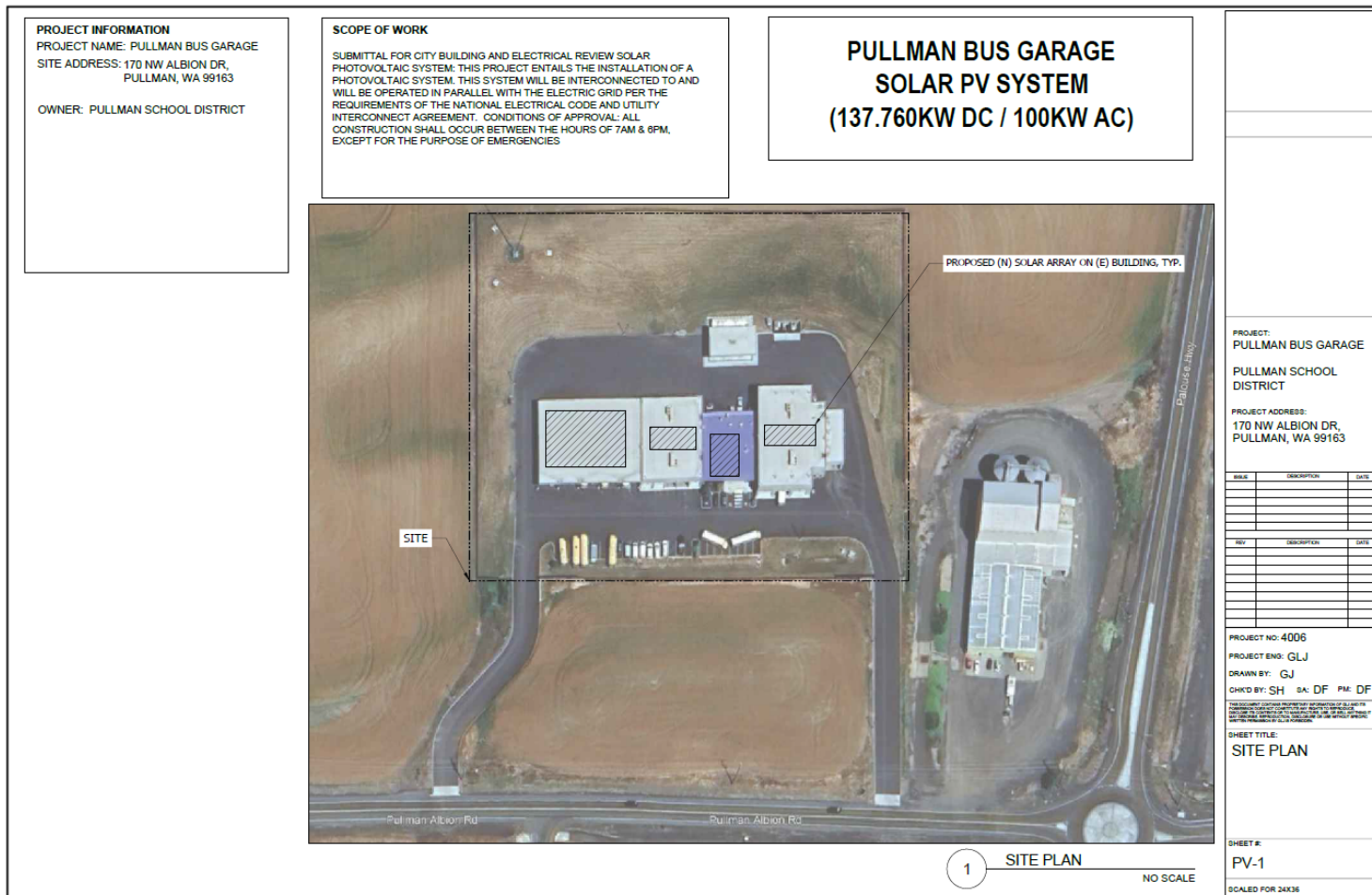


## Exhibit 2:

# System Description, Delivery Point, and Premises

1. **System Location:** Pullman School District
2. **System Size (DC kW):** 137.76 DC kW
3. **System Description:** Roof mounted solar on the Pullman Bus Depot interconnecting behind the meter.
4. **Delivery Point and Premises:** Schedule A to this **Exhibit 2** contains one or more drawings or images depicting:
  - a. Premises, including the Improvements (as applicable);
  - b. Proposed System location;
  - c. Delivery point for electricity generated by the System shall be Meter measuring the kWh output of the solar system as defined in Section 10 (the “**Delivery Point**”);
  - d. Access points needed for Seller to install and service the System (building, access, electrical room, stairs etc.); and
  - e. Construction assumptions (if any).

### Schedule A



## Exhibit 3:

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## Exhibit 3:

# General Terms and Conditions

1. **Purchase and Sale of Electricity.** Purchaser shall purchase from Seller, and Seller shall sell to Purchaser, all of the electricity generated by the System during the Term (as defined in Section 2(a)). Electricity generated by the System shall be delivered to Purchaser at the Delivery Point. Title to and risk of loss for the electricity generated by the System passes to Purchaser from Seller at the Delivery Point. Purchaser may purchase electricity for the Premises from other sources to the extent Purchaser's electricity consumption requirements at the Premises exceed the output of the System.
  
2. **Term and Termination.**
  - a. **Effective Date; Term.** This Agreement is effective as of the Effective Date. The electricity supply period under this Agreement commences on the Commercial Operation Date (as defined in Section 6) and continues for the duration of the Initial Term and any Additional Terms, unless earlier terminated as provided for in this Agreement (collectively, the "Term").
  
  - b. **Additional Terms.** The Parties may agree in writing to extend this Agreement for one or more Additional Term(s) at a Contract Price to be agreed.
  
  - c. **Termination Due to Contract Price Adjustments or Lack of Project Viability.** If, at any time after the Effective Date and prior to Commencement of Installation (as defined in Section 5), (i) circumstances arise which have been excluded from Contract Price calculations pursuant to Section 5 of **Exhibit 1**, or Seller determines that the installation of the System will not be technically or economically viable for any other reason, and (ii) the Parties have negotiated a Contract Price adjustment for thirty (30) days following written notice from Seller without reaching agreement, either Party may terminate this Agreement by providing ten (10) days' prior written notice to the other Party. Neither Party shall be liable for any damages in connection with such termination. After Commencement of Installation, the Contract Price shall not be subject to further adjustment pursuant to Section 5 of **Exhibit 1** or otherwise.
  
  - d. **Termination by Purchaser for Delay.** If Commencement of Installation has not occurred **(2) years** after the Effective Date, Purchaser may terminate this Agreement by providing thirty (30) days' prior written notice to Seller; provided that this Agreement will not terminate pursuant to this Section 2(d) if Seller achieves Commencement of Installation on or before the end of such thirty (30) day notice period. Purchaser shall not be liable for any damages in connection with such termination.
  
3. **Billing and Payment; Taxes.**
  - a. **Monthly Charges.** Purchaser shall pay Seller monthly for the electricity generated by the System and delivered to the Delivery Point at the \$/kWh rate shown in **Exhibit 1** (the "Contract Price"). The monthly payment for such energy will be equal to the applicable \$/kWh rate multiplied by the number of kWh of electricity generated during the applicable month, as measured by the Meter (as defined in Section 10). Additional costs for items differing from the assumptions in **Exhibit 1**, Item 4 are Purchaser's responsibility.
  
  - b. **Monthly Invoices.** Seller shall invoice Purchaser monthly. Such monthly invoices shall state (i) the amount of electricity produced by the System and delivered to the Delivery Point, (ii) the rates applicable to, and charges incurred by, Purchaser under this Agreement and (iii) the total amount due from Purchaser.
  
  - c. **Payment Terms.** All amounts due under this Agreement are due and payable net thirty (30) days following receipt of invoice. Any undisputed portion of the invoice amount not paid within such thirty (30) day period shall accrue interest at the annual rate of two and one-half percent (2.5%) above the Prime Rate (but not to exceed the maximum rate permitted by law). All payments shall be made in U.S. dollars.
  
  - d. **Taxes.**
    - i. **Purchaser's Taxes.** Purchaser is responsible for: (1) payment of, or reimbursement of Seller, for all taxes assessed on the generation, sale, delivery or consumption of electricity produced by the System or the interconnection of the System to the utility's electricity distribution system; and (2) real property taxes.

- ii. **Seller's Taxes.** Seller is responsible for: (1) payment of income taxes or similar taxes imposed on Seller's revenues due to the sale of electricity under this Agreement; and (2) personal property taxes imposed on the System ("**Seller's Taxes**").

- 4. **RECs and Incentives.** As the owner of the System, Seller is entitled to the benefit of, and will retain all ownership interests in the RECs and Incentives. Purchaser shall cooperate with Seller in obtaining, securing and transferring any and all RECs and Incentives. Purchaser is not obligated to incur any out-of-pocket costs or expenses in connection with such actions unless reimbursed by Seller. Purchaser shall not make any filing or statements inconsistent with Seller's ownership interests in the RECs and Incentives. If any RECs or Incentives are paid or delivered directly to Purchaser, Purchaser shall immediately pay or deliver such items or amounts to Seller.

"**Governmental Authority**" means any foreign, federal, state, local or other governmental, regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, court, tribunal, arbitrating body or other governmental authority having jurisdiction or effective control over a Party.

"**Incentives**" means (i) a payment paid by a utility or state or local Governmental Authority based in whole or in part on the cost or size of the System such as a rebate, (ii) a performance-based incentive paid as a stream of periodic payments by a utility, state or Governmental Authority based on the production of the System, (iii) investment tax credits, production tax credits, and similar tax credits, grants or other tax benefits under federal, state or local law, and (iv) any other attributes, commodity, revenue stream or payment in connection with the System (such as ancillary or capacity revenue), in each case of (i) through (iv) relating to the construction, ownership, use or production of energy from the System, provided that Incentives shall not include RECs.

"**REC**" means a renewable energy credit or certificate under any state renewable portfolio, standard or federal renewable energy standard, voluntary renewable energy credit certified by a non-governmental organization, pollution allowance, carbon credit and any similar environmental allowance or credit and green tag or other reporting right under Section 1605(b) of The Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions trading program, in each case relating to the construction, ownership, use or production of energy from the System, provided that RECs shall not include Incentives.

#### 5. **Project Completion.**

- a. **Project Development.** Seller shall diligently pursue the development and installation of the System, subject to Section 2(c), Section 11 and the remaining provisions of this Section 5.
- b. **Permits and Approvals.** Seller shall use commercially reasonable efforts to obtain the following at its sole cost and expense (each an "**Approval**"):
  - i. any zoning, land use and building permits required for Seller to construct, install and operate the System; and
  - ii. any agreements and approvals from the utility necessary in order to interconnect the System to the utility's electric distribution system.

Purchaser shall cooperate with Seller's reasonable requests to assist Seller in obtaining such Approvals, including, without limitation the execution of documents required to be provided by Purchaser to the local utility.

- c. **Commencement of Installation.** Seller shall exercise commercially reasonable efforts to achieve Commencement of Installation of the System within [ ] days after the Effective Date. "**Commencement of Installation**" means the date that Seller or its installation contractor has begun physical installation of the System on the Premises.
- d. **Force Majeure.**
  - i. **Force Majeure Event.** If either Party is unable to timely perform any of its obligations (other than payment obligations) under this Agreement in whole or in part due to a Force Majeure Event, that Party will be excused from performing such obligations for the duration of the time that such Party remains affected by the Force Majeure Event; provided, that such Party uses commercially reasonable efforts to mitigate the impact of the Force Majeure Event and resumes performance of its affected obligations as soon as reasonably practical. The Party affected by the Force Majeure Event shall notify the other Party as soon as reasonably practical after the

affected Party becomes aware that it is or will be affected by a Force Majeure Event. If the Force Majeure Event occurs during the Term and impacts the ability of the System to deliver electricity to the Delivery Point, the Term will be extended day for day for each day delivery is suspended due to the Force Majeure Event.

- ii. **Extended Force Majeure.** If a Force Majeure Event notified by either Party under paragraph (i) above continues for a consecutive period of one hundred eighty (180) days or more within a twelve (12) month period, then either Party may terminate this Agreement without either Party having further liability under this Agreement except: (a) liabilities accrued prior to termination, (b) Seller shall remove the System as required under Section 9 (but Purchaser shall reimburse Seller for Seller's removal costs if the Force Majeure Event affects Purchaser and Purchaser elects to terminate the Agreement) and (b) if Purchaser elects to terminate the Agreement in accordance with this Section, Purchaser shall pay the applicable Termination Payment. Notwithstanding the foregoing, if the Force Majeure Event can be corrected through repair or restoration of the System or other actions by Seller and, prior to expiration of the initial one hundred eighty (180)-day period, Seller provides written evidence to Purchaser that it is diligently pursuing such actions, then Purchaser shall not have the right to terminate this Agreement so long as Seller continues to diligently pursue such actions.
- iii. **"Force Majeure Event"** means any event or circumstance beyond the reasonable control of and without the fault or negligence of Seller, including, without limitation, failure or interruption of the production, delivery or acceptance of electricity due to: an act of god; war (declared or undeclared); sabotage; piracy; riot; insurrection; civil unrest or disturbance; military or guerilla action; terrorism; economic sanction or embargo; civil strike, work stoppage, slow-down, or lock-out; explosion; fire; earthquake; abnormal weather condition or actions of the elements; hurricane; flood; lightning; wind; drought; animals; the binding order of any Governmental Authority; the failure to act on the part of any Governmental Authority (including, without limitation delays in permitting not caused by actions or omissions of the Party seeking such permit); unavailability of electricity from the utility grid; and failure or unavailability of equipment, supplies or products outside of Seller's control or due to a Force Majeure Event.
- e. **Extension of Time.** If Seller is delayed in achieving Commencement of Installation due to a Force Majeure Event, the time for achievement of Commencement of Installation will be automatically extended to account for the impact of the delay.
- f. **Commercial Operation.** Seller shall notify Purchaser in writing when it has achieved Commercial Operation (the date of such notice, the **"Commercial Operation Date"**). **"Commercial Operation"** means that the System is mechanically complete, capable of providing electricity to the Delivery Point at the nameplate capacity specified in Exhibit 2 and has permission to operate from the relevant Governmental Authority. Seller shall provide Purchaser with documentation to evidence that the System is ready to begin Commercial Operation upon Purchaser's reasonable request.

## 6. **Installation, Operation and Maintenance.**

- a. **Seller's General Obligations Regarding the System.** Subject to the terms and conditions of this Agreement, Seller shall design, engineer, install, commission, monitor, operate and maintain the System, in each case in a good and workmanlike manner and in accordance with applicable law and prudent solar industry practices in the state in which the Premises are located. The System shall comply with all applicable rules, regulation and local building codes.
- b. **System Design Approval.** Seller shall provide Purchaser with a copy of the System design for approval prior to commencement of construction. Purchaser shall have ten (10) days after receipt to approve or disapprove the design. Failure by Purchaser to respond within such ten (10) day period shall be deemed approval of the design. If Purchaser disapproves the design, Seller shall modify the design and resubmit it for Purchaser's approval. If the System design modifications requested by Purchaser render the System non-viable, Seller may terminate this Agreement under Section 2(c) above.
- c. **System Repair and Maintenance.** Seller may suspend delivery of electricity from the System to the Delivery Point for the purpose of maintaining and repairing the System; provided that Seller shall use commercially reasonable efforts to (i) minimize any interruption in service to the Purchaser, and (ii) limit any such suspension of service to weekend or off-peak hours. Scheduled and unscheduled maintenance and repairs shall be undertaken at Seller's sole cost and expense, except that Purchaser shall reimburse Seller for the reasonable cost of any repairs or maintenance resulting from damage caused by Purchaser, its agents, employees or contractors.



- d. **Outages.** Upon Purchaser's written request, Seller shall take the System off-line for a total of one-hundred (100) daylight hours (as defined by the United States National Weather Service in the area where the System is located) during each Contract Year (each event an "**Outage**" and the one-hundred (100) hour period the "**Outage Allowance**"). The Outage Allowance includes all Outage hours undertaken by Seller for maintenance or repairs for which Purchaser is responsible pursuant to Section 6(b) or requested by Purchaser under this Section 6(d) (other than due to the fault or negligence of Seller). Purchaser's request shall be delivered at least forty-eight (48) hours in advance. Purchaser is not obligated to accept or pay for electricity from the System for Outages up to the annual Outage Allowance. If the aggregate hours for Outages exceed the Outage Allowance in a given Contract Year, Seller shall reasonably estimate the amount of electricity that would have been delivered to Purchaser during such excess Outages and Purchaser shall pay Seller for such amount in accordance with this Agreement.
- e. **Maintenance of Premises.** Purchaser shall, at its sole cost and expense, maintain the Premises and Improvements in good condition and repair. Purchaser, to the extent within its reasonable control, (i) shall ensure that the Premises remains interconnected to the local utility grid at all times; and (ii) shall not permit cessation of electric service to the Premises from the local utility. Purchaser is fully responsible for, and shall properly maintain in full working order and good repair, the electrical infrastructure on the Purchaser's side of the Delivery Point, including all of Purchaser's equipment that utilizes the System's outputs. Purchaser shall use commercially reasonable efforts to cooperate with Seller to comply with any technical standard of the utility providing electrical power to the Purchaser, and does not need to receive permission to operate from the utility.
- f. **No Alteration of Premises.** Not less than thirty (30) days prior to making any alterations or repairs to the Premises (except for emergency repairs) or any Improvement which may adversely affect the operation and maintenance of the System, Purchaser shall inform Seller in writing and, thereafter, shall use commercially reasonable efforts to conduct such repairs, alterations or Improvements in compliance with any reasonable request made by Seller within ten (10) days after having received such written request to mitigate any adverse effect. If any repair, alteration or Improvement result in a permanent and material adverse economic impact on the System, Purchaser may request relocation of the System under Section 8 hereof. To the extent that temporary disconnection or removal of the System is necessary to perform such alterations or repairs, Seller shall perform such work, and any re-connection or re-installation of the System, at Purchaser's cost, subject to Sections 6(b) and 6(c). Seller shall make any alterations and repairs in a good and workmanlike manner, in compliance with all applicable laws, codes and permits.

## 7. **Miscellaneous Rights and Obligations of the Parties.**

- a. **Access Rights.**<sup>1</sup> Purchaser hereby grants to Seller and to Seller's agents, employees, contractors and the utility (i) a non-exclusive license running with the Premises (the "**Non-Exclusive License**") for access to, on, over, under and across the Premises from the Effective Date until the date that is ninety (90) days following the date of expiration or earlier termination of this Agreement (the "**License Term**"), for the purposes of performing all of Seller's obligations and enforcing all of Seller's rights set forth in this Agreement and otherwise as required by Seller in order to effectuate the purposes of this Agreement. In addition to the foregoing, if the System shall be a ground-mounted System to be located within a secure, fenced area on the Premises, Purchaser hereby grants to Seller an exclusive, sub-licensable license running with the Premises (the "**Exclusive License**", and together with the Non-Exclusive License, the "**Licenses**") for purposes of the installation, operation, use and maintenance of the System on such exclusively licensed area of the Premises during the License Term. **Seller and its employees, agents and contractors must comply with Purchaser's site safety and security requirements when on the Premises (other than in respect of the fenced area governed by the Exclusive License) during the License Term.** During the License Term, Purchaser shall preserve and protect Seller's rights under the Licenses and Seller's access to the Premises and shall not interfere, or permit any third parties under Purchaser's control to interfere with such rights or access. Seller may record a customary memorandum of license in the land records respecting the Licenses.
- b. **OSHA Compliance.** Each Party shall comply with all Occupational Safety and Health Act (OSHA) requirements and other similar applicable safety laws and codes with respect to such Party's performance under this Agreement.

<sup>1</sup> *The Agreement provides for access to the Premises through a license and assumes that the Purchaser is the owner of the Premises. However, certain Sellers may prefer for access to the Premises to be provided through a lease or sublease. If the Purchaser is not the owner of the Premises, the lease or license will have to be entered into with the third party owner.*

- c. **Safeguarding the Premises.** Purchaser shall maintain the physical security of the Premises and Improvements in a manner to be expected of a reasonable and prudent owner or lessee of premises and improvements similar to the Premises and Improvements in nature and location. Purchaser shall not conduct or permit activities on, in or about the Premises or the Improvements that have a reasonable likelihood of causing damage, impairment or otherwise adversely affecting the System. Purchaser shall indemnify Seller for any loss or damage to the System to the extent caused by or arising out of (i) Purchaser's breach of its obligations under this Section or (ii) the acts or omissions of Purchaser or its employees, agents, invitees or separate contractors.
- d. **Insolation.** Purchaser acknowledges that unobstructed access to sunlight ("**Insolation**") is essential to Seller's performance of its obligations and a material term of this Agreement. Purchaser shall not, to the extent within its reasonable control, cause or permit any interference with the System's Insolation, and shall ensure that vegetation on the Premises adjacent to the System is regularly pruned or otherwise maintained to prevent interference with the System's Insolation. If Purchaser discovers any activity or condition that could diminish the Insolation of the System, Purchaser shall immediately notify Seller and cooperate with Seller in preserving and restoring the System's Insolation levels as they existed on the Effective Date.
- e. **Use and Payment of Contractors and Subcontractors.** Seller shall use suitably qualified, experienced and licensed contractors and subcontractors to perform its obligations under this Agreement. However, Seller shall be responsible for the quality of the work performed by its contractors and subcontractors. Seller shall pay when due all valid charges from all contractors, subcontractors and suppliers supplying goods or services to Seller under this Agreement.
- f. **Liens.**
  - i. **Lien Obligations.** Purchaser shall not directly or indirectly cause, create, incur, assume or allow to exist any mortgage, pledge, lien, charge, security interest, encumbrance or other claim of any nature, except such encumbrances as may be required to allow Seller access to the Premises, (each a "**Lien**") on or with respect to the System. Seller shall not directly or indirectly cause, create, incur, assume or allow to exist any Lien on or with respect to the Premises or the Improvements, other than those Liens which Seller is permitted by law to place on the Premises due to non-payment by Purchaser of amounts due under this Agreement. Each Party shall immediately notify the other Party in writing of the existence of any such Lien following discovery of same, and shall promptly (and in all events within thirty (30) days) cause the same to be discharged and released of record without cost to the other Party; provided, however, that each indemnifying Party has the right to contest any such Lien, so long as it provides a statutory bond or other reasonable assurances of payment that either removes such Lien from title to the affected property, or that assures that any adverse judgment with respect to such Lien shall be paid without affecting title to such property.
  - ii. **Lien Indemnity.** Each Party shall indemnify the other Party from and against all claims, losses, damages, liabilities and expenses resulting from any Liens filed against such other Party's property as a result of the indemnifying Party's breach of its obligations under Section 7(f)(i).

## 8. **Relocation of System.**

If, during the Term, Purchaser ceases to conduct business operations at the Premises or vacates the Premises; the Premises have been destroyed; or the Purchaser is otherwise unable to continue to host the System or accept the electricity delivered by the System for any other reason (other than a Default Event by Seller), Purchaser may propose in writing the relocation of the System, at Purchaser's cost, in lieu of termination of the Agreement by Seller for a Default Event by Purchaser. If such proposal is practically feasible and preserves the economic value of the agreement for Seller, the Parties shall seek to negotiate in good faith an agreement for the relocation of the System. If the Parties are unable to reach agreement on relocation of the System within sixty (60) days after the date of receipt of Purchaser's proposal, Seller may terminate this Agreement pursuant to Section 11(b)(ii).

## 9. **Removal of System upon Termination or Expiration.**

Upon the expiration or earlier termination of this Agreement (provided Purchaser does not exercise its purchase option under Section 14(b)), Seller shall, at its expense (unless expressly provided otherwise in this Agreement), remove all of the tangible property comprising the System from the Premises with a targeted completion date that is no later than ninety (90) days after the expiration of the Term. The portion of the Premises where the System is located shall be returned to substantially its original condition (excluding ordinary wear and tear), including the removal of System mounting pads or other support structures, and



repair and restoration of the roof and the roof membrane. If the System is installed on the roof of an Improvement, Seller's warranties under Section 12(c)(i) shall apply, as applicable. Purchaser must provide sufficient access, space and cooperation as reasonably necessary to facilitate System removal. If Seller fails to remove or commence substantial efforts to remove the System by such agreed upon date, Purchaser may, at its option, to remove the System to a public warehouse and restore the Premises to its original condition (other than ordinary wear and tear) at Seller's cost.

#### 10. **Measurement.**

- a. **Meter.** The System's electricity output during the Term shall be measured by Seller's meter, which shall be a revenue grade meter that meets ANSI-C12.20 standards for accuracy (the "**Meter**"). Purchaser shall have access to the metered energy output data via the monitoring system installed and maintained by Seller as part of the System.
- b. **Meter Calibration.** Seller shall calibrate the Meter in accordance with manufacturer's recommendations. Notwithstanding the foregoing, Purchaser may install, or cause to be installed, its own revenue-grade meter at the same location as the Meter. If there is a discrepancy between the data from Purchaser's meter and the data from the Meter of greater than two percent (2%) over the course of a Contract Year, then Purchaser may request that Seller calibrate the Meter at Purchaser's cost.

#### 11. **Default, Remedies and Damages.**

- a. **Default.** Any Party that fails to perform its responsibilities as listed below or experiences any of the circumstances listed below is deemed a "**Defaulting Party**", the other Party is the "**Non-Defaulting Party**" and each of the following is a "**Default Event**":
  - i. failure of a Party to pay any amount due and payable under this Agreement, other than an amount that is subject to a good faith dispute, within ten (10) days following receipt of written notice from the Non-Defaulting Party of such failure to pay ("**Payment Default**");
  - ii. failure of a Party to perform any material obligation under this Agreement not addressed elsewhere in this Section 11(a) within thirty (30) days following receipt of written notice from the Non-Defaulting Party demanding such cure; provided, that if the Default Event cannot reasonably be cured within thirty (30) days and the Defaulting Party has demonstrated prior to the end of that period that it is diligently pursuing such cure, the cure period will be extended for a further reasonable period of time, not to exceed ninety (90) days;
  - iii. any representation or warranty given by a Party under this Agreement was incorrect in any material respect when made and is not cured within thirty (30) days following receipt of written notice from the Non-Defaulting Party demanding such cure;
  - iv. a Party becomes insolvent or is a party to a bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors, or any general assignment for the benefit of creditors or other similar arrangement or any event occurs or proceedings are taken in any jurisdiction with respect to the Party which has a similar effect (or, if any such actions are initiated by a third party, such action(s) is (are) not dismissed within sixty (60) days); or,
  - v. in the case of Purchaser as the Defaulting Party only, Purchaser (a) loses its rights to occupy and enjoy the Premises, unless (i) the Parties agree upon a relocation under Section 8 above, or (ii) Purchaser pays the Termination Payment determined under Section 6 of **Exhibit 1** within thirty (30) days after written request by Seller; or (b) prevents Seller from performing any material obligation under this Agreement unless such action by Purchaser is (i) is permitted under this Agreement, or (ii) is cured within ten (10) days after written notice thereof from Seller.
- b. **Remedies.**
  - i. **Suspension.** Upon the occurrence and during the continuation of a Default Event by Purchaser, including a Payment Default, Seller may suspend performance of its obligations under this Agreement until the earlier to occur of the date (a) that Purchaser cures the Default Event in full, or (b) of termination of this Agreement. Seller's rights under this Section 11(b)(i) are in addition to any other remedies available to it under this Agreement, at law or in equity.

- ii. **Termination.** Upon the occurrence and during the continuation of a Default Event, the Non-Defaulting Party may terminate this Agreement, by providing five (5) days prior written notice to the Defaulting Party; provided, that, in the case of a Default Event under Section 11(a)(iv), the Non-Defaulting Party may terminate this Agreement immediately.
- iii. **Damages Upon Termination by Default.** Upon a termination of this Agreement pursuant to Section 11(b)(ii), the Defaulting Party shall pay a termination payment to the Non-Defaulting Party determined as follows (the “Termination Payment”):
  - (1) **Termination by Seller.** If Seller terminates this Agreement for a Default Event by Purchaser, the Termination Payment payable to Seller shall be equal to the sum of (i) the applicable amount set forth in the Termination Payment Schedule set forth as Item 6 of **Exhibit 1**, and (ii) any other amounts previously accrued under this Agreement and then owned by Purchaser to Seller.
  - (2) **Termination by Purchaser.** If Seller is the Defaulting Party and Purchaser terminates this Agreement, the Termination Payment to Purchaser will be equal to the sum of (i) all direct costs reasonably incurred by Purchaser by reason of the termination; and (ii) any and all other amounts previously accrued under this Agreement and then owed by Seller to Purchaser. The Termination Payment determined under this Section 11(b)(iii)(2) cannot be less than zero.
- iv. **Liquidated Damages.** The Parties agree that, if Seller terminates this Agreement prior to the expiration of the Term pursuant to Section 11(b)(ii), actual damages would be difficult to ascertain, and the Termination Payment determined in accordance with Section 11(b)(iii)(1) is a reasonable approximation of the damages suffered by Seller as a result of early termination of this Agreement and is not a penalty.
- c. **Obligations Following Termination.** If a Party terminates this Agreement pursuant to Section 11(b)(ii), then following such termination, Seller shall remove the equipment constituting the System in compliance with Section 9 above at the sole cost and expense of the Defaulting Party, *provided, however* that Seller shall not be required to remove the System following the occurrence of a Default Event by Purchaser pursuant to Section 11(a)(i), unless Purchaser pre-pays the cost of restoration reasonably estimated by Seller.
  - i. **Reservation of Rights.** Except in the case of a termination under Section 11(b)(ii) and payment of a Termination Payment, if any, determined pursuant to Section 11(b)(ii), nothing in this Section 11 limits either Party’s right to pursue any remedy under this Agreement, at law or in equity, including with respect to the pursuit of an action for damages by reason of a breach or Default Event under this Agreement.
  - ii. **Mitigation Obligation.** Regardless of whether this Agreement is terminated for a Default Event, the Non-Defaulting Party must make commercially reasonable efforts to mitigate its damages as the result of such Default Event; provided that such obligation shall not reduce Purchaser’s obligation to pay the full Termination Payment set forth in Section 6 of Exhibit 1 following a Default Event by Purchaser.
  - iii. **No Limitation on Payments.** Nothing in this Section 11 excuses a Party’s obligation to make any payment when due under this Agreement, including with respect to payments for electricity that would have been delivered to Purchaser but for a Purchaser breach or Default Event.

## 12. **Representations and Warranties.**

- a. **General Representations and Warranties.** Each Party represents and warrants to the other the following:
  - i. Such Party is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation; the execution, delivery and performance by such Party of this Agreement have been duly authorized by all necessary corporate, partnership or limited liability company action, as applicable, and do not and will not violate any law; and this Agreement is the valid obligation of such Party, enforceable against such Party in accordance with its terms (except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws now or hereafter in effect relating to creditors’ rights generally).
  - ii. Such Party has obtained all licenses, authorizations, consents and approvals required by any Governmental Authority or other third party and necessary for such Party to own its assets, carry on its business and to execute and deliver this Agreement; and such Party is in compliance with all laws that relate to this Agreement in all material respects.

**b. Purchaser's Representations and Warranties.** Purchaser represents and warrants to Seller the following:

- i. **Licenses.** (a) Purchaser has title to or a leasehold or other valid property interest in the Premises such that Purchaser has the full right, power and authority to grant the Licenses in Section 7(a), (b) such grant of the Licenses does not violate any law, ordinance, rule or other governmental restriction applicable to Purchaser or the Premises and is not inconsistent with and will not result in a breach or default under any agreement by which Purchaser is bound or that affects the Premises, and (c) if Purchaser does not own the Premises or any Improvement on which the System is to be installed, Purchaser has obtained all required consents from the owner of the Premises and/or Improvements, as the case may be, to grant the Licenses to Seller so that Seller may perform its obligations under this Agreement.
- ii. **Other Agreements.** Neither the execution and delivery of this Agreement by Purchaser nor the performance by Purchaser of any of its obligations under this Agreement conflicts with or will result in a breach or default under any agreement or obligation to which Purchaser is a party or by which Purchaser is bound.
- iii. **Accuracy of Information.** All information provided by Purchaser to Seller, as it pertains to (a) the Premises, (b) the Improvements on which the System is to be installed, if applicable, (c) Purchaser's planned use of the Premises and any applicable Improvements, and (d) Purchaser's estimated electricity requirements, is accurate in all material respects.
- iv. **Purchaser Status.** Purchaser is not a public utility or a public utility holding company and is not subject to regulation as a public utility or a public utility holding company.
- v. **Limit on Use.** No portion of the electricity generated by the System shall be used to heat a swimming pool.<sup>2</sup>

**c. Seller's Warranties.**

- i. If Seller penetrates the roof of any Improvement on which the System is installed, during System installation or any System repair, Seller shall warrant roof damage it causes as a direct result of these roof penetrations. This roof warranty shall terminate upon the later of (a) one (1) year following the completion of the System installation or repair, as the case may be, and (b) the length of any then-effective installer warranty on the applicable roof.
- ii. If Seller damages any other part of the Premises or any Improvement (including roof damages not covered under Section 12(c)(i) above), Seller shall repair or reimburse Purchaser for such damage, as agreed by the Parties.

**NO OTHER WARRANTY.** THE WARRANTIES SET FORTH IN SECTIONS 12(a) AND 12(c) OF THIS AGREEMENT ARE PURCHASER'S SOLE AND EXCLUSIVE BASIS FOR ANY CLAIM OR LIABILITY ARISING OUT OF OR IN CONNECTION WITH THIS SECTION 12, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE. OTHER THAN AS EXPRESSLY SET FORTH IN SECTIONS 12(a) AND 12(c), NO WARRANTY, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, OR WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE, APPLIES UNDER THIS AGREEMENT. IF A PERFORMANCE GUARANTY IS BEING PROVIDED PURSUANT TO SECTION 4(d) OF EXHIBIT 1, THE PERFORMANCE GUARANTY WILL REPRESENT A SEPARATE CONTRACT BETWEEN PURCHASER AND THE ISSUER OF THE PERFORMANCE GUARANTY. IF THE ISSUER OF THE PERFORMANCE GUARANTY (OR ANY SUBSEQUENT ASSIGNEE) AND THE SELLER ARE NOT THE SAME PERSON, NO RIGHTS PROVIDED TO PURCHASER BY THE PERFORMANCE GUARANTY MAY BE ASSERTED UNDER THIS AGREEMENT, AND NO CLAIM UNDER THE PERFORMANCE GUARANTY WILL AFFECT PURCHASER'S OBLIGATIONS UNDER THIS AGREEMENT.

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<sup>2</sup> This limitation reflects the requirements to qualify for the Federal Energy Tax Credit under §48 of the Internal Revenue Code. Individual states or localities may have further restrictions on the use of electricity from the System. Purchasers and Sellers are encouraged to consult local law to ensure that no such restrictions are being violated.

**13. Insurance.**

- a. **Insurance Coverage.** At all times during the Term, the Parties shall maintain the following insurance, as applicable:
- i. **Seller's Insurance.** Seller shall maintain or ensure the following is maintained (a) commercial general liability insurance with coverage of at least \$1,000,000 per occurrence and \$2,000,000 annual aggregate, (b) employer's liability insurance with coverage of at least \$1,000,000 and (c) workers' compensation insurance as required by law. Seller's coverage may be provided as part of an enterprise insurance program.
  - ii. **Purchaser's Insurance.** Purchaser shall maintain or ensure the following is maintained (a) property insurance on the System for the replacement cost thereof and be reimbursed by Seller and (b) commercial general liability insurance with coverage of at least \$1,000,000 per occurrence and \$2,000,000 annual aggregate.
    - (1) (30) days prior to the Commercial Operation Date, Seller shall provide Purchaser with the replacement cost of the System and Purchaser shall purchase and itemize the increase in insurance costs due the insurance requirements detailed in section 13.a.ii.(a). Seller shall reimburse the Purchaser within (14) business days for the insurance premium and divide this cost by the estimated kWh of the project as calculated by PVWatts or a similar satellite-based solar production software. The \$/kWh insurance premium shall be added back into the Contract Price for the first year.
    - (2) Each additional year, (30) days prior to the anniversary of the Commercial Operation Date or Seller's typical insurance procurement schedule, Purchaser shall itemize the increase in insurance costs due to the insurance requirements detailed in section 13.a.ii.(a). Seller shall reimburse the Purchaser within (14) business days for the insurance premium and divide this cost by the previous year's actual kWh of the project. The \$/kWh insurance premium shall be added back into the Contract Price.
- b. **Policy Provisions.** Each Party's insurance policies shall (i) contain a provision whereby the insurer agrees to give the other Party at least thirty (30) days (ten days for non-payment of premiums) written notice before the insurance is cancelled, or terminated, (ii) be written on an occurrence basis, and (iii) be maintained with companies either rated no less than A-VII as to Policy Holder's Rating in the current edition of A.M. Best's Insurance Guide or otherwise reasonably acceptable to the other Party.
- c. **Certificates.** Upon the other Party's request, each Party shall deliver to the other Party certificates of insurance evidencing the above required coverage. A Party's receipt, review or acceptance of such certificate shall in no way limit or relieve the other Party of the duties and responsibilities to maintain insurance as set forth in this Agreement.
- d. **Deductibles.** Each Party shall pay its own insurance deductibles, except in the case of claims (i) resulting from a breach of this Agreement, in which case the breaching Party is responsible for payment of the non-breaching Party's deductible for any responding insurance, and (ii) covered by an indemnity set forth in this Agreement.

**14. Ownership; Option to Purchase.**

- a. **Ownership of System.**
- i. **Ownership; Personal Property.** Throughout the Term, Seller shall be the legal and beneficial owner of the System, and all RECs and Incentives, and the System will remain the personal property of Seller and will not attach to or be deemed a part of, or fixture to, the Premises or any Improvement on which the System is installed. Each of the Seller and Purchaser agree that the Seller is the tax owner of the System and all tax filings and reports shall be filed in a manner consistent with this Agreement. The System will at all times retain the legal status of personal property as defined under Article 9 of the Uniform Commercial Code.
  - ii. **Notice to Purchaser Lienholders.** Purchaser shall use commercially reasonable efforts to place all parties having a Lien on the Premises or any Improvement on which the System is installed on notice of the ownership of the System and the legal status or classification of the System as personal property. If any mortgage or fixture filing against the Premises could reasonably be construed as prospectively attaching to the System as a fixture of the Premises, Purchaser shall provide a disclaimer or release from such lienholder.

- iii. **Fixture Disclaimer.** If Purchaser is the fee owner of the Premises, Purchaser consents to the filing of a disclaimer of the System as a fixture of the Premises in the office where real estate records are customarily filed in the jurisdiction where the Premises are located. If Purchaser is not the fee owner, Purchaser shall obtain such consent from such owner. For the avoidance of doubt, in either circumstance Seller has the right to file such disclaimer.
- iv. **SNDA.** Upon request, Purchaser shall deliver to Seller a subordination and non-disturbance agreement in a form mutually acceptable to Seller and the provider of the subordination and non-disturbance agreement from the owner of the Premises (if the Premises are leased by Purchaser), any mortgagee with a Lien on the Premises, and other Persons holding a similar interest in the Premises.
- v. **Eviction Notice.** To the extent that Purchaser does not own the Premises or any Improvement on which the System is installed, Purchaser shall provide to Seller immediate written notice of receipt of notice of eviction from the Premises or applicable Improvement or termination of Purchaser's lease of the Premises and/or Improvement.

**b. Option to Purchase.**

- i. **Exercise of Option.** At the end of the tenth (10th) Contract Years and each Additional Term, so long as Purchaser is not in default under this Agreement, Purchaser may purchase the System from Seller on any such date for a purchase price equal to \$34,000 plus all reasonable transaction fees & applicable transfer taxes. Purchaser shall have the option to pay the purchase price over a 2-year period via an increased Contract Price. For example, if the purchase price is \$10,000 then an additional \$5,000 per year will be divided by the average kWh of the previous years will be prorated monthly and added to each invoice. Purchaser shall notify Seller of its intent to purchase at least ninety (90) days and not more than one hundred eighty (180) days prior to the end of the applicable Contract Year or the Initial Term or Additional Term, as applicable, and the purchase shall be completed prior to the end of the applicable Contract Year or the Initial Term or Additional Term, as applicable.
- ii. **Title Transfer; Warranties; Manuals.** Seller shall transfer good title to the System to Purchaser upon Seller's receipt of the purchase price and execution by the Parties of a written instrument or agreement to effect such transfer. The System will be sold "as is, where is, with all faults". Seller will assign to Purchaser any manufacturer's warranties that are in effect as of the date of purchase and which are then assignable pursuant to their terms, but Seller otherwise disclaims all warranties of any kind, express or implied, concerning the System (other than as to title). Seller shall also provide Purchaser all System operation and maintenance manuals and logs in Seller's possession and provide Purchaser basic training on the operation and maintenance of the System upon Purchaser's reasonable request. Upon purchase of the System, Purchaser shall assume complete responsibility for the operation and maintenance of the System and liability for the performance of (and risk of loss for) the System, and, except for any Seller obligations that survive termination under Section 19(d), Seller will have no further liabilities or obligations hereunder for the System.
- iii. **Right of First Offer for an Operations and Maintenance Contract.** A Right of First Offer clause (also known as a "ROFO" or "First Right of Offer") gives Seller the first opportunity to negotiate before the owner can offer it to others. Therefore, if Purchaser intends to hire a company to manage the operations, maintenance, and asset management (the "O&M Contract") of the Project after the sale, Purchaser hereby grants the Seller the first right to make an offer for the O&M Contract, before the Purchaser offers the contract to any third party.
  - (1) **Intent to Bid.** Purchaser shall provide written notice (the "Notice") to Seller that it intends to seek an O&M Contract for the Project. The Notice shall include the terms and conditions of the proposed contract, including the scope of work and any other relevant details (the "Offer Terms").
  - (2) **Procedure.** Upon receipt of the Notice, Seller shall have (30) days to respond with a proposed O&M Contract, based on the terms outlined in the Notice or on terms mutually agreed upon by the parties. If Seller does not respond within the (30) day period, Purchaser is free to offer the contract to any third party on terms that are not more favorable than those offered to Seller.
  - (3) **Failure to Reach Agreement.** If in the event that Seller does not accept the Offer Terms, or if the parties fail to reach a mutually acceptable agreement within (30) days after the Notice, Purchaser shall have the right to offer the O&M Contract to a third party, provided that the terms to such third party are not more favorable than those offered to Seller under the Right of First Offer.



- (4) Expiration of ROFO. The First Right of Offer granted herein shall terminate upon the earlier of:
  - (a) Seller's written waiver of the ROFO; or (b) (15) years from the date of this Agreement.
- (5) No Obligation. Nothing in this clause shall obligate Purchaser to hire the Seller, and Purchaser reserves the right, at its sole discretion, to reject any offer made by Seller. Purchaser may also provide their own O&M internally, and choose not to go to bid. As such, the Purchaser has no obligation to the Seller if they do not plan to go to bid for the O&M Contract.
- (6) Confidentiality. The existence and terms of this ROFO shall be confidential and may not be disclosed to any third party without the prior written consent of both parties, except as required by law.

## 15. **Indemnification and Limitations of Liability.**

- a. **General**. Each Party (the "**Indemnifying Party**") shall defend, indemnify and hold harmless the other Party, its affiliates and the other Party's and its affiliates' respective directors, officers, shareholders, partners, members, agents and employees (collectively, the "**Indemnified Parties**"), from and against any loss, damage, expense, liability and other claims, including court costs and reasonable attorneys' fees (collectively, "**Liabilities**") resulting from (1) any Claim (as defined in Section 15(b) relating to the Indemnifying Party's breach of any representation or warranty set forth in Section 12 and (2) injury to or death of persons, and damage to or loss of property to the extent caused by or arising out of the negligent acts or omissions of, or the willful misconduct of, the Indemnifying Party (or its contractors, agents or employees) in connection with this Agreement; provided, however, that nothing herein will require the Indemnifying Party to indemnify the Indemnified Parties for any Liabilities to the extent caused by or arising out of the negligent acts or omissions of, or the willful misconduct of, an Indemnified Party. This Section 15(a) does not apply to Liabilities arising out of or relating to any form of Hazardous Substances or other environmental contamination, such matters being addressed exclusively by Section 15(c).
- b. **Notice and Participation in Third Party Claims**. The Indemnified Party shall give the Indemnifying Party written notice with respect to any Liability asserted by a third party (a "**Claim**"), as soon as possible upon the receipt of information of any possible Claim or of the commencement of such Claim. The Indemnifying Party may assume the defense of any Claim, at its sole cost and expense, with counsel designated by the Indemnifying Party and reasonably satisfactory to the Indemnified Party. The Indemnified Party may, however, select separate counsel if both Parties are defendants in the Claim and such defense or other form of participation is not reasonably available to the Indemnifying Party. The Indemnifying Party shall pay the reasonable attorneys' fees incurred by such separate counsel until such time as the need for separate counsel expires. The Indemnified Party may also, at the sole cost and expense of the Indemnifying Party, assume the defense of any Claim if the Indemnifying Party fails to assume the defense of the Claim within a reasonable time. Neither Party may settle any Claim covered by this Section 15(b) unless it has obtained the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. The Indemnifying Party has no liability under this Section 15(b) for any Claim for which such notice is not provided if the failure to give notice prejudices the Indemnifying Party.
- c. **Environmental Indemnification**.
  - i. **Seller Indemnity**. Seller shall indemnify, defend and hold harmless all of Purchaser's Indemnified Parties from and against all Liabilities arising out of or relating to the existence at, on, above, below or near the Premises of any Hazardous Substance (as defined in Section 15(c)(iv)) to the extent deposited, spilled or otherwise caused by Seller or any of its contractors, agents or employees.
  - ii. **Purchaser Indemnity**. Purchaser shall indemnify, defend and hold harmless all of Seller's Indemnified Parties from and against all Liabilities arising out of or relating to the existence at, on, above, below or near the Premises of any Hazardous Substance, except to the extent deposited, spilled or otherwise caused by Seller or any of its contractors, agents or employees.
  - iii. **Notice**. Each Party shall promptly notify the other Party if it becomes aware of any Hazardous Substance on or about the Premises generally or any deposit, spill or release of any Hazardous Substance. "**Hazardous Substance**" means any chemical, waste or other substance (a) which now or hereafter becomes defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants," "pollution," "pollutants," "regulated substances," or words of similar import under any laws pertaining to the environment, health, safety or welfare, (b) which is declared to be hazardous, toxic, or polluting by any Governmental Authority, (c) exposure to which is now or hereafter prohibited, limited or regulated by any Governmental Authority, (d) the storage, use, handling, disposal or release of which is restricted or regulated by any

Governmental Authority, or (e) for which remediation or cleanup is required by any Governmental Authority.

**d. Limitations on Liability.**

- i. **No Consequential Damages.** Except with respect to indemnification of third-party claims pursuant to Section 16, neither Party nor its directors, officers, shareholders, partners, members, agents and employees subcontractors or suppliers will be liable for any indirect, special, incidental, exemplary, or consequential loss or damage of any nature (including, without limitation, lost revenues, lost profits, lost business opportunity or any business interruption) arising out of their performance or non-performance hereunder even if advised of such. Notwithstanding the previous sentence, the Termination Payment set forth in Section 6 of Exhibit 1 shall be deemed to be direct, and not indirect or consequential damages for purpose of this Section 15(d)(i)
- ii. **Actual Damages.** Except with respect to indemnification of Claims pursuant to this Section 15, and except as otherwise limited in Section 13(c), Seller's aggregate liability under this Agreement arising out of or in connection with the performance or non-performance of this Agreement cannot exceed the total payments made (and, as applicable, projected to be made) by Purchaser under this Agreement. The provisions of this Section 15(d)(ii) will apply whether such liability arises in contract, tort, strict liability or otherwise.
- e. **EXCLUSIVE REMEDIES.** TO THE EXTENT THAT THIS AGREEMENT SETS FORTH SPECIFIC REMEDIES FOR ANY CLAIM OR LIABILITY, SUCH REMEDIES ARE THE AFFECTED PARTY'S SOLE AND EXCLUSIVE REMEDIES FOR SUCH CLAIM OR LIABILITY, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.
- f. **Comparative Negligence.** Where negligence is determined to have been joint, contributory or concurrent, each Party shall bear the proportionate cost of any Liability.

**16. Change in Law.**

- a. **Impacts of Change in Law.** If Seller determines that a Change in Law has occurred or will occur that has or will have a material adverse effect on Seller's rights, entitlement, obligations or costs under this Agreement, then Seller may so notify the Purchaser in writing of such Change in Law. Within thirty (30) days following receipt by the Purchaser of such notice, the Parties shall meet and attempt in good faith to negotiate such amendments to this Agreement as are reasonably necessary to preserve the economic value of this Agreement to both Parties. If the Parties are unable to agree upon such amendments within such thirty (30) day period, then Seller may terminate this Agreement and remove the System and restore the Premises in accordance with Section 9 without either Party having further liability under this Agreement except with respect to liabilities accrued prior to the date of termination.
- b. **Illegality or Impossibility.** If a Change in Law renders this Agreement or Seller's performance of this Agreement illegal or impossible, Seller may terminate Agreement immediately upon notice to Purchaser without either Party having further liability under this Agreement, except with respect to liabilities accrued prior to date of termination.
- c. **"Change in Law"** means (i) the enactment, adoption, promulgation, modification or repeal after the Effective Date of any applicable law or regulation, (ii) the imposition of any material conditions on the issuance or renewal of any applicable permit after the Effective Date (notwithstanding the general requirements contained in any applicable Permit at the time of application or issue to comply with future laws, ordinances, codes, rules, regulations or similar legislation), or (iii) a change in any utility rate schedule or tariff approved by any Governmental Authority.

**17. Assignment and Financing.**

**a. Assignment.**

- i. **Restrictions on Assignment.** Subject to the remainder of this Section 17(a), this Agreement may not be assigned in whole or in part by either Party without the prior written consent of the other Party, which consent may not be unreasonably withheld or delayed. Purchaser may not withhold its consent to an assignment proposed by Seller where the proposed assignee has the financial capability and experience necessary to operate and maintain solar photovoltaic systems such as the System.
- ii. **Permitted Assignments.** Notwithstanding Section 17(a)(i):
  - (1) Seller may, without the prior written consent of Purchaser, assign, mortgage, pledge or otherwise directly or indirectly assign its interests in this Agreement to (A) any Financing Party (as defined in Section 17(b)),

(B) any entity through which Seller is obtaining financing from a Financing Party, or (C) any affiliate of Seller or any person succeeding to all or substantially all of the assets of Seller; provided, that, Seller is not released from liability hereunder as a result of any assignment to an affiliate unless the assignee assumes Seller's obligations hereunder by binding written instrument; and

(2) Purchaser may, by providing prior notice to Seller, assign this Agreement:

- a. to an affiliate of Purchaser or a purchaser of the Premises; provided, that, Purchaser is not released from liability hereunder by reason of the assignment unless the assignee assumes Purchaser's obligations hereunder by binding written instrument on terms satisfactory to Seller, including as to the assignee's creditworthiness; and
- b. to an assignee that has an Investment Grade credit rating at the time of the assignment. "**Investment Grade**" means the assignee has a long-term unsecured debt rating from Moody's or S&P of at least Baa3 from Moody's and/or at least BBB- from S&P.

iii. Successors and Permitted Assignees. This Agreement is binding on and inures to the benefit of successors and permitted assignees. The restrictions on assignment contained herein do not prohibit or otherwise limit changes in control of Seller.

- b. Financing. The Parties acknowledge that Seller may obtain debt or equity financing or other credit support from lenders, investors or other third parties (each a "**Financing Party**") in connection with the installation, construction, ownership, operation and maintenance of the System. In furtherance of Seller's financing arrangements and in addition to any other rights or entitlements of Seller under this Agreement, Purchaser shall timely execute any consents to assignment (which may include notice, cure, attornment and step-in rights) or estoppels and negotiate any amendments to this Agreement that may be reasonably requested by Seller or the Financing Parties; provided, that such estoppels, consents to assignment or amendments do not alter the fundamental economic terms of this Agreement.
- c. Termination Requires Consent. Seller and Purchaser agree that any right of Seller to terminate this Agreement is subject to the prior written consent of any Financing Party.

## 18. Confidentiality.

- a. Confidential Information. To the maximum extent permitted by applicable law, if either Party provides confidential information ("**Confidential Information**") to the other or, if in the course of performing under this Agreement or negotiating this Agreement a Party learns Confidential Information of the other Party, the receiving or learning Party shall (i) protect the Confidential Information from disclosure to third parties with the same degree of care accorded its own confidential and proprietary information, and (ii) refrain from using such Confidential Information, except in the negotiation, performance, enforcement and, in the case of Seller, financing, of this Agreement. The terms of this Agreement (but not the fact of its execution or existence) are considered Confidential Information of each Party for purposes of this Section 18(a).
- b. Permitted Disclosures. Notwithstanding Section 18(a):
  - i. Each Party may provide such Confidential Information to its affiliates and to its and its affiliates' respective officers, directors, members, managers, employees, agents, contractors, consultants and Financing Parties (collectively, "Representatives"), and potential direct or indirect assignees of this Agreement if such potential assignees are first bound by a written agreement or legal obligation restricting use and disclosure of Confidential Information. Each Party is liable for breaches of this provision by any person to whom that Party discloses Confidential Information.
  - ii. Confidential Information does not include any information that (a) becomes publicly available other than through breach of this Agreement, (b) is required to be disclosed to a Governmental Authority under applicable law or pursuant to a validly issued subpoena, (c) is independently developed by the receiving Party, or (d) becomes available to the receiving Party without restriction from a third party under no obligation of confidentiality. If disclosure of information is required by a Governmental Authority, the disclosing Party shall, to the extent permitted by applicable law, notify the other Party of such required disclosure promptly upon becoming aware of such required disclosure and shall reasonably cooperate with the other Party's efforts to limit the disclosure to the extent permitted by applicable law.
- c. Miscellaneous. All Confidential Information remains the property of the disclosing Party and will be returned to the



disclosing Party or destroyed (at the receiving Party's option) after the receiving Party's need for it has expired or upon the request of the disclosing Party. Each Party acknowledges that the disclosing Party would be irreparably injured by a breach of this Section 18 by the receiving Party or its Representatives or other person to whom the receiving Party discloses Confidential Information of the disclosing Party and that the disclosing Party may be entitled to equitable relief, including injunctive relief and specific performance, for breaches of this Section 18. To the fullest extent permitted by applicable law, such remedies shall not be deemed to be the exclusive remedies for a breach of this Section 18, but will be in addition to all other remedies available at law or in equity. The obligation of confidentiality will survive termination of this Agreement for a period of two (2) years.

- d. **Goodwill and Publicity.** Neither Party may (a) make any press release or public announcement of the specific terms of this Agreement or the use of solar or renewable energy involving this Agreement (except for filings or other statements or releases as may be required by applicable law), or (b) use any name, trade name, service mark or trademark of the other Party in any promotional or advertising material without the prior written consent of the other Party. The Parties shall coordinate and cooperate with each other when making public announcements regarding this Agreement, the System and its use, and each Party may promptly review, comment upon and approve any publicity materials, press releases or other public statements before they are made. Notwithstanding the above, Seller is entitled to place signage on the Premises reflecting its association with the System.

## 19. **General Provisions**

- a. **Definitions and Interpretation.** Unless otherwise defined or required by the context in which any term appears: (i) the singular includes the plural and vice versa, (ii) the words "herein," "hereof" and "hereunder" refer to this Agreement as a whole and not to any particular section or subsection of this Agreement, (iii) references to any agreement, document or instrument mean such agreement, document or instrument as amended, restated, modified, supplemented or replaced from time to time, and (iv) the words "include," "includes" and "including" mean include, includes and including "without limitation." The captions or headings in this Agreement are strictly for convenience and will not be considered in interpreting this Agreement. As used in this Agreement, "dollar" and the "\$" sign refer to United States dollars.
- b. **Choice of Law; Dispute Resolution.** The law of the state where the System is located governs all matters arising out of this Agreement without giving effect to conflict of laws principles. Any dispute arising from or relating to this Agreement shall be settled by arbitration in **Spokane County**. The arbitration shall be administered by **Spokane County Superior Court** in accordance with its arbitration rules, and judgment on any award rendered in such arbitration may be entered in any court of competent jurisdiction. If the Parties agree in writing, a mediator may be consulted prior to arbitration. The prevailing Party in any dispute arising out of this Agreement is entitled to reasonable attorneys' fees and costs.
- c. **Notices.** All notices under this Agreement shall be in writing and delivered by hand, electronic mail, overnight courier, or regular, certified, or registered mail, return receipt requested, and will be deemed received upon personal delivery, acknowledgment of receipt of electronic transmission, the promised delivery date after deposit with overnight courier, or five (5) days after deposit in the mail. Notices must be sent to the person identified in this Agreement at the addresses set forth in this Agreement or such other address as either Party may specify in writing.
- d. **Survival.** Provisions of this Agreement that should reasonably be considered to survive termination of this Agreement, including, without limitation provisions related to billing and payment and indemnification, will survive termination of this Agreement.
- e. **Further Assurances.** Each Party shall provide such information, execute and deliver any instruments and documents and to take such other actions as may be reasonably requested by the other Party to give full effect to this Agreement and to carry out the intent of this Agreement.
- f. **Waivers.** No provision or right or entitlement under this Agreement may be waived or varied except in writing signed by the Party to be bound. No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision, nor will such waiver constitute a continuing waiver unless otherwise expressly provided.
- g. **Non-Dedication of Facilities.** Nothing in this Agreement may be construed as the dedication by either Party of its facilities or equipment to the public or any part thereof. Neither Party may knowingly take any action that would subject the other Party, or other Party's facilities or equipment, to the jurisdiction of any Governmental Authority as a public utility or similar entity. Neither Party may assert in any proceeding before a court or regulatory body that the other Party is a public utility by virtue of such other Party's performance under this Agreement. If Seller is reasonably likely to become subject to regulation as a public utility, then the Parties shall use commercially reasonable efforts to

restructure their relationship under this Agreement in a manner that preserves their relative economic interests while ensuring that Seller does not become subject to any such regulation. If the Parties are unable to agree upon such restructuring, Seller may terminate this Agreement without further liability under this Agreement except with respect to liabilities accrued prior to the date of termination and remove the System in accordance with Section 9 of this Agreement.

- h. **Service Contract.** The Parties intend this Agreement to be a “service contract” within the meaning of Section 7701(e)(3) of the Internal Revenue Code of 1986. Purchaser shall not take the position on any tax return or in any other filings suggesting that it is anything other than a purchase of electricity from the System.
- i. **No Partnership.** No provision of this Agreement may be construed or represented as creating a partnership, trust, joint venture, fiduciary or any similar relationship between the Parties. No Party is authorized to act on behalf of the other Party, and neither may be considered the agent of the other.
- j. **Entire Agreement, Modification, Invalidity, Captions.** This Agreement constitutes the entire agreement of the Parties regarding its subject matter and supersedes all prior proposals, agreements, or other communications between the Parties, oral or written. This Agreement may be modified only by a writing signed by both Parties. If any provision of this Agreement is found unenforceable or invalid, such provision shall not be read to render this Agreement unenforceable or invalid as a whole. In such event, such provision shall be rectified or interpreted so as to best accomplish its objectives within the limits of applicable law.
- k. **Forward Contract.** The transaction contemplated under this Agreement constitutes a “forward contract” within the meaning of the United States Bankruptcy Code, and the Parties further acknowledge and agree that each Party is a “forward contract merchant” within the meaning of the United States Bankruptcy Code.
- l. **No Third-Party Beneficiaries.** Except as otherwise expressly provided herein, this Agreement and all rights hereunder are intended for the sole benefit of the Parties hereto, and the Financing Parties to the extent provided herein or in any other agreement between a Financing Party and Seller or Purchaser, and do not imply or create any rights on the part of, or obligations to, any other Person.
- m. **Counterparts.** This Agreement may be executed in any number of separate counterparts and each counterpart will be considered an original and together comprise the same Agreement.

- End of Exhibit 3 -

# Solar Power Purchase Agreement

This Solar Power Purchase Agreement (this “**Agreement**”) is entered into by the parties listed below (each a “**Party**” and collectively the “**Parties**”) as of the date signed by Seller below (the “**Effective Date**”).

<i>Purchaser:</i>		<i>Seller:</i>	
Name and Address	Pullman School District 1400 NW Terre View Dr Pullman, WA 99163 Attention: Juston Pollestad	Name and Address	Zero Emissions Northwest, LLC 3216 N Washington St, Spokane WA 99205
Phone	509-332-3581	Phone	509-518-5147
Fax	509-336-7202	Fax	N/A
E-mail	<a href="mailto:TBD@fpsd267.org">TBD@fpsd267.org</a>	E-mail	David.Funk@zeroemissionsnorthwest.com
Premises Ownership	Purchaser owns the Premises.	Additional Seller Information	
Tax Status	Tax Exempt		
Project Name	Pullman Kamiak School Community Solar Project		

This Agreement sets forth the terms and conditions of the purchase and sale of solar generated electricity from the solar panel system described in **Exhibit 2** (the “**System**”) and installed on the real property comprising Purchaser’s premises described or depicted in Schedule A to **Exhibit 2** (the “**Premises**”), including any buildings and other improvements on the Premises other than the System (the “**Improvements**”).

The exhibits listed below are incorporated by reference and made part of this Agreement.

<b><u>Exhibit 1</u></b>	Pricing
<b><u>Exhibit 2</u></b>	System Description, Delivery Point and Premises
<b><u>Exhibit 3</u></b>	General Terms and Conditions

<i>Purchaser:</i>	<b>Pullman School District</b>
Signature:	
Printed Name:	
Title:	
Date:	

<i>Seller:</i>	<b>Zero Emissions Northwest, LLC</b>
Signature:	
Printed Name:	
Title:	
Date:	



# Exhibit 1:

## Pricing

- Initial Term:** Ten (10) years, beginning on the Commercial Operation Date (the “Initial Term”).
- Additional Terms:** Up to two (2) terms of five (5) years, each beginning on the expiration of the Initial Term, each an “Additional Term”.
- Contract Price:**

Contract Year	Solar Energy \$/kWh	Insurance Premium	Total Solar CONTRACT PRICE \$/kWh	Average \$/kWh
1	\$ 0.028	\$ 0.009	\$ 0.037	
2	\$ 0.029	\$ 0.009	\$ 0.038	
3	\$ 0.029	\$ 0.010	\$ 0.039	
4	\$ 0.030	\$ 0.010	\$ 0.039	
5	\$ 0.030	\$ 0.010	\$ 0.040	
6	\$ 0.031	\$ 0.010	\$ 0.041	
7	\$ 0.032	\$ 0.010	\$ 0.042	
8	\$ 0.032	\$ 0.011	\$ 0.043	
9	\$ 0.033	\$ 0.011	\$ 0.044	
10	\$ 0.033	\$ 0.011	\$ 0.044	\$ 0.041

Contract Year	Estimated Utility \$/kWh	Estimated Solar kWh	Estimated Utility Purchases without Solar	Total Utility Purchases without Solar
1	\$ 0.102	163,000	\$ 16,600	
2	\$ 0.106	162,000	\$ 17,200	
3	\$ 0.110	161,000	\$ 17,800	
4	\$ 0.115	160,000	\$ 18,400	
5	\$ 0.119	159,000	\$ 19,000	
6	\$ 0.124	158,000	\$ 19,600	
7	\$ 0.129	157,000	\$ 20,300	
8	\$ 0.134	156,000	\$ 20,900	
9	\$ 0.140	155,000	\$ 21,600	
10	\$ 0.145	154,000	\$ 22,400	\$ 193,800

Contract Year	Total Solar \$/kWh	Estimated Solar kWh	Estimated Solar Purchases	Total Solar Purchases
1	\$ 0.037	163,000	\$ 6,100	
2	\$ 0.038	162,000	\$ 6,100	
3	\$ 0.039	161,000	\$ 6,200	
4	\$ 0.039	160,000	\$ 6,300	
5	\$ 0.040	159,000	\$ 6,400	
6	\$ 0.041	158,000	\$ 6,500	
7	\$ 0.042	157,000	\$ 6,600	
8	\$ 0.043	156,000	\$ 6,700	
9	\$ 0.044	155,000	\$ 6,700	
10	\$ 0.044	154,000	\$ 6,800	\$ 64,400

Contract Year	Avoided Utility Purchases	Total Avoided Purchases
1	\$ 10,500	
2	\$ 11,100	
3	\$ 11,600	
4	\$ 12,100	
5	\$ 12,600	
6	\$ 13,100	
7	\$ 13,700	
8	\$ 14,200	
9	\$ 14,900	
10	\$ 15,600	\$ 129,400

The first Contract Year shall commence on the Commercial Operation Date, and each subsequent Contract Year shall commence on the anniversary of the Commercial Operation Date.

- 4. Contract Price Assumptions.** The Contract Price is based on the following assumptions:
- a. Interconnection costs for the System will not exceed \$0.00 in the aggregate.
  - b. Statutory prevailing wage rates (e.g., Davis-Bacon) do not apply.
  - c. All prices in this Agreement are calculated based on an upfront rebate of 100%. In the event that the reimbursable rebate is not paid by the Utility, the PPA price shall be equal to 95% of the Utility rate.
  - d. The Contract Price is exclusive of Seller's Taxes (as defined in Section 3(d) of Exhibit 3), and Buyer shall be responsible for all Seller's Taxes at the rates in effect as of the Effective Date.
- 5. Contract Price Exclusions.** Unless Seller and Purchaser have agreed otherwise in writing, and except as otherwise provided in Section 2(c) of Exhibit 3, the Contract Price excludes the following:
- a. Unforeseen groundwork (including excavation and circumvention of underground obstacles). Upgrades or repair to customer or utility electrical infrastructure (including: client or utility service, transformers, substations, poles, breakers, reclosers, and disconnects).
  - b. Snow removal, tree removal, tree trimming, mowing and any landscape improvements.
  - c. Decorative fencing and/or any visual screening materials, decorative enhancements to solar support structures (including: painting, paint matching, masonry/stone work, and any lighting not required to meet the minimum code compliance).
  - d. Removal of existing lighting, light poles, or concrete light post bases.
  - e. Roof membrane maintenance or reroofing work.
  - f. Structural upgrades to the Improvements, including ADA upgrades.
  - g. Installation of public information screen or kiosk (including accompanying internet connection, power supply, technical support and ADA access).
  - h. Changes in System design caused by any inaccuracy or ambiguity in information provided by Purchaser, including information regarding Purchaser's energy use, the Premises and the Improvements, including building plans and specifications.
- 6. Termination Payment Schedule (Exhibit 3, Section 11(b)):**

Contract Year	Termination Payment
1	\$72,000
2	\$71,000
3	\$70,000
4	\$69,000
5	\$68,000
6	\$67,000
7	\$66,000
8	\$65,000
9	\$64,000
10	\$63,000

- ## Schedule A

## Exhibit 3:

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## Exhibit 3:

# General Terms and Conditions

1. **Purchase and Sale of Electricity.** Purchaser shall purchase from Seller, and Seller shall sell to Purchaser, all of the electricity generated by the System during the Term (as defined in Section 2(a)). Electricity generated by the System shall be delivered to Purchaser at the Delivery Point. Title to and risk of loss for the electricity generated by the System passes to Purchaser from Seller at the Delivery Point. Purchaser may purchase electricity for the Premises from other sources to the extent Purchaser's electricity consumption requirements at the Premises exceed the output of the System.
  
2. **Term and Termination.**
  - a. **Effective Date; Term.** This Agreement is effective as of the Effective Date. The electricity supply period under this Agreement commences on the Commercial Operation Date (as defined in Section 6) and continues for the duration of the Initial Term and any Additional Terms, unless earlier terminated as provided for in this Agreement (collectively, the "Term").
  - b. **Additional Terms.** The Parties may agree in writing to extend this Agreement for one or more Additional Term(s) at a Contract Price to be agreed.
  - c. **Termination Due to Contract Price Adjustments or Lack of Project Viability.** If, at any time after the Effective Date and prior to Commencement of Installation (as defined in Section 5), (i) circumstances arise which have been excluded from Contract Price calculations pursuant to Section 5 of **Exhibit 1**, or Seller determines that the installation of the System will not be technically or economically viable for any other reason, and (ii) the Parties have negotiated a Contract Price adjustment for thirty (30) days following written notice from Seller without reaching agreement, either Party may terminate this Agreement by providing ten (10) days' prior written notice to the other Party. Neither Party shall be liable for any damages in connection with such termination. After Commencement of Installation, the Contract Price shall not be subject to further adjustment pursuant to Section 5 of **Exhibit 1** or otherwise.
  - d. **Termination by Purchaser for Delay.** If Commencement of Installation has not occurred **(2) years** after the Effective Date, Purchaser may terminate this Agreement by providing thirty (30) days' prior written notice to Seller; provided that this Agreement will not terminate pursuant to this Section 2(d) if Seller achieves Commencement of Installation on or before the end of such thirty (30) day notice period. Purchaser shall not be liable for any damages in connection with such termination.
  
3. **Billing and Payment; Taxes.**
  - a. **Monthly Charges.** Purchaser shall pay Seller monthly for the electricity generated by the System and delivered to the Delivery Point at the \$/kWh rate shown in **Exhibit 1** (the "Contract Price"). The monthly payment for such energy will be equal to the applicable \$/kWh rate multiplied by the number of kWh of electricity generated during the applicable month, as measured by the Meter (as defined in Section 10). Additional costs for items differing from the assumptions in **Exhibit 1**, Item 4 are Purchaser's responsibility.
  - b. **Monthly Invoices.** Seller shall invoice Purchaser monthly. Such monthly invoices shall state (i) the amount of electricity produced by the System and delivered to the Delivery Point, (ii) the rates applicable to, and charges incurred by, Purchaser under this Agreement and (iii) the total amount due from Purchaser.
  - c. **Payment Terms.** All amounts due under this Agreement are due and payable net thirty (30) days following receipt of invoice. Any undisputed portion of the invoice amount not paid within such thirty (30) day period shall accrue interest at the annual rate of two and one-half percent (2.5%) above the Prime Rate (but not to exceed the maximum rate permitted by law). All payments shall be made in U.S. dollars.
  - d. **Taxes.**
    - i. **Purchaser's Taxes.** Purchaser is responsible for: (1) payment of, or reimbursement of Seller, for all taxes assessed on the generation, sale, delivery or consumption of electricity produced by the System or the interconnection of the System to the utility's electricity distribution system; and (2) real property taxes.

- ii. **Seller's Taxes.** Seller is responsible for: (1) payment of income taxes or similar taxes imposed on Seller's revenues due to the sale of electricity under this Agreement; and (2) personal property taxes imposed on the System ("**Seller's Taxes**").

- 4. **RECs and Incentives.** As the owner of the System, Seller is entitled to the benefit of, and will retain all ownership interests in the RECs and Incentives. Purchaser shall cooperate with Seller in obtaining, securing and transferring any and all RECs and Incentives. Purchaser is not obligated to incur any out-of-pocket costs or expenses in connection with such actions unless reimbursed by Seller. Purchaser shall not make any filing or statements inconsistent with Seller's ownership interests in the RECs and Incentives. If any RECs or Incentives are paid or delivered directly to Purchaser, Purchaser shall immediately pay or deliver such items or amounts to Seller.

"**Governmental Authority**" means any foreign, federal, state, local or other governmental, regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, court, tribunal, arbitrating body or other governmental authority having jurisdiction or effective control over a Party.

"**Incentives**" means (i) a payment paid by a utility or state or local Governmental Authority based in whole or in part on the cost or size of the System such as a rebate, (ii) a performance-based incentive paid as a stream of periodic payments by a utility, state or Governmental Authority based on the production of the System, (iii) investment tax credits, production tax credits, and similar tax credits, grants or other tax benefits under federal, state or local law, and (iv) any other attributes, commodity, revenue stream or payment in connection with the System (such as ancillary or capacity revenue), in each case of (i) through (iv) relating to the construction, ownership, use or production of energy from the System, provided that Incentives shall not include RECs.

"**REC**" means a renewable energy credit or certificate under any state renewable portfolio, standard or federal renewable energy standard, voluntary renewable energy credit certified by a non-governmental organization, pollution allowance, carbon credit and any similar environmental allowance or credit and green tag or other reporting right under Section 1605(b) of The Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions trading program, in each case relating to the construction, ownership, use or production of energy from the System, provided that RECs shall not include Incentives.

#### 5. **Project Completion.**

- a. **Project Development.** Seller shall diligently pursue the development and installation of the System, subject to Section 2(c), Section 11 and the remaining provisions of this Section 5.
- b. **Permits and Approvals.** Seller shall use commercially reasonable efforts to obtain the following at its sole cost and expense (each an "**Approval**"):
  - i. any zoning, land use and building permits required for Seller to construct, install and operate the System; and
  - ii. any agreements and approvals from the utility necessary in order to interconnect the System to the utility's electric distribution system.

Purchaser shall cooperate with Seller's reasonable requests to assist Seller in obtaining such Approvals, including, without limitation the execution of documents required to be provided by Purchaser to the local utility.

- c. **Commencement of Installation.** Seller shall exercise commercially reasonable efforts to achieve Commencement of Installation of the System within [ ] days after the Effective Date. "**Commencement of Installation**" means the date that Seller or its installation contractor has begun physical installation of the System on the Premises.
- d. **Force Majeure.**
  - i. **Force Majeure Event.** If either Party is unable to timely perform any of its obligations (other than payment obligations) under this Agreement in whole or in part due to a Force Majeure Event, that Party will be excused from performing such obligations for the duration of the time that such Party remains affected by the Force Majeure Event; provided, that such Party uses commercially reasonable efforts to mitigate the impact of the Force Majeure Event and resumes performance of its affected obligations as soon as reasonably practical. The Party affected by the Force Majeure Event shall notify the other Party as soon as reasonably practical after the

affected Party becomes aware that it is or will be affected by a Force Majeure Event. If the Force Majeure Event occurs during the Term and impacts the ability of the System to deliver electricity to the Delivery Point, the Term will be extended day for day for each day delivery is suspended due to the Force Majeure Event.

- ii. **Extended Force Majeure.** If a Force Majeure Event notified by either Party under paragraph (i) above continues for a consecutive period of one hundred eighty (180) days or more within a twelve (12) month period, then either Party may terminate this Agreement without either Party having further liability under this Agreement except: (a) liabilities accrued prior to termination, (b) Seller shall remove the System as required under Section 9 (but Purchaser shall reimburse Seller for Seller's removal costs if the Force Majeure Event affects Purchaser and Purchaser elects to terminate the Agreement) and (b) if Purchaser elects to terminate the Agreement in accordance with this Section, Purchaser shall pay the applicable Termination Payment. Notwithstanding the foregoing, if the Force Majeure Event can be corrected through repair or restoration of the System or other actions by Seller and, prior to expiration of the initial one hundred eighty (180)-day period, Seller provides written evidence to Purchaser that it is diligently pursuing such actions, then Purchaser shall not have the right to terminate this Agreement so long as Seller continues to diligently pursue such actions.
- iii. **"Force Majeure Event"** means any event or circumstance beyond the reasonable control of and without the fault or negligence of Seller, including, without limitation, failure or interruption of the production, delivery or acceptance of electricity due to: an act of god; war (declared or undeclared); sabotage; piracy; riot; insurrection; civil unrest or disturbance; military or guerilla action; terrorism; economic sanction or embargo; civil strike, work stoppage, slow-down, or lock-out; explosion; fire; earthquake; abnormal weather condition or actions of the elements; hurricane; flood; lightning; wind; drought; animals; the binding order of any Governmental Authority; the failure to act on the part of any Governmental Authority (including, without limitation delays in permitting not caused by actions or omissions of the Party seeking such permit); unavailability of electricity from the utility grid; and failure or unavailability of equipment, supplies or products outside of Seller's control or due to a Force Majeure Event.
- e. **Extension of Time.** If Seller is delayed in achieving Commencement of Installation due to a Force Majeure Event, the time for achievement of Commencement of Installation will be automatically extended to account for the impact of the delay.
- f. **Commercial Operation.** Seller shall notify Purchaser in writing when it has achieved Commercial Operation (the date of such notice, the **"Commercial Operation Date"**). **"Commercial Operation"** means that the System is mechanically complete, capable of providing electricity to the Delivery Point at the nameplate capacity specified in Exhibit 2 and has permission to operate from the relevant Governmental Authority. Seller shall provide Purchaser with documentation to evidence that the System is ready to begin Commercial Operation upon Purchaser's reasonable request.

## 6. **Installation, Operation and Maintenance.**

- a. **Seller's General Obligations Regarding the System.** Subject to the terms and conditions of this Agreement, Seller shall design, engineer, install, commission, monitor, operate and maintain the System, in each case in a good and workmanlike manner and in accordance with applicable law and prudent solar industry practices in the state in which the Premises are located. The System shall comply with all applicable rules, regulation and local building codes.
- b. **System Design Approval.** Seller shall provide Purchaser with a copy of the System design for approval prior to commencement of construction. Purchaser shall have ten (10) days after receipt to approve or disapprove the design. Failure by Purchaser to respond within such ten (10) day period shall be deemed approval of the design. If Purchaser disapproves the design, Seller shall modify the design and resubmit it for Purchaser's approval. If the System design modifications requested by Purchaser render the System non-viable, Seller may terminate this Agreement under Section 2(c) above.
- c. **System Repair and Maintenance.** Seller may suspend delivery of electricity from the System to the Delivery Point for the purpose of maintaining and repairing the System; provided that Seller shall use commercially reasonable efforts to (i) minimize any interruption in service to the Purchaser, and (ii) limit any such suspension of service to weekend or off-peak hours. Scheduled and unscheduled maintenance and repairs shall be undertaken at Seller's sole cost and expense, except that Purchaser shall reimburse Seller for the reasonable cost of any repairs or maintenance resulting from damage caused by Purchaser, its agents, employees or contractors.

- d. **Outages.** Upon Purchaser's written request, Seller shall take the System off-line for a total of one-hundred (100) daylight hours (as defined by the United States National Weather Service in the area where the System is located) during each Contract Year (each event an "**Outage**" and the one-hundred (100) hour period the "**Outage Allowance**"). The Outage Allowance includes all Outage hours undertaken by Seller for maintenance or repairs for which Purchaser is responsible pursuant to Section 6(b) or requested by Purchaser under this Section 6(d) (other than due to the fault or negligence of Seller). Purchaser's request shall be delivered at least forty-eight (48) hours in advance. Purchaser is not obligated to accept or pay for electricity from the System for Outages up to the annual Outage Allowance. If the aggregate hours for Outages exceed the Outage Allowance in a given Contract Year, Seller shall reasonably estimate the amount of electricity that would have been delivered to Purchaser during such excess Outages and Purchaser shall pay Seller for such amount in accordance with this Agreement.
- e. **Maintenance of Premises.** Purchaser shall, at its sole cost and expense, maintain the Premises and Improvements in good condition and repair. Purchaser, to the extent within its reasonable control, (i) shall ensure that the Premises remains interconnected to the local utility grid at all times; and (ii) shall not permit cessation of electric service to the Premises from the local utility. Purchaser is fully responsible for, and shall properly maintain in full working order and good repair, the electrical infrastructure on the Purchaser's side of the Delivery Point, including all of Purchaser's equipment that utilizes the System's outputs. Purchaser shall use commercially reasonable efforts to cooperate with Seller to comply with any technical standard of the utility providing electrical power to the Purchaser, and does not need to receive permission to operate from the utility.
- f. **No Alteration of Premises.** Not less than thirty (30) days prior to making any alterations or repairs to the Premises (except for emergency repairs) or any Improvement which may adversely affect the operation and maintenance of the System, Purchaser shall inform Seller in writing and, thereafter, shall use commercially reasonable efforts to conduct such repairs, alterations or Improvements in compliance with any reasonable request made by Seller within ten (10) days after having received such written request to mitigate any adverse effect. If any repair, alteration or Improvement result in a permanent and material adverse economic impact on the System, Purchaser may request relocation of the System under Section 8 hereof. To the extent that temporary disconnection or removal of the System is necessary to perform such alterations or repairs, Seller shall perform such work, and any re-connection or re-installation of the System, at Purchaser's cost, subject to Sections 6(b) and 6(c). Seller shall make any alterations and repairs in a good and workmanlike manner, in compliance with all applicable laws, codes and permits.

## 7. **Miscellaneous Rights and Obligations of the Parties.**

- a. **Access Rights.**<sup>1</sup> Purchaser hereby grants to Seller and to Seller's agents, employees, contractors and the utility (i) a non-exclusive license running with the Premises (the "**Non-Exclusive License**") for access to, on, over, under and across the Premises from the Effective Date until the date that is ninety (90) days following the date of expiration or earlier termination of this Agreement (the "**License Term**"), for the purposes of performing all of Seller's obligations and enforcing all of Seller's rights set forth in this Agreement and otherwise as required by Seller in order to effectuate the purposes of this Agreement. In addition to the foregoing, if the System shall be a ground-mounted System to be located within a secure, fenced area on the Premises, Purchaser hereby grants to Seller an exclusive, sub-licensable license running with the Premises (the "**Exclusive License**", and together with the Non-Exclusive License, the "**Licenses**") for purposes of the installation, operation, use and maintenance of the System on such exclusively licensed area of the Premises during the License Term. **Seller and its employees, agents and contractors must comply with Purchaser's site safety and security requirements when on the Premises (other than in respect of the fenced area governed by the Exclusive License) during the License Term.** During the License Term, Purchaser shall preserve and protect Seller's rights under the Licenses and Seller's access to the Premises and shall not interfere, or permit any third parties under Purchaser's control to interfere with such rights or access. Seller may record a customary memorandum of license in the land records respecting the Licenses.
- b. **OSHA Compliance.** Each Party shall comply with all Occupational Safety and Health Act (OSHA) requirements and other similar applicable safety laws and codes with respect to such Party's performance under this Agreement.

<sup>1</sup> *The Agreement provides for access to the Premises through a license and assumes that the Purchaser is the owner of the Premises. However, certain Sellers may prefer for access to the Premises to be provided through a lease or sublease. If the Purchaser is not the owner of the Premises, the lease or license will have to be entered into with the third party owner.*

- c. **Safeguarding the Premises.** Purchaser shall maintain the physical security of the Premises and Improvements in a manner to be expected of a reasonable and prudent owner or lessee of premises and improvements similar to the Premises and Improvements in nature and location. Purchaser shall not conduct or permit activities on, in or about the Premises or the Improvements that have a reasonable likelihood of causing damage, impairment or otherwise adversely affecting the System. Purchaser shall indemnify Seller for any loss or damage to the System to the extent caused by or arising out of (i) Purchaser's breach of its obligations under this Section or (ii) the acts or omissions of Purchaser or its employees, agents, invitees or separate contractors.
- d. **Insolation.** Purchaser acknowledges that unobstructed access to sunlight ("**Insolation**") is essential to Seller's performance of its obligations and a material term of this Agreement. Purchaser shall not, to the extent within its reasonable control, cause or permit any interference with the System's Insolation, and shall ensure that vegetation on the Premises adjacent to the System is regularly pruned or otherwise maintained to prevent interference with the System's Insolation. If Purchaser discovers any activity or condition that could diminish the Insolation of the System, Purchaser shall immediately notify Seller and cooperate with Seller in preserving and restoring the System's Insolation levels as they existed on the Effective Date.
- e. **Use and Payment of Contractors and Subcontractors.** Seller shall use suitably qualified, experienced and licensed contractors and subcontractors to perform its obligations under this Agreement. However, Seller shall be responsible for the quality of the work performed by its contractors and subcontractors. Seller shall pay when due all valid charges from all contractors, subcontractors and suppliers supplying goods or services to Seller under this Agreement.
- f. **Liens.**
  - i. **Lien Obligations.** Purchaser shall not directly or indirectly cause, create, incur, assume or allow to exist any mortgage, pledge, lien, charge, security interest, encumbrance or other claim of any nature, except such encumbrances as may be required to allow Seller access to the Premises, (each a "**Lien**") on or with respect to the System. Seller shall not directly or indirectly cause, create, incur, assume or allow to exist any Lien on or with respect to the Premises or the Improvements, other than those Liens which Seller is permitted by law to place on the Premises due to non-payment by Purchaser of amounts due under this Agreement. Each Party shall immediately notify the other Party in writing of the existence of any such Lien following discovery of same, and shall promptly (and in all events within thirty (30) days) cause the same to be discharged and released of record without cost to the other Party; provided, however, that each indemnifying Party has the right to contest any such Lien, so long as it provides a statutory bond or other reasonable assurances of payment that either removes such Lien from title to the affected property, or that assures that any adverse judgment with respect to such Lien shall be paid without affecting title to such property.
  - ii. **Lien Indemnity.** Each Party shall indemnify the other Party from and against all claims, losses, damages, liabilities and expenses resulting from any Liens filed against such other Party's property as a result of the indemnifying Party's breach of its obligations under Section 7(f)(i).

## 8. **Relocation of System.**

If, during the Term, Purchaser ceases to conduct business operations at the Premises or vacates the Premises; the Premises have been destroyed; or the Purchaser is otherwise unable to continue to host the System or accept the electricity delivered by the System for any other reason (other than a Default Event by Seller), Purchaser may propose in writing the relocation of the System, at Purchaser's cost, in lieu of termination of the Agreement by Seller for a Default Event by Purchaser. If such proposal is practically feasible and preserves the economic value of the agreement for Seller, the Parties shall seek to negotiate in good faith an agreement for the relocation of the System. If the Parties are unable to reach agreement on relocation of the System within sixty (60) days after the date of receipt of Purchaser's proposal, Seller may terminate this Agreement pursuant to Section 11(b)(ii).

## 9. **Removal of System upon Termination or Expiration.**

Upon the expiration or earlier termination of this Agreement (provided Purchaser does not exercise its purchase option under Section 14(b)), Seller shall, at its expense (unless expressly provided otherwise in this Agreement), remove all of the tangible property comprising the System from the Premises with a targeted completion date that is no later than ninety (90) days after the expiration of the Term. The portion of the Premises where the System is located shall be returned to substantially its original condition (excluding ordinary wear and tear), including the removal of System mounting pads or other support structures, and



repair and restoration of the roof and the roof membrane. If the System is installed on the roof of an Improvement, Seller's warranties under Section 12(c)(i) shall apply, as applicable. Purchaser must provide sufficient access, space and cooperation as reasonably necessary to facilitate System removal. If Seller fails to remove or commence substantial efforts to remove the System by such agreed upon date, Purchaser may, at its option, to remove the System to a public warehouse and restore the Premises to its original condition (other than ordinary wear and tear) at Seller's cost.

#### 10. **Measurement.**

- a. **Meter.** The System's electricity output during the Term shall be measured by Seller's meter, which shall be a revenue grade meter that meets ANSI-C12.20 standards for accuracy (the "**Meter**"). Purchaser shall have access to the metered energy output data via the monitoring system installed and maintained by Seller as part of the System.
- b. **Meter Calibration.** Seller shall calibrate the Meter in accordance with manufacturer's recommendations. Notwithstanding the foregoing, Purchaser may install, or cause to be installed, its own revenue-grade meter at the same location as the Meter. If there is a discrepancy between the data from Purchaser's meter and the data from the Meter of greater than two percent (2%) over the course of a Contract Year, then Purchaser may request that Seller calibrate the Meter at Purchaser's cost.

#### 11. **Default, Remedies and Damages.**

- a. **Default.** Any Party that fails to perform its responsibilities as listed below or experiences any of the circumstances listed below is deemed a "**Defaulting Party**", the other Party is the "**Non-Defaulting Party**" and each of the following is a "**Default Event**":
  - i. failure of a Party to pay any amount due and payable under this Agreement, other than an amount that is subject to a good faith dispute, within ten (10) days following receipt of written notice from the Non-Defaulting Party of such failure to pay ("**Payment Default**");
  - ii. failure of a Party to perform any material obligation under this Agreement not addressed elsewhere in this Section 11(a) within thirty (30) days following receipt of written notice from the Non-Defaulting Party demanding such cure; provided, that if the Default Event cannot reasonably be cured within thirty (30) days and the Defaulting Party has demonstrated prior to the end of that period that it is diligently pursuing such cure, the cure period will be extended for a further reasonable period of time, not to exceed ninety (90) days;
  - iii. any representation or warranty given by a Party under this Agreement was incorrect in any material respect when made and is not cured within thirty (30) days following receipt of written notice from the Non-Defaulting Party demanding such cure;
  - iv. a Party becomes insolvent or is a party to a bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors, or any general assignment for the benefit of creditors or other similar arrangement or any event occurs or proceedings are taken in any jurisdiction with respect to the Party which has a similar effect (or, if any such actions are initiated by a third party, such action(s) is (are) not dismissed within sixty (60) days); or,
  - v. in the case of Purchaser as the Defaulting Party only, Purchaser (a) loses its rights to occupy and enjoy the Premises, unless (i) the Parties agree upon a relocation under Section 8 above, or (ii) Purchaser pays the Termination Payment determined under Section 6 of **Exhibit 1** within thirty (30) days after written request by Seller; or (b) prevents Seller from performing any material obligation under this Agreement unless such action by Purchaser is (i) is permitted under this Agreement, or (ii) is cured within ten (10) days after written notice thereof from Seller.
- b. **Remedies.**
  - i. **Suspension.** Upon the occurrence and during the continuation of a Default Event by Purchaser, including a Payment Default, Seller may suspend performance of its obligations under this Agreement until the earlier to occur of the date (a) that Purchaser cures the Default Event in full, or (b) of termination of this Agreement. Seller's rights under this Section 11(b)(i) are in addition to any other remedies available to it under this Agreement, at law or in equity.

- ii. **Termination.** Upon the occurrence and during the continuation of a Default Event, the Non-Defaulting Party may terminate this Agreement, by providing five (5) days prior written notice to the Defaulting Party; provided, that, in the case of a Default Event under Section 11(a)(iv), the Non-Defaulting Party may terminate this Agreement immediately.
- iii. **Damages Upon Termination by Default.** Upon a termination of this Agreement pursuant to Section 11(b)(ii), the Defaulting Party shall pay a termination payment to the Non-Defaulting Party determined as follows (the “Termination Payment”):
  - (1) **Termination by Seller.** If Seller terminates this Agreement for a Default Event by Purchaser, the Termination Payment payable to Seller shall be equal to the sum of (i) the applicable amount set forth in the Termination Payment Schedule set forth as Item 6 of **Exhibit 1**, and (ii) any other amounts previously accrued under this Agreement and then owned by Purchaser to Seller.
  - (2) **Termination by Purchaser.** If Seller is the Defaulting Party and Purchaser terminates this Agreement, the Termination Payment to Purchaser will be equal to the sum of (i) all direct costs reasonably incurred by Purchaser by reason of the termination; and (ii) any and all other amounts previously accrued under this Agreement and then owed by Seller to Purchaser. The Termination Payment determined under this Section 11(b)(iii)(2) cannot be less than zero.
- iv. **Liquidated Damages.** The Parties agree that, if Seller terminates this Agreement prior to the expiration of the Term pursuant to Section 11(b)(ii), actual damages would be difficult to ascertain, and the Termination Payment determined in accordance with Section 11(b)(iii)(1) is a reasonable approximation of the damages suffered by Seller as a result of early termination of this Agreement and is not a penalty.
- c. **Obligations Following Termination.** If a Party terminates this Agreement pursuant to Section 11(b)(ii), then following such termination, Seller shall remove the equipment constituting the System in compliance with Section 9 above at the sole cost and expense of the Defaulting Party, *provided, however* that Seller shall not be required to remove the System following the occurrence of a Default Event by Purchaser pursuant to Section 11(a)(i), unless Purchaser pre-pays the cost of restoration reasonably estimated by Seller.
  - i. **Reservation of Rights.** Except in the case of a termination under Section 11(b)(ii) and payment of a Termination Payment, if any, determined pursuant to Section 11(b)(ii), nothing in this Section 11 limits either Party’s right to pursue any remedy under this Agreement, at law or in equity, including with respect to the pursuit of an action for damages by reason of a breach or Default Event under this Agreement.
  - ii. **Mitigation Obligation.** Regardless of whether this Agreement is terminated for a Default Event, the Non-Defaulting Party must make commercially reasonable efforts to mitigate its damages as the result of such Default Event; provided that such obligation shall not reduce Purchaser’s obligation to pay the full Termination Payment set forth in Section 6 of Exhibit 1 following a Default Event by Purchaser.
  - iii. **No Limitation on Payments.** Nothing in this Section 11 excuses a Party’s obligation to make any payment when due under this Agreement, including with respect to payments for electricity that would have been delivered to Purchaser but for a Purchaser breach or Default Event.

## 12. **Representations and Warranties.**

- a. **General Representations and Warranties.** Each Party represents and warrants to the other the following:
  - i. Such Party is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation; the execution, delivery and performance by such Party of this Agreement have been duly authorized by all necessary corporate, partnership or limited liability company action, as applicable, and do not and will not violate any law; and this Agreement is the valid obligation of such Party, enforceable against such Party in accordance with its terms (except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws now or hereafter in effect relating to creditors’ rights generally).
  - ii. Such Party has obtained all licenses, authorizations, consents and approvals required by any Governmental Authority or other third party and necessary for such Party to own its assets, carry on its business and to execute and deliver this Agreement; and such Party is in compliance with all laws that relate to this Agreement in all material respects.



**b. Purchaser's Representations and Warranties.** Purchaser represents and warrants to Seller the following:

- i. **Licenses.** (a) Purchaser has title to or a leasehold or other valid property interest in the Premises such that Purchaser has the full right, power and authority to grant the Licenses in Section 7(a), (b) such grant of the Licenses does not violate any law, ordinance, rule or other governmental restriction applicable to Purchaser or the Premises and is not inconsistent with and will not result in a breach or default under any agreement by which Purchaser is bound or that affects the Premises, and (c) if Purchaser does not own the Premises or any Improvement on which the System is to be installed, Purchaser has obtained all required consents from the owner of the Premises and/or Improvements, as the case may be, to grant the Licenses to Seller so that Seller may perform its obligations under this Agreement.
- ii. **Other Agreements.** Neither the execution and delivery of this Agreement by Purchaser nor the performance by Purchaser of any of its obligations under this Agreement conflicts with or will result in a breach or default under any agreement or obligation to which Purchaser is a party or by which Purchaser is bound.
- iii. **Accuracy of Information.** All information provided by Purchaser to Seller, as it pertains to (a) the Premises, (b) the Improvements on which the System is to be installed, if applicable, (c) Purchaser's planned use of the Premises and any applicable Improvements, and (d) Purchaser's estimated electricity requirements, is accurate in all material respects.
- iv. **Purchaser Status.** Purchaser is not a public utility or a public utility holding company and is not subject to regulation as a public utility or a public utility holding company.
- v. **Limit on Use.** No portion of the electricity generated by the System shall be used to heat a swimming pool.<sup>2</sup>

**c. Seller's Warranties.**

- i. If Seller penetrates the roof of any Improvement on which the System is installed, during System installation or any System repair, Seller shall warrant roof damage it causes as a direct result of these roof penetrations. This roof warranty shall terminate upon the later of (a) one (1) year following the completion of the System installation or repair, as the case may be, and (b) the length of any then-effective installer warranty on the applicable roof.
- ii. If Seller damages any other part of the Premises or any Improvement (including roof damages not covered under Section 12(c)(i) above), Seller shall repair or reimburse Purchaser for such damage, as agreed by the Parties.

**NO OTHER WARRANTY.** THE WARRANTIES SET FORTH IN SECTIONS 12(a) AND 12(c) OF THIS AGREEMENT ARE PURCHASER'S SOLE AND EXCLUSIVE BASIS FOR ANY CLAIM OR LIABILITY ARISING OUT OF OR IN CONNECTION WITH THIS SECTION 12, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE. OTHER THAN AS EXPRESSLY SET FORTH IN SECTIONS 12(a) AND 12(c), NO WARRANTY, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, OR WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE, APPLIES UNDER THIS AGREEMENT. IF A PERFORMANCE GUARANTY IS BEING PROVIDED PURSUANT TO SECTION 4(d) OF EXHIBIT 1, THE PERFORMANCE GUARANTY WILL REPRESENT A SEPARATE CONTRACT BETWEEN PURCHASER AND THE ISSUER OF THE PERFORMANCE GUARANTY. IF THE ISSUER OF THE PERFORMANCE GUARANTY (OR ANY SUBSEQUENT ASSIGNEE) AND THE SELLER ARE NOT THE SAME PERSON, NO RIGHTS PROVIDED TO PURCHASER BY THE PERFORMANCE GUARANTY MAY BE ASSERTED UNDER THIS AGREEMENT, AND NO CLAIM UNDER THE PERFORMANCE GUARANTY WILL AFFECT PURCHASER'S OBLIGATIONS UNDER THIS AGREEMENT.

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<sup>2</sup> This limitation reflects the requirements to qualify for the Federal Energy Tax Credit under §48 of the Internal Revenue Code. Individual states or localities may have further restrictions on the use of electricity from the System. Purchasers and Sellers are encouraged to consult local law to ensure that no such restrictions are being violated.

**13. Insurance.**

- a. **Insurance Coverage.** At all times during the Term, the Parties shall maintain the following insurance, as applicable:
- i. **Seller's Insurance.** Seller shall maintain or ensure the following is maintained (a) commercial general liability insurance with coverage of at least \$1,000,000 per occurrence and \$2,000,000 annual aggregate, (b) employer's liability insurance with coverage of at least \$1,000,000 and (c) workers' compensation insurance as required by law. Seller's coverage may be provided as part of an enterprise insurance program.
  - ii. **Purchaser's Insurance.** Purchaser shall maintain or ensure the following is maintained (a) property insurance on the System for the replacement cost thereof and be reimbursed by Seller and (b) commercial general liability insurance with coverage of at least \$1,000,000 per occurrence and \$2,000,000 annual aggregate.
    - (1) (30) days prior to the Commercial Operation Date, Seller shall provide Purchaser with the replacement cost of the System and Purchaser shall purchase and itemize the increase in insurance costs due the insurance requirements detailed in section 13.a.ii.(a). Seller shall reimburse the Purchaser within (14) business days for the insurance premium and divide this cost by the estimated kWh of the project as calculated by PVWatts or a similar satellite-based solar production software. The \$/kWh insurance premium shall be added back into the Contract Price for the first year.
    - (2) Each additional year, (30) days prior to the anniversary of the Commercial Operation Date or Seller's typical insurance procurement schedule, Purchaser shall itemize the increase in insurance costs due to the insurance requirements detailed in section 13.a.ii.(a). Seller shall reimburse the Purchaser within (14) business days for the insurance premium and divide this cost by the previous year's actual kWh of the project. The \$/kWh insurance premium shall be added back into the Contract Price.
- b. **Policy Provisions.** Each Party's insurance policies shall (i) contain a provision whereby the insurer agrees to give the other Party at least thirty (30) days (ten days for non-payment of premiums) written notice before the insurance is cancelled, or terminated, (ii) be written on an occurrence basis, and (iii) be maintained with companies either rated no less than A-VII as to Policy Holder's Rating in the current edition of A.M. Best's Insurance Guide or otherwise reasonably acceptable to the other Party.
- c. **Certificates.** Upon the other Party's request, each Party shall deliver to the other Party certificates of insurance evidencing the above required coverage. A Party's receipt, review or acceptance of such certificate shall in no way limit or relieve the other Party of the duties and responsibilities to maintain insurance as set forth in this Agreement.
- d. **Deductibles.** Each Party shall pay its own insurance deductibles, except in the case of claims (i) resulting from a breach of this Agreement, in which case the breaching Party is responsible for payment of the non-breaching Party's deductible for any responding insurance, and (ii) covered by an indemnity set forth in this Agreement.

**14. Ownership; Option to Purchase.**

- a. **Ownership of System.**
- i. **Ownership; Personal Property.** Throughout the Term, Seller shall be the legal and beneficial owner of the System, and all RECs and Incentives, and the System will remain the personal property of Seller and will not attach to or be deemed a part of, or fixture to, the Premises or any Improvement on which the System is installed. Each of the Seller and Purchaser agree that the Seller is the tax owner of the System and all tax filings and reports shall be filed in a manner consistent with this Agreement. The System will at all times retain the legal status of personal property as defined under Article 9 of the Uniform Commercial Code.
  - ii. **Notice to Purchaser Lienholders.** Purchaser shall use commercially reasonable efforts to place all parties having a Lien on the Premises or any Improvement on which the System is installed on notice of the ownership of the System and the legal status or classification of the System as personal property. If any mortgage or fixture filing against the Premises could reasonably be construed as prospectively attaching to the System as a fixture of the Premises, Purchaser shall provide a disclaimer or release from such lienholder.

- iii. **Fixture Disclaimer.** If Purchaser is the fee owner of the Premises, Purchaser consents to the filing of a disclaimer of the System as a fixture of the Premises in the office where real estate records are customarily filed in the jurisdiction where the Premises are located. If Purchaser is not the fee owner, Purchaser shall obtain such consent from such owner. For the avoidance of doubt, in either circumstance Seller has the right to file such disclaimer.
- iv. **SNDA.** Upon request, Purchaser shall deliver to Seller a subordination and non-disturbance agreement in a form mutually acceptable to Seller and the provider of the subordination and non-disturbance agreement from the owner of the Premises (if the Premises are leased by Purchaser), any mortgagee with a Lien on the Premises, and other Persons holding a similar interest in the Premises.
- v. **Eviction Notice.** To the extent that Purchaser does not own the Premises or any Improvement on which the System is installed, Purchaser shall provide to Seller immediate written notice of receipt of notice of eviction from the Premises or applicable Improvement or termination of Purchaser's lease of the Premises and/or Improvement.

**b. Option to Purchase.**

- i. **Exercise of Option.** At the end of the tenth (10th) Contract Years and each Additional Term, so long as Purchaser is not in default under this Agreement, Purchaser may purchase the System from Seller on any such date for a purchase price equal to \$34,000 plus all reasonable transaction fees & applicable transfer taxes. Purchaser shall have the option to pay the purchase price over a 2-year period via an increased Contract Price. For example, if the purchase price is \$10,000 then an additional \$5,000 per year will be divided by the average kWh of the previous years will be prorated monthly and added to each invoice. Purchaser shall notify Seller of its intent to purchase at least ninety (90) days and not more than one hundred eighty (180) days prior to the end of the applicable Contract Year or the Initial Term or Additional Term, as applicable, and the purchase shall be completed prior to the end of the applicable Contract Year or the Initial Term or Additional Term, as applicable.
- ii. **Title Transfer; Warranties; Manuals.** Seller shall transfer good title to the System to Purchaser upon Seller's receipt of the purchase price and execution by the Parties of a written instrument or agreement to effect such transfer. The System will be sold "as is, where is, with all faults". Seller will assign to Purchaser any manufacturer's warranties that are in effect as of the date of purchase and which are then assignable pursuant to their terms, but Seller otherwise disclaims all warranties of any kind, express or implied, concerning the System (other than as to title). Seller shall also provide Purchaser all System operation and maintenance manuals and logs in Seller's possession and provide Purchaser basic training on the operation and maintenance of the System upon Purchaser's reasonable request. Upon purchase of the System, Purchaser shall assume complete responsibility for the operation and maintenance of the System and liability for the performance of (and risk of loss for) the System, and, except for any Seller obligations that survive termination under Section 19(d), Seller will have no further liabilities or obligations hereunder for the System.
- iii. **Right of First Offer for an Operations and Maintenance Contract.** A Right of First Offer clause (also known as a "ROFO" or "First Right of Offer") gives Seller the first opportunity to negotiate before the owner can offer it to others. Therefore, if Purchaser intends to hire a company to manage the operations, maintenance, and asset management (the "O&M Contract") of the Project after the sale, Purchaser hereby grants the Seller the first right to make an offer for the O&M Contract, before the Purchaser offers the contract to any third party.
  - (1) **Intent to Bid.** Purchaser shall provide written notice (the "Notice") to Seller that it intends to seek an O&M Contract for the Project. The Notice shall include the terms and conditions of the proposed contract, including the scope of work and any other relevant details (the "Offer Terms").
  - (2) **Procedure.** Upon receipt of the Notice, Seller shall have (30) days to respond with a proposed O&M Contract, based on the terms outlined in the Notice or on terms mutually agreed upon by the parties. If Seller does not respond within the (30) day period, Purchaser is free to offer the contract to any third party on terms that are not more favorable than those offered to Seller.
  - (3) **Failure to Reach Agreement.** If in the event that Seller does not accept the Offer Terms, or if the parties fail to reach a mutually acceptable agreement within (30) days after the Notice, Purchaser shall have the right to offer the O&M Contract to a third party, provided that the terms to such third party are not more favorable than those offered to Seller under the Right of First Offer.

- (4) Expiration of ROFO. The First Right of Offer granted herein shall terminate upon the earlier of:
  - (a) Seller's written waiver of the ROFO; or (b) (15) years from the date of this Agreement.
- (5) No Obligation. Nothing in this clause shall obligate Purchaser to hire the Seller, and Purchaser reserves the right, at its sole discretion, to reject any offer made by Seller. Purchaser may also provide their own O&M internally, and choose not to go to bid. As such, the Purchaser has no obligation to the Seller if they do not plan to go to bid for the O&M Contract.
- (6) Confidentiality. The existence and terms of this ROFO shall be confidential and may not be disclosed to any third party without the prior written consent of both parties, except as required by law.

## 15. **Indemnification and Limitations of Liability.**

- a. **General**. Each Party (the "**Indemnifying Party**") shall defend, indemnify and hold harmless the other Party, its affiliates and the other Party's and its affiliates' respective directors, officers, shareholders, partners, members, agents and employees (collectively, the "**Indemnified Parties**"), from and against any loss, damage, expense, liability and other claims, including court costs and reasonable attorneys' fees (collectively, "**Liabilities**") resulting from (1) any Claim (as defined in Section 15(b) relating to the Indemnifying Party's breach of any representation or warranty set forth in Section 12 and (2) injury to or death of persons, and damage to or loss of property to the extent caused by or arising out of the negligent acts or omissions of, or the willful misconduct of, the Indemnifying Party (or its contractors, agents or employees) in connection with this Agreement; provided, however, that nothing herein will require the Indemnifying Party to indemnify the Indemnified Parties for any Liabilities to the extent caused by or arising out of the negligent acts or omissions of, or the willful misconduct of, an Indemnified Party. This Section 15(a) does not apply to Liabilities arising out of or relating to any form of Hazardous Substances or other environmental contamination, such matters being addressed exclusively by Section 15(c).
- b. **Notice and Participation in Third Party Claims**. The Indemnified Party shall give the Indemnifying Party written notice with respect to any Liability asserted by a third party (a "**Claim**"), as soon as possible upon the receipt of information of any possible Claim or of the commencement of such Claim. The Indemnifying Party may assume the defense of any Claim, at its sole cost and expense, with counsel designated by the Indemnifying Party and reasonably satisfactory to the Indemnified Party. The Indemnified Party may, however, select separate counsel if both Parties are defendants in the Claim and such defense or other form of participation is not reasonably available to the Indemnifying Party. The Indemnifying Party shall pay the reasonable attorneys' fees incurred by such separate counsel until such time as the need for separate counsel expires. The Indemnified Party may also, at the sole cost and expense of the Indemnifying Party, assume the defense of any Claim if the Indemnifying Party fails to assume the defense of the Claim within a reasonable time. Neither Party may settle any Claim covered by this Section 15(b) unless it has obtained the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. The Indemnifying Party has no liability under this Section 15(b) for any Claim for which such notice is not provided if the failure to give notice prejudices the Indemnifying Party.
- c. **Environmental Indemnification**.
  - i. **Seller Indemnity**. Seller shall indemnify, defend and hold harmless all of Purchaser's Indemnified Parties from and against all Liabilities arising out of or relating to the existence at, on, above, below or near the Premises of any Hazardous Substance (as defined in Section 15(c)(iv)) to the extent deposited, spilled or otherwise caused by Seller or any of its contractors, agents or employees.
  - ii. **Purchaser Indemnity**. Purchaser shall indemnify, defend and hold harmless all of Seller's Indemnified Parties from and against all Liabilities arising out of or relating to the existence at, on, above, below or near the Premises of any Hazardous Substance, except to the extent deposited, spilled or otherwise caused by Seller or any of its contractors, agents or employees.
  - iii. **Notice**. Each Party shall promptly notify the other Party if it becomes aware of any Hazardous Substance on or about the Premises generally or any deposit, spill or release of any Hazardous Substance. "**Hazardous Substance**" means any chemical, waste or other substance (a) which now or hereafter becomes defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants," "pollution," "pollutants," "regulated substances," or words of similar import under any laws pertaining to the environment, health, safety or welfare, (b) which is declared to be hazardous, toxic, or polluting by any Governmental Authority, (c) exposure to which is now or hereafter prohibited, limited or regulated by any Governmental Authority, (d) the storage, use, handling, disposal or release of which is restricted or regulated by any

Governmental Authority, or (e) for which remediation or cleanup is required by any Governmental Authority.

**d. Limitations on Liability.**

- i. **No Consequential Damages.** Except with respect to indemnification of third-party claims pursuant to Section 16, neither Party nor its directors, officers, shareholders, partners, members, agents and employees subcontractors or suppliers will be liable for any indirect, special, incidental, exemplary, or consequential loss or damage of any nature (including, without limitation, lost revenues, lost profits, lost business opportunity or any business interruption) arising out of their performance or non-performance hereunder even if advised of such. Notwithstanding the previous sentence, the Termination Payment set forth in Section 6 of Exhibit 1 shall be deemed to be direct, and not indirect or consequential damages for purpose of this Section 15(d)(i)
  - ii. **Actual Damages.** Except with respect to indemnification of Claims pursuant to this Section 15, and except as otherwise limited in Section 13(c), Seller's aggregate liability under this Agreement arising out of or in connection with the performance or non-performance of this Agreement cannot exceed the total payments made (and, as applicable, projected to be made) by Purchaser under this Agreement. The provisions of this Section 15(d)(ii) will apply whether such liability arises in contract, tort, strict liability or otherwise.
- e. EXCLUSIVE REMEDIES.** TO THE EXTENT THAT THIS AGREEMENT SETS FORTH SPECIFIC REMEDIES FOR ANY CLAIM OR LIABILITY, SUCH REMEDIES ARE THE AFFECTED PARTY'S SOLE AND EXCLUSIVE REMEDIES FOR SUCH CLAIM OR LIABILITY, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.
- f. Comparative Negligence.** Where negligence is determined to have been joint, contributory or concurrent, each Party shall bear the proportionate cost of any Liability.

**16. Change in Law.**

- a. **Impacts of Change in Law.** If Seller determines that a Change in Law has occurred or will occur that has or will have a material adverse effect on Seller's rights, entitlement, obligations or costs under this Agreement, then Seller may so notify the Purchaser in writing of such Change in Law. Within thirty (30) days following receipt by the Purchaser of such notice, the Parties shall meet and attempt in good faith to negotiate such amendments to this Agreement as are reasonably necessary to preserve the economic value of this Agreement to both Parties. If the Parties are unable to agree upon such amendments within such thirty (30) day period, then Seller may terminate this Agreement and remove the System and restore the Premises in accordance with Section 9 without either Party having further liability under this Agreement except with respect to liabilities accrued prior to the date of termination.
- b. **Illegality or Impossibility.** If a Change in Law renders this Agreement or Seller's performance of this Agreement illegal or impossible, Seller may terminate Agreement immediately upon notice to Purchaser without either Party having further liability under this Agreement, except with respect to liabilities accrued prior to date of termination.
- c. **"Change in Law"** means (i) the enactment, adoption, promulgation, modification or repeal after the Effective Date of any applicable law or regulation, (ii) the imposition of any material conditions on the issuance or renewal of any applicable permit after the Effective Date (notwithstanding the general requirements contained in any applicable Permit at the time of application or issue to comply with future laws, ordinances, codes, rules, regulations or similar legislation), or (iii) a change in any utility rate schedule or tariff approved by any Governmental Authority.

**17. Assignment and Financing.**

**a. Assignment.**

- i. **Restrictions on Assignment.** Subject to the remainder of this Section 17(a), this Agreement may not be assigned in whole or in part by either Party without the prior written consent of the other Party, which consent may not be unreasonably withheld or delayed. Purchaser may not withhold its consent to an assignment proposed by Seller where the proposed assignee has the financial capability and experience necessary to operate and maintain solar photovoltaic systems such as the System.
- ii. **Permitted Assignments.** Notwithstanding Section 17(a)(i):
  - (1) Seller may, without the prior written consent of Purchaser, assign, mortgage, pledge or otherwise directly or indirectly assign its interests in this Agreement to (A) any Financing Party (as defined in Section 17(b)),



(B) any entity through which Seller is obtaining financing from a Financing Party, or (C) any affiliate of Seller or any person succeeding to all or substantially all of the assets of Seller; provided, that, Seller is not released from liability hereunder as a result of any assignment to an affiliate unless the assignee assumes Seller's obligations hereunder by binding written instrument; and

(2) Purchaser may, by providing prior notice to Seller, assign this Agreement:

- a. to an affiliate of Purchaser or a purchaser of the Premises; provided, that, Purchaser is not released from liability hereunder by reason of the assignment unless the assignee assumes Purchaser's obligations hereunder by binding written instrument on terms satisfactory to Seller, including as to the assignee's creditworthiness; and
- b. to an assignee that has an Investment Grade credit rating at the time of the assignment. "**Investment Grade**" means the assignee has a long-term unsecured debt rating from Moody's or S&P of at least Baa3 from Moody's and/or at least BBB- from S&P.

iii. Successors and Permitted Assignees. This Agreement is binding on and inures to the benefit of successors and permitted assignees. The restrictions on assignment contained herein do not prohibit or otherwise limit changes in control of Seller.

- b. Financing. The Parties acknowledge that Seller may obtain debt or equity financing or other credit support from lenders, investors or other third parties (each a "**Financing Party**") in connection with the installation, construction, ownership, operation and maintenance of the System. In furtherance of Seller's financing arrangements and in addition to any other rights or entitlements of Seller under this Agreement, Purchaser shall timely execute any consents to assignment (which may include notice, cure, attornment and step-in rights) or estoppels and negotiate any amendments to this Agreement that may be reasonably requested by Seller or the Financing Parties; provided, that such estoppels, consents to assignment or amendments do not alter the fundamental economic terms of this Agreement.
- c. Termination Requires Consent. Seller and Purchaser agree that any right of Seller to terminate this Agreement is subject to the prior written consent of any Financing Party.

## 18. Confidentiality.

- a. Confidential Information. To the maximum extent permitted by applicable law, if either Party provides confidential information ("**Confidential Information**") to the other or, if in the course of performing under this Agreement or negotiating this Agreement a Party learns Confidential Information of the other Party, the receiving or learning Party shall (i) protect the Confidential Information from disclosure to third parties with the same degree of care accorded its own confidential and proprietary information, and (ii) refrain from using such Confidential Information, except in the negotiation, performance, enforcement and, in the case of Seller, financing, of this Agreement. The terms of this Agreement (but not the fact of its execution or existence) are considered Confidential Information of each Party for purposes of this Section 18(a).
- b. Permitted Disclosures. Notwithstanding Section 18(a):
  - i. Each Party may provide such Confidential Information to its affiliates and to its and its affiliates' respective officers, directors, members, managers, employees, agents, contractors, consultants and Financing Parties (collectively, "Representatives"), and potential direct or indirect assignees of this Agreement if such potential assignees are first bound by a written agreement or legal obligation restricting use and disclosure of Confidential Information. Each Party is liable for breaches of this provision by any person to whom that Party discloses Confidential Information.
  - ii. Confidential Information does not include any information that (a) becomes publicly available other than through breach of this Agreement, (b) is required to be disclosed to a Governmental Authority under applicable law or pursuant to a validly issued subpoena, (c) is independently developed by the receiving Party, or (d) becomes available to the receiving Party without restriction from a third party under no obligation of confidentiality. If disclosure of information is required by a Governmental Authority, the disclosing Party shall, to the extent permitted by applicable law, notify the other Party of such required disclosure promptly upon becoming aware of such required disclosure and shall reasonably cooperate with the other Party's efforts to limit the disclosure to the extent permitted by applicable law.
- c. Miscellaneous. All Confidential Information remains the property of the disclosing Party and will be returned to the



disclosing Party or destroyed (at the receiving Party's option) after the receiving Party's need for it has expired or upon the request of the disclosing Party. Each Party acknowledges that the disclosing Party would be irreparably injured by a breach of this Section 18 by the receiving Party or its Representatives or other person to whom the receiving Party discloses Confidential Information of the disclosing Party and that the disclosing Party may be entitled to equitable relief, including injunctive relief and specific performance, for breaches of this Section 18. To the fullest extent permitted by applicable law, such remedies shall not be deemed to be the exclusive remedies for a breach of this Section 18, but will be in addition to all other remedies available at law or in equity. The obligation of confidentiality will survive termination of this Agreement for a period of two (2) years.

- d. **Goodwill and Publicity.** Neither Party may (a) make any press release or public announcement of the specific terms of this Agreement or the use of solar or renewable energy involving this Agreement (except for filings or other statements or releases as may be required by applicable law), or (b) use any name, trade name, service mark or trademark of the other Party in any promotional or advertising material without the prior written consent of the other Party. The Parties shall coordinate and cooperate with each other when making public announcements regarding this Agreement, the System and its use, and each Party may promptly review, comment upon and approve any publicity materials, press releases or other public statements before they are made. Notwithstanding the above, Seller is entitled to place signage on the Premises reflecting its association with the System.

## 19. **General Provisions**

- a. **Definitions and Interpretation.** Unless otherwise defined or required by the context in which any term appears: (i) the singular includes the plural and vice versa, (ii) the words "herein," "hereof" and "hereunder" refer to this Agreement as a whole and not to any particular section or subsection of this Agreement, (iii) references to any agreement, document or instrument mean such agreement, document or instrument as amended, restated, modified, supplemented or replaced from time to time, and (iv) the words "include," "includes" and "including" mean include, includes and including "without limitation." The captions or headings in this Agreement are strictly for convenience and will not be considered in interpreting this Agreement. As used in this Agreement, "dollar" and the "\$" sign refer to United States dollars.
- b. **Choice of Law; Dispute Resolution.** The law of the state where the System is located governs all matters arising out of this Agreement without giving effect to conflict of laws principles. Any dispute arising from or relating to this Agreement shall be settled by arbitration in **Spokane County**. The arbitration shall be administered by **Spokane County Superior Court** in accordance with its arbitration rules, and judgment on any award rendered in such arbitration may be entered in any court of competent jurisdiction. If the Parties agree in writing, a mediator may be consulted prior to arbitration. The prevailing Party in any dispute arising out of this Agreement is entitled to reasonable attorneys' fees and costs.
- c. **Notices.** All notices under this Agreement shall be in writing and delivered by hand, electronic mail, overnight courier, or regular, certified, or registered mail, return receipt requested, and will be deemed received upon personal delivery, acknowledgment of receipt of electronic transmission, the promised delivery date after deposit with overnight courier, or five (5) days after deposit in the mail. Notices must be sent to the person identified in this Agreement at the addresses set forth in this Agreement or such other address as either Party may specify in writing.
- d. **Survival.** Provisions of this Agreement that should reasonably be considered to survive termination of this Agreement, including, without limitation provisions related to billing and payment and indemnification, will survive termination of this Agreement.
- e. **Further Assurances.** Each Party shall provide such information, execute and deliver any instruments and documents and to take such other actions as may be reasonably requested by the other Party to give full effect to this Agreement and to carry out the intent of this Agreement.
- f. **Waivers.** No provision or right or entitlement under this Agreement may be waived or varied except in writing signed by the Party to be bound. No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision, nor will such waiver constitute a continuing waiver unless otherwise expressly provided.
- g. **Non-Dedication of Facilities.** Nothing in this Agreement may be construed as the dedication by either Party of its facilities or equipment to the public or any part thereof. Neither Party may knowingly take any action that would subject the other Party, or other Party's facilities or equipment, to the jurisdiction of any Governmental Authority as a public utility or similar entity. Neither Party may assert in any proceeding before a court or regulatory body that the other Party is a public utility by virtue of such other Party's performance under this Agreement. If Seller is reasonably likely to become subject to regulation as a public utility, then the Parties shall use commercially reasonable efforts to

restructure their relationship under this Agreement in a manner that preserves their relative economic interests while ensuring that Seller does not become subject to any such regulation. If the Parties are unable to agree upon such restructuring, Seller may terminate this Agreement without further liability under this Agreement except with respect to liabilities accrued prior to the date of termination and remove the System in accordance with Section 9 of this Agreement.

- h. **Service Contract.** The Parties intend this Agreement to be a “service contract” within the meaning of Section 7701(e)(3) of the Internal Revenue Code of 1986. Purchaser shall not take the position on any tax return or in any other filings suggesting that it is anything other than a purchase of electricity from the System.
- i. **No Partnership.** No provision of this Agreement may be construed or represented as creating a partnership, trust, joint venture, fiduciary or any similar relationship between the Parties. No Party is authorized to act on behalf of the other Party, and neither may be considered the agent of the other.
- j. **Entire Agreement, Modification, Invalidity, Captions.** This Agreement constitutes the entire agreement of the Parties regarding its subject matter and supersedes all prior proposals, agreements, or other communications between the Parties, oral or written. This Agreement may be modified only by a writing signed by both Parties. If any provision of this Agreement is found unenforceable or invalid, such provision shall not be read to render this Agreement unenforceable or invalid as a whole. In such event, such provision shall be rectified or interpreted so as to best accomplish its objectives within the limits of applicable law.
- k. **Forward Contract.** The transaction contemplated under this Agreement constitutes a “forward contract” within the meaning of the United States Bankruptcy Code, and the Parties further acknowledge and agree that each Party is a “forward contract merchant” within the meaning of the United States Bankruptcy Code.
- l. **No Third-Party Beneficiaries.** Except as otherwise expressly provided herein, this Agreement and all rights hereunder are intended for the sole benefit of the Parties hereto, and the Financing Parties to the extent provided herein or in any other agreement between a Financing Party and Seller or Purchaser, and do not imply or create any rights on the part of, or obligations to, any other Person.
- m. **Counterparts.** This Agreement may be executed in any number of separate counterparts and each counterpart will be considered an original and together comprise the same Agreement.

- End of Exhibit 3 -

# Solar Power Purchase Agreement

This Solar Power Purchase Agreement (this “**Agreement**”) is entered into by the parties listed below (each a “**Party**” and collectively the “**Parties**”) as of the date signed by Seller below (the “**Effective Date**”).

<i>Purchaser:</i>		<i>Seller:</i>	
Name and Address	Pullman School District 315 SE Crestview St. Pullman, WA 99163 Attention: Juston Pollestad	Name and Address	Zero Emissions Northwest, LLC 3216 N Washington St, Spokane WA 99205
Phone	509-332-3581	Phone	509-518-5147
Fax	509-336-7202	Fax	N/A
E-mail	TBD@fpsd267.org	E-mail	David.Funk@zeroemissionsnorthwest.com
Premises Ownership	Purchaser owns the Premises.	Additional Seller Information	
Tax Status	Tax Exempt		
Project Name	Pullman Middle School Community Solar Project		

This Agreement sets forth the terms and conditions of the purchase and sale of solar generated electricity from the solar panel system described in **Exhibit 2** (the “**System**”) and installed on the real property comprising Purchaser’s premises described or depicted in Schedule A to **Exhibit 2** (the “**Premises**”), including any buildings and other improvements on the Premises other than the System (the “**Improvements**”).

The exhibits listed below are incorporated by reference and made part of this Agreement.

<b>Exhibit 1</b>	Pricing
<b>Exhibit 2</b>	System Description, Delivery Point and Premises
<b>Exhibit 3</b>	General Terms and Conditions

<i>Purchaser:</i>	<b>Pullman School District</b>
Signature:	
Printed Name:	
Title:	
Date:	

<i>Seller:</i>	<b>Zero Emissions Northwest, LLC</b>
Signature:	
Printed Name:	
Title:	
Date:	



# Exhibit 1:

## Pricing

1. **Initial Term:** Ten (10) years, beginning on the Commercial Operation Date (the “Initial Term”).
2. **Additional Terms:** Up to two (2) terms of five (5) years, each beginning on the expiration of the Initial Term, each an “Additional Term”.
3. **Contract Price:**

Contract Year	Solar Energy \$/kWh	Insurance Premium	Total Solar CONTRACT PRICE \$/kWh	Average \$/kWh
1 \$	0.028	\$ 0.009	\$ 0.037	
2 \$	0.029	\$ 0.009	\$ 0.038	
3 \$	0.029	\$ 0.010	\$ 0.039	
4 \$	0.030	\$ 0.010	\$ 0.039	
5 \$	0.030	\$ 0.010	\$ 0.040	
6 \$	0.031	\$ 0.010	\$ 0.041	
7 \$	0.032	\$ 0.010	\$ 0.042	
8 \$	0.032	\$ 0.011	\$ 0.043	
9 \$	0.033	\$ 0.011	\$ 0.044	
10 \$	0.033	\$ 0.011	\$ 0.044	\$ 0.041

Contract Year	Estimated Utility \$/kWh	Estimated Solar kWh	Estimated Utility Purchases without Solar	Total Utility Purchases without Solar
1 \$	0.102	153,000	\$ 15,600	
2 \$	0.106	152,000	\$ 16,100	
3 \$	0.110	151,000	\$ 16,700	
4 \$	0.115	150,000	\$ 17,200	
5 \$	0.119	149,000	\$ 17,800	
6 \$	0.124	148,000	\$ 18,400	
7 \$	0.129	147,000	\$ 19,000	
8 \$	0.134	146,000	\$ 19,600	
9 \$	0.140	145,000	\$ 20,200	
10 \$	0.145	144,000	\$ 20,900	\$ 181,500

Contract Year	Total Solar \$/kWh	Estimated Solar kWh	Estimated Solar Purchases	Total Solar Purchases
1 \$	0.037	153,000	\$ 5,700	
2 \$	0.038	152,000	\$ 5,800	
3 \$	0.039	151,000	\$ 5,800	
4 \$	0.039	150,000	\$ 5,900	
5 \$	0.040	149,000	\$ 6,000	
6 \$	0.041	148,000	\$ 6,100	
7 \$	0.042	147,000	\$ 6,100	
8 \$	0.043	146,000	\$ 6,200	
9 \$	0.044	145,000	\$ 6,300	
10 \$	0.044	144,000	\$ 6,400	\$ 60,300

Contract Year	Avoided Utility Purchases	Total Avoided Purchases
1	\$ 9,900	
2	\$ 10,300	
3	\$ 10,900	
4	\$ 11,300	
5	\$ 11,800	
6	\$ 12,300	
7	\$ 12,900	
8	\$ 13,400	
9	\$ 13,900	
10	\$ 14,500	\$ 121,200

The first Contract Year shall commence on the Commercial Operation Date, and each subsequent Contract Year shall commence on the anniversary of the Commercial Operation Date.

- 4. Contract Price Assumptions.** The Contract Price is based on the following assumptions:
- a. Interconnection costs for the System will not exceed \$0.00 in the aggregate.
  - b. Statutory prevailing wage rates (e.g., Davis-Bacon) do not apply.
  - c. All prices in this Agreement are calculated based on an upfront rebate of 100%. In the event that the reimbursable rebate is not paid by the Utility, the PPA price shall be equal to 95% of the Utility rate.
  - d. The Contract Price is exclusive of Seller's Taxes (as defined in Section 3(d) of Exhibit 3), and Buyer shall be responsible for all Seller's Taxes at the rates in effect as of the Effective Date.
- 5. Contract Price Exclusions.** Unless Seller and Purchaser have agreed otherwise in writing, and except as otherwise provided in Section 2(c) of Exhibit 3, the Contract Price excludes the following:
- a. Unforeseen groundwork (including excavation and circumvention of underground obstacles). Upgrades or repair to customer or utility electrical infrastructure (including: client or utility service, transformers, substations, poles, breakers, reclosers, and disconnects).
  - b. Snow removal, tree removal, tree trimming, mowing and any landscape improvements.
  - c. Decorative fencing and/or any visual screening materials, decorative enhancements to solar support structures (including: painting, paint matching, masonry/stone work, and any lighting not required to meet the minimum code compliance).
  - d. Removal of existing lighting, light poles, or concrete light post bases.
  - e. Roof membrane maintenance or reroofing work.
  - f. Structural upgrades to the Improvements, including ADA upgrades.
  - g. Installation of public information screen or kiosk (including accompanying internet connection, power supply, technical support and ADA access).
  - h. Changes in System design caused by any inaccuracy or ambiguity in information provided by Purchaser, including information regarding Purchaser's energy use, the Premises and the Improvements, including building plans and specifications.
- 6. Termination Payment Schedule (Exhibit 3, Section 11(b)):**

Contract Year	Termination Payment
1	\$72,000
2	\$71,000
3	\$70,000
4	\$69,000
5	\$68,000
6	\$67,000
7	\$66,000
8	\$65,000
9	\$64,000
10	\$63,000

## Exhibit 2:

# System Description, Delivery Point, and Premises

1. **System Location:** Pullman School District
2. **System Size (DC kW):** 130.38 DC kW
3. **System Description:** Roof mounted solar on Pullman Middle School interconnecting behind the meter.
4. **Delivery Point and Premises:** Schedule A to this **Exhibit 2** contains one or more drawings or images depicting:
  - a. Premises, including the Improvements (as applicable);
  - b. Proposed System location;
  - c. Delivery point for electricity generated by the System shall be Meter measuring the kWh output of the solar system as defined in Section 10 (the “**Delivery Point**”);
  - d. Access points needed for Seller to install and service the System (building, access, electrical room, stairs etc.); and
  - e. Construction assumptions (if any).

### Schedule A

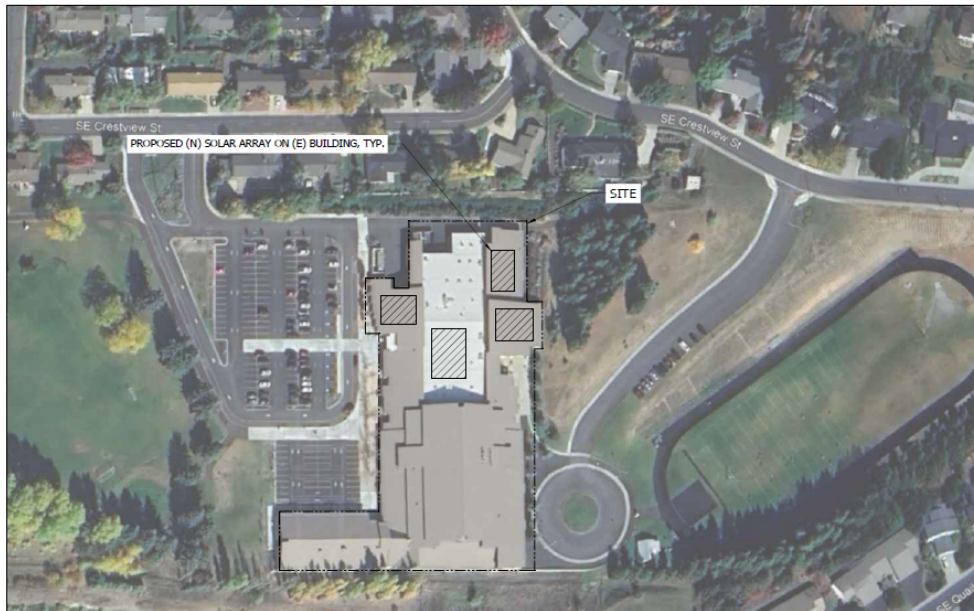
#### PROJECT INFORMATION

PROJECT NAME: PULLMAN MIDDLE SCHOOL  
  
 SITE ADDRESS: 315 SE CRESTVIEW ST,  
 PULLMAN, WA 99163  
  
 OWNER: PULLMAN SCHOOL DISTRICT

#### SCOPE OF WORK

SUBMITTAL FOR CITY BUILDING AND ELECTRICAL REVIEW SOLAR PHOTOVOLTAIC SYSTEM. THIS PROJECT ENTAILS THE INSTALLATION OF A PHOTOVOLTAIC SYSTEM. THIS SYSTEM WILL BE INTERCONNECTED TO AND WILL BE OPERATED IN PARALLEL WITH THE ELECTRIC GRID PER THE REQUIREMENTS OF THE NATIONAL ELECTRICAL CODE AND UTILITY INTERCONNECT AGREEMENT. CONDITIONS OF APPROVAL: ALL CONSTRUCTION SHALL OCCUR BETWEEN THE HOURS OF 7AM & 6PM, EXCEPT FOR THE PURPOSE OF EMERGENCIES

**PULLMAN MIDDLE SCHOOL  
SOLAR PV SYSTEM  
(130.38KW DC / 100KW AC)**



1

SITE PLAN

NO SCALE

PROJECT:  
PULLMAN MIDDLE SCHOOL

PULLMAN SCHOOL DISTRICT

PROJECT ADDRESS:  
315 SE CRESTVIEW ST,  
PULLMAN, WA 99163

REV	DESCRIPTION	DATE

PROJECT NO: 4002

PROJECT ENG: GLJ

DRAWN BY: GJ

CHKD BY: SH SA: DF PM: DF

SHEET TITLE:  
SITE PLAN

SHEET #:  
PV-1

SCALED FOR 24X36



## Exhibit 3:

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## Exhibit 3:

# General Terms and Conditions

1. **Purchase and Sale of Electricity.** Purchaser shall purchase from Seller, and Seller shall sell to Purchaser, all of the electricity generated by the System during the Term (as defined in Section 2(a)). Electricity generated by the System shall be delivered to Purchaser at the Delivery Point. Title to and risk of loss for the electricity generated by the System passes to Purchaser from Seller at the Delivery Point. Purchaser may purchase electricity for the Premises from other sources to the extent Purchaser's electricity consumption requirements at the Premises exceed the output of the System.
  
2. **Term and Termination.**
  - a. **Effective Date; Term.** This Agreement is effective as of the Effective Date. The electricity supply period under this Agreement commences on the Commercial Operation Date (as defined in Section 6) and continues for the duration of the Initial Term and any Additional Terms, unless earlier terminated as provided for in this Agreement (collectively, the "Term").
  - b. **Additional Terms.** The Parties may agree in writing to extend this Agreement for one or more Additional Term(s) at a Contract Price to be agreed.
  - c. **Termination Due to Contract Price Adjustments or Lack of Project Viability.** If, at any time after the Effective Date and prior to Commencement of Installation (as defined in Section 5), (i) circumstances arise which have been excluded from Contract Price calculations pursuant to Section 5 of **Exhibit 1**, or Seller determines that the installation of the System will not be technically or economically viable for any other reason, and (ii) the Parties have negotiated a Contract Price adjustment for thirty (30) days following written notice from Seller without reaching agreement, either Party may terminate this Agreement by providing ten (10) days' prior written notice to the other Party. Neither Party shall be liable for any damages in connection with such termination. After Commencement of Installation, the Contract Price shall not be subject to further adjustment pursuant to Section 5 of **Exhibit 1** or otherwise.
  - d. **Termination by Purchaser for Delay.** If Commencement of Installation has not occurred **(2) years** after the Effective Date, Purchaser may terminate this Agreement by providing thirty (30) days' prior written notice to Seller; provided that this Agreement will not terminate pursuant to this Section 2(d) if Seller achieves Commencement of Installation on or before the end of such thirty (30) day notice period. Purchaser shall not be liable for any damages in connection with such termination.
  
3. **Billing and Payment; Taxes.**
  - a. **Monthly Charges.** Purchaser shall pay Seller monthly for the electricity generated by the System and delivered to the Delivery Point at the \$/kWh rate shown in **Exhibit 1** (the "Contract Price"). The monthly payment for such energy will be equal to the applicable \$/kWh rate multiplied by the number of kWh of electricity generated during the applicable month, as measured by the Meter (as defined in Section 10). Additional costs for items differing from the assumptions in **Exhibit 1**, Item 4 are Purchaser's responsibility.
  - b. **Monthly Invoices.** Seller shall invoice Purchaser monthly. Such monthly invoices shall state (i) the amount of electricity produced by the System and delivered to the Delivery Point, (ii) the rates applicable to, and charges incurred by, Purchaser under this Agreement and (iii) the total amount due from Purchaser.
  - c. **Payment Terms.** All amounts due under this Agreement are due and payable net thirty (30) days following receipt of invoice. Any undisputed portion of the invoice amount not paid within such thirty (30) day period shall accrue interest at the annual rate of two and one-half percent (2.5%) above the Prime Rate (but not to exceed the maximum rate permitted by law). All payments shall be made in U.S. dollars.
  - d. **Taxes.**
    - i. **Purchaser's Taxes.** Purchaser is responsible for: (1) payment of, or reimbursement of Seller, for all taxes assessed on the generation, sale, delivery or consumption of electricity produced by the System or the interconnection of the System to the utility's electricity distribution system; and (2) real property taxes.

- ii. **Seller's Taxes.** Seller is responsible for: (1) payment of income taxes or similar taxes imposed on Seller's revenues due to the sale of electricity under this Agreement; and (2) personal property taxes imposed on the System ("**Seller's Taxes**").

- 4. **RECs and Incentives.** As the owner of the System, Seller is entitled to the benefit of, and will retain all ownership interests in the RECs and Incentives. Purchaser shall cooperate with Seller in obtaining, securing and transferring any and all RECs and Incentives. Purchaser is not obligated to incur any out-of-pocket costs or expenses in connection with such actions unless reimbursed by Seller. Purchaser shall not make any filing or statements inconsistent with Seller's ownership interests in the RECs and Incentives. If any RECs or Incentives are paid or delivered directly to Purchaser, Purchaser shall immediately pay or deliver such items or amounts to Seller.

"**Governmental Authority**" means any foreign, federal, state, local or other governmental, regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, court, tribunal, arbitrating body or other governmental authority having jurisdiction or effective control over a Party.

"**Incentives**" means (i) a payment paid by a utility or state or local Governmental Authority based in whole or in part on the cost or size of the System such as a rebate, (ii) a performance-based incentive paid as a stream of periodic payments by a utility, state or Governmental Authority based on the production of the System, (iii) investment tax credits, production tax credits, and similar tax credits, grants or other tax benefits under federal, state or local law, and (iv) any other attributes, commodity, revenue stream or payment in connection with the System (such as ancillary or capacity revenue), in each case of (i) through (iv) relating to the construction, ownership, use or production of energy from the System, provided that Incentives shall not include RECs.

"**REC**" means a renewable energy credit or certificate under any state renewable portfolio, standard or federal renewable energy standard, voluntary renewable energy credit certified by a non-governmental organization, pollution allowance, carbon credit and any similar environmental allowance or credit and green tag or other reporting right under Section 1605(b) of The Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions trading program, in each case relating to the construction, ownership, use or production of energy from the System, provided that RECs shall not include Incentives.

#### 5. **Project Completion.**

- a. **Project Development.** Seller shall diligently pursue the development and installation of the System, subject to Section 2(c), Section 11 and the remaining provisions of this Section 5.
- b. **Permits and Approvals.** Seller shall use commercially reasonable efforts to obtain the following at its sole cost and expense (each an "**Approval**"):
  - i. any zoning, land use and building permits required for Seller to construct, install and operate the System; and
  - ii. any agreements and approvals from the utility necessary in order to interconnect the System to the utility's electric distribution system.

Purchaser shall cooperate with Seller's reasonable requests to assist Seller in obtaining such Approvals, including, without limitation the execution of documents required to be provided by Purchaser to the local utility.

- c. **Commencement of Installation.** Seller shall exercise commercially reasonable efforts to achieve Commencement of Installation of the System within [ ] days after the Effective Date. "**Commencement of Installation**" means the date that Seller or its installation contractor has begun physical installation of the System on the Premises.
- d. **Force Majeure.**
  - i. **Force Majeure Event.** If either Party is unable to timely perform any of its obligations (other than payment obligations) under this Agreement in whole or in part due to a Force Majeure Event, that Party will be excused from performing such obligations for the duration of the time that such Party remains affected by the Force Majeure Event; provided, that such Party uses commercially reasonable efforts to mitigate the impact of the Force Majeure Event and resumes performance of its affected obligations as soon as reasonably practical. The Party affected by the Force Majeure Event shall notify the other Party as soon as reasonably practical after the

affected Party becomes aware that it is or will be affected by a Force Majeure Event. If the Force Majeure Event occurs during the Term and impacts the ability of the System to deliver electricity to the Delivery Point, the Term will be extended day for day for each day delivery is suspended due to the Force Majeure Event.

- ii. **Extended Force Majeure.** If a Force Majeure Event notified by either Party under paragraph (i) above continues for a consecutive period of one hundred eighty (180) days or more within a twelve (12) month period, then either Party may terminate this Agreement without either Party having further liability under this Agreement except: (a) liabilities accrued prior to termination, (b) Seller shall remove the System as required under Section 9 (but Purchaser shall reimburse Seller for Seller's removal costs if the Force Majeure Event affects Purchaser and Purchaser elects to terminate the Agreement) and (b) if Purchaser elects to terminate the Agreement in accordance with this Section, Purchaser shall pay the applicable Termination Payment. Notwithstanding the foregoing, if the Force Majeure Event can be corrected through repair or restoration of the System or other actions by Seller and, prior to expiration of the initial one hundred eighty (180)-day period, Seller provides written evidence to Purchaser that it is diligently pursuing such actions, then Purchaser shall not have the right to terminate this Agreement so long as Seller continues to diligently pursue such actions.
- iii. **"Force Majeure Event"** means any event or circumstance beyond the reasonable control of and without the fault or negligence of Seller, including, without limitation, failure or interruption of the production, delivery or acceptance of electricity due to: an act of god; war (declared or undeclared); sabotage; piracy; riot; insurrection; civil unrest or disturbance; military or guerilla action; terrorism; economic sanction or embargo; civil strike, work stoppage, slow-down, or lock-out; explosion; fire; earthquake; abnormal weather condition or actions of the elements; hurricane; flood; lightning; wind; drought; animals; the binding order of any Governmental Authority; the failure to act on the part of any Governmental Authority (including, without limitation delays in permitting not caused by actions or omissions of the Party seeking such permit); unavailability of electricity from the utility grid; and failure or unavailability of equipment, supplies or products outside of Seller's control or due to a Force Majeure Event.
- e. **Extension of Time.** If Seller is delayed in achieving Commencement of Installation due to a Force Majeure Event, the time for achievement of Commencement of Installation will be automatically extended to account for the impact of the delay.
- f. **Commercial Operation.** Seller shall notify Purchaser in writing when it has achieved Commercial Operation (the date of such notice, the **"Commercial Operation Date"**). **"Commercial Operation"** means that the System is mechanically complete, capable of providing electricity to the Delivery Point at the nameplate capacity specified in Exhibit 2 and has permission to operate from the relevant Governmental Authority. Seller shall provide Purchaser with documentation to evidence that the System is ready to begin Commercial Operation upon Purchaser's reasonable request.

## 6. **Installation, Operation and Maintenance.**

- a. **Seller's General Obligations Regarding the System.** Subject to the terms and conditions of this Agreement, Seller shall design, engineer, install, commission, monitor, operate and maintain the System, in each case in a good and workmanlike manner and in accordance with applicable law and prudent solar industry practices in the state in which the Premises are located. The System shall comply with all applicable rules, regulation and local building codes.
- b. **System Design Approval.** Seller shall provide Purchaser with a copy of the System design for approval prior to commencement of construction. Purchaser shall have ten (10) days after receipt to approve or disapprove the design. Failure by Purchaser to respond within such ten (10) day period shall be deemed approval of the design. If Purchaser disapproves the design, Seller shall modify the design and resubmit it for Purchaser's approval. If the System design modifications requested by Purchaser render the System non-viable, Seller may terminate this Agreement under Section 2(c) above.
- c. **System Repair and Maintenance.** Seller may suspend delivery of electricity from the System to the Delivery Point for the purpose of maintaining and repairing the System; provided that Seller shall use commercially reasonable efforts to (i) minimize any interruption in service to the Purchaser, and (ii) limit any such suspension of service to weekend or off-peak hours. Scheduled and unscheduled maintenance and repairs shall be undertaken at Seller's sole cost and expense, except that Purchaser shall reimburse Seller for the reasonable cost of any repairs or maintenance resulting from damage caused by Purchaser, its agents, employees or contractors.

- d. **Outages.** Upon Purchaser's written request, Seller shall take the System off-line for a total of one-hundred (100) daylight hours (as defined by the United States National Weather Service in the area where the System is located) during each Contract Year (each event an "**Outage**" and the one-hundred (100) hour period the "**Outage Allowance**"). The Outage Allowance includes all Outage hours undertaken by Seller for maintenance or repairs for which Purchaser is responsible pursuant to Section 6(b) or requested by Purchaser under this Section 6(d) (other than due to the fault or negligence of Seller). Purchaser's request shall be delivered at least forty-eight (48) hours in advance. Purchaser is not obligated to accept or pay for electricity from the System for Outages up to the annual Outage Allowance. If the aggregate hours for Outages exceed the Outage Allowance in a given Contract Year, Seller shall reasonably estimate the amount of electricity that would have been delivered to Purchaser during such excess Outages and Purchaser shall pay Seller for such amount in accordance with this Agreement.
- e. **Maintenance of Premises.** Purchaser shall, at its sole cost and expense, maintain the Premises and Improvements in good condition and repair. Purchaser, to the extent within its reasonable control, (i) shall ensure that the Premises remains interconnected to the local utility grid at all times; and (ii) shall not permit cessation of electric service to the Premises from the local utility. Purchaser is fully responsible for, and shall properly maintain in full working order and good repair, the electrical infrastructure on the Purchaser's side of the Delivery Point, including all of Purchaser's equipment that utilizes the System's outputs. Purchaser shall use commercially reasonable efforts to cooperate with Seller to comply with any technical standard of the utility providing electrical power to the Purchaser, and does not need to receive permission to operate from the utility.
- f. **No Alteration of Premises.** Not less than thirty (30) days prior to making any alterations or repairs to the Premises (except for emergency repairs) or any Improvement which may adversely affect the operation and maintenance of the System, Purchaser shall inform Seller in writing and, thereafter, shall use commercially reasonable efforts to conduct such repairs, alterations or Improvements in compliance with any reasonable request made by Seller within ten (10) days after having received such written request to mitigate any adverse effect. If any repair, alteration or Improvement result in a permanent and material adverse economic impact on the System, Purchaser may request relocation of the System under Section 8 hereof. To the extent that temporary disconnection or removal of the System is necessary to perform such alterations or repairs, Seller shall perform such work, and any re-connection or re-installation of the System, at Purchaser's cost, subject to Sections 6(b) and 6(c). Seller shall make any alterations and repairs in a good and workmanlike manner, in compliance with all applicable laws, codes and permits.

## 7. **Miscellaneous Rights and Obligations of the Parties.**

- a. **Access Rights.**<sup>1</sup> Purchaser hereby grants to Seller and to Seller's agents, employees, contractors and the utility (i) a non-exclusive license running with the Premises (the "**Non-Exclusive License**") for access to, on, over, under and across the Premises from the Effective Date until the date that is ninety (90) days following the date of expiration or earlier termination of this Agreement (the "**License Term**"), for the purposes of performing all of Seller's obligations and enforcing all of Seller's rights set forth in this Agreement and otherwise as required by Seller in order to effectuate the purposes of this Agreement. In addition to the foregoing, if the System shall be a ground-mounted System to be located within a secure, fenced area on the Premises, Purchaser hereby grants to Seller an exclusive, sub-licensable license running with the Premises (the "**Exclusive License**", and together with the Non-Exclusive License, the "**Licenses**") for purposes of the installation, operation, use and maintenance of the System on such exclusively licensed area of the Premises during the License Term. **Seller and its employees, agents and contractors must comply with Purchaser's site safety and security requirements when on the Premises (other than in respect of the fenced area governed by the Exclusive License) during the License Term.** During the License Term, Purchaser shall preserve and protect Seller's rights under the Licenses and Seller's access to the Premises and shall not interfere, or permit any third parties under Purchaser's control to interfere with such rights or access. Seller may record a customary memorandum of license in the land records respecting the Licenses.
- b. **OSHA Compliance.** Each Party shall comply with all Occupational Safety and Health Act (OSHA) requirements and other similar applicable safety laws and codes with respect to such Party's performance under this Agreement.

<sup>1</sup> *The Agreement provides for access to the Premises through a license and assumes that the Purchaser is the owner of the Premises. However, certain Sellers may prefer for access to the Premises to be provided through a lease or sublease. If the Purchaser is not the owner of the Premises, the lease or license will have to be entered into with the third party owner.*

- c. **Safeguarding the Premises.** Purchaser shall maintain the physical security of the Premises and Improvements in a manner to be expected of a reasonable and prudent owner or lessee of premises and improvements similar to the Premises and Improvements in nature and location. Purchaser shall not conduct or permit activities on, in or about the Premises or the Improvements that have a reasonable likelihood of causing damage, impairment or otherwise adversely affecting the System. Purchaser shall indemnify Seller for any loss or damage to the System to the extent caused by or arising out of (i) Purchaser's breach of its obligations under this Section or (ii) the acts or omissions of Purchaser or its employees, agents, invitees or separate contractors.
- d. **Insolation.** Purchaser acknowledges that unobstructed access to sunlight ("**Insolation**") is essential to Seller's performance of its obligations and a material term of this Agreement. Purchaser shall not, to the extent within its reasonable control, cause or permit any interference with the System's Insolation, and shall ensure that vegetation on the Premises adjacent to the System is regularly pruned or otherwise maintained to prevent interference with the System's Insolation. If Purchaser discovers any activity or condition that could diminish the Insolation of the System, Purchaser shall immediately notify Seller and cooperate with Seller in preserving and restoring the System's Insolation levels as they existed on the Effective Date.
- e. **Use and Payment of Contractors and Subcontractors.** Seller shall use suitably qualified, experienced and licensed contractors and subcontractors to perform its obligations under this Agreement. However, Seller shall be responsible for the quality of the work performed by its contractors and subcontractors. Seller shall pay when due all valid charges from all contractors, subcontractors and suppliers supplying goods or services to Seller under this Agreement.
- f. **Liens.**
  - i. **Lien Obligations.** Purchaser shall not directly or indirectly cause, create, incur, assume or allow to exist any mortgage, pledge, lien, charge, security interest, encumbrance or other claim of any nature, except such encumbrances as may be required to allow Seller access to the Premises, (each a "**Lien**") on or with respect to the System. Seller shall not directly or indirectly cause, create, incur, assume or allow to exist any Lien on or with respect to the Premises or the Improvements, other than those Liens which Seller is permitted by law to place on the Premises due to non-payment by Purchaser of amounts due under this Agreement. Each Party shall immediately notify the other Party in writing of the existence of any such Lien following discovery of same, and shall promptly (and in all events within thirty (30) days) cause the same to be discharged and released of record without cost to the other Party; provided, however, that each indemnifying Party has the right to contest any such Lien, so long as it provides a statutory bond or other reasonable assurances of payment that either removes such Lien from title to the affected property, or that assures that any adverse judgment with respect to such Lien shall be paid without affecting title to such property.
  - ii. **Lien Indemnity.** Each Party shall indemnify the other Party from and against all claims, losses, damages, liabilities and expenses resulting from any Liens filed against such other Party's property as a result of the indemnifying Party's breach of its obligations under Section 7(f)(i).

## 8. **Relocation of System.**

If, during the Term, Purchaser ceases to conduct business operations at the Premises or vacates the Premises; the Premises have been destroyed; or the Purchaser is otherwise unable to continue to host the System or accept the electricity delivered by the System for any other reason (other than a Default Event by Seller), Purchaser may propose in writing the relocation of the System, at Purchaser's cost, in lieu of termination of the Agreement by Seller for a Default Event by Purchaser. If such proposal is practically feasible and preserves the economic value of the agreement for Seller, the Parties shall seek to negotiate in good faith an agreement for the relocation of the System. If the Parties are unable to reach agreement on relocation of the System within sixty (60) days after the date of receipt of Purchaser's proposal, Seller may terminate this Agreement pursuant to Section 11(b)(ii).

## 9. **Removal of System upon Termination or Expiration.**

Upon the expiration or earlier termination of this Agreement (provided Purchaser does not exercise its purchase option under Section 14(b)), Seller shall, at its expense (unless expressly provided otherwise in this Agreement), remove all of the tangible property comprising the System from the Premises with a targeted completion date that is no later than ninety (90) days after the expiration of the Term. The portion of the Premises where the System is located shall be returned to substantially its original condition (excluding ordinary wear and tear), including the removal of System mounting pads or other support structures, and



repair and restoration of the roof and the roof membrane. If the System is installed on the roof of an Improvement, Seller's warranties under Section 12(c)(i) shall apply, as applicable. Purchaser must provide sufficient access, space and cooperation as reasonably necessary to facilitate System removal. If Seller fails to remove or commence substantial efforts to remove the System by such agreed upon date, Purchaser may, at its option, to remove the System to a public warehouse and restore the Premises to its original condition (other than ordinary wear and tear) at Seller's cost.

#### 10. **Measurement.**

- a. **Meter.** The System's electricity output during the Term shall be measured by Seller's meter, which shall be a revenue grade meter that meets ANSI-C12.20 standards for accuracy (the "**Meter**"). Purchaser shall have access to the metered energy output data via the monitoring system installed and maintained by Seller as part of the System.
- b. **Meter Calibration.** Seller shall calibrate the Meter in accordance with manufacturer's recommendations. Notwithstanding the foregoing, Purchaser may install, or cause to be installed, its own revenue-grade meter at the same location as the Meter. If there is a discrepancy between the data from Purchaser's meter and the data from the Meter of greater than two percent (2%) over the course of a Contract Year, then Purchaser may request that Seller calibrate the Meter at Purchaser's cost.

#### 11. **Default, Remedies and Damages.**

- a. **Default.** Any Party that fails to perform its responsibilities as listed below or experiences any of the circumstances listed below is deemed a "**Defaulting Party**", the other Party is the "**Non-Defaulting Party**" and each of the following is a "**Default Event**":
  - i. failure of a Party to pay any amount due and payable under this Agreement, other than an amount that is subject to a good faith dispute, within ten (10) days following receipt of written notice from the Non-Defaulting Party of such failure to pay ("**Payment Default**");
  - ii. failure of a Party to perform any material obligation under this Agreement not addressed elsewhere in this Section 11(a) within thirty (30) days following receipt of written notice from the Non-Defaulting Party demanding such cure; provided, that if the Default Event cannot reasonably be cured within thirty (30) days and the Defaulting Party has demonstrated prior to the end of that period that it is diligently pursuing such cure, the cure period will be extended for a further reasonable period of time, not to exceed ninety (90) days;
  - iii. any representation or warranty given by a Party under this Agreement was incorrect in any material respect when made and is not cured within thirty (30) days following receipt of written notice from the Non-Defaulting Party demanding such cure;
  - iv. a Party becomes insolvent or is a party to a bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors, or any general assignment for the benefit of creditors or other similar arrangement or any event occurs or proceedings are taken in any jurisdiction with respect to the Party which has a similar effect (or, if any such actions are initiated by a third party, such action(s) is (are) not dismissed within sixty (60) days); or,
  - v. in the case of Purchaser as the Defaulting Party only, Purchaser (a) loses its rights to occupy and enjoy the Premises, unless (i) the Parties agree upon a relocation under Section 8 above, or (ii) Purchaser pays the Termination Payment determined under Section 6 of **Exhibit 1** within thirty (30) days after written request by Seller; or (b) prevents Seller from performing any material obligation under this Agreement unless such action by Purchaser is (i) is permitted under this Agreement, or (ii) is cured within ten (10) days after written notice thereof from Seller.
- b. **Remedies.**
  - i. **Suspension.** Upon the occurrence and during the continuation of a Default Event by Purchaser, including a Payment Default, Seller may suspend performance of its obligations under this Agreement until the earlier to occur of the date (a) that Purchaser cures the Default Event in full, or (b) of termination of this Agreement. Seller's rights under this Section 11(b)(i) are in addition to any other remedies available to it under this Agreement, at law or in equity.

- ii. **Termination.** Upon the occurrence and during the continuation of a Default Event, the Non-Defaulting Party may terminate this Agreement, by providing five (5) days prior written notice to the Defaulting Party; provided, that, in the case of a Default Event under Section 11(a)(iv), the Non-Defaulting Party may terminate this Agreement immediately.
- iii. **Damages Upon Termination by Default.** Upon a termination of this Agreement pursuant to Section 11(b)(ii), the Defaulting Party shall pay a termination payment to the Non-Defaulting Party determined as follows (the “Termination Payment”):
  - (1) **Termination by Seller.** If Seller terminates this Agreement for a Default Event by Purchaser, the Termination Payment payable to Seller shall be equal to the sum of (i) the applicable amount set forth in the Termination Payment Schedule set forth as Item 6 of **Exhibit 1**, and (ii) any other amounts previously accrued under this Agreement and then owned by Purchaser to Seller.
  - (2) **Termination by Purchaser.** If Seller is the Defaulting Party and Purchaser terminates this Agreement, the Termination Payment to Purchaser will be equal to the sum of (i) all direct costs reasonably incurred by Purchaser by reason of the termination; and (ii) any and all other amounts previously accrued under this Agreement and then owed by Seller to Purchaser. The Termination Payment determined under this Section 11(b)(iii)(2) cannot be less than zero.
- iv. **Liquidated Damages.** The Parties agree that, if Seller terminates this Agreement prior to the expiration of the Term pursuant to Section 11(b)(ii), actual damages would be difficult to ascertain, and the Termination Payment determined in accordance with Section 11(b)(iii)(1) is a reasonable approximation of the damages suffered by Seller as a result of early termination of this Agreement and is not a penalty.
- c. **Obligations Following Termination.** If a Party terminates this Agreement pursuant to Section 11(b)(ii), then following such termination, Seller shall remove the equipment constituting the System in compliance with Section 9 above at the sole cost and expense of the Defaulting Party, *provided, however* that Seller shall not be required to remove the System following the occurrence of a Default Event by Purchaser pursuant to Section 11(a)(i), unless Purchaser pre-pays the cost of restoration reasonably estimated by Seller.
  - i. **Reservation of Rights.** Except in the case of a termination under Section 11(b)(ii) and payment of a Termination Payment, if any, determined pursuant to Section 11(b)(ii), nothing in this Section 11 limits either Party’s right to pursue any remedy under this Agreement, at law or in equity, including with respect to the pursuit of an action for damages by reason of a breach or Default Event under this Agreement.
  - ii. **Mitigation Obligation.** Regardless of whether this Agreement is terminated for a Default Event, the Non-Defaulting Party must make commercially reasonable efforts to mitigate its damages as the result of such Default Event; provided that such obligation shall not reduce Purchaser’s obligation to pay the full Termination Payment set forth in Section 6 of Exhibit 1 following a Default Event by Purchaser.
  - iii. **No Limitation on Payments.** Nothing in this Section 11 excuses a Party’s obligation to make any payment when due under this Agreement, including with respect to payments for electricity that would have been delivered to Purchaser but for a Purchaser breach or Default Event.

## 12. **Representations and Warranties.**

- a. **General Representations and Warranties.** Each Party represents and warrants to the other the following:
  - i. Such Party is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation; the execution, delivery and performance by such Party of this Agreement have been duly authorized by all necessary corporate, partnership or limited liability company action, as applicable, and do not and will not violate any law; and this Agreement is the valid obligation of such Party, enforceable against such Party in accordance with its terms (except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws now or hereafter in effect relating to creditors’ rights generally).
  - ii. Such Party has obtained all licenses, authorizations, consents and approvals required by any Governmental Authority or other third party and necessary for such Party to own its assets, carry on its business and to execute and deliver this Agreement; and such Party is in compliance with all laws that relate to this Agreement in all material respects.

**b. Purchaser's Representations and Warranties.** Purchaser represents and warrants to Seller the following:

- i. **Licenses.** (a) Purchaser has title to or a leasehold or other valid property interest in the Premises such that Purchaser has the full right, power and authority to grant the Licenses in Section 7(a), (b) such grant of the Licenses does not violate any law, ordinance, rule or other governmental restriction applicable to Purchaser or the Premises and is not inconsistent with and will not result in a breach or default under any agreement by which Purchaser is bound or that affects the Premises, and (c) if Purchaser does not own the Premises or any Improvement on which the System is to be installed, Purchaser has obtained all required consents from the owner of the Premises and/or Improvements, as the case may be, to grant the Licenses to Seller so that Seller may perform its obligations under this Agreement.
- ii. **Other Agreements.** Neither the execution and delivery of this Agreement by Purchaser nor the performance by Purchaser of any of its obligations under this Agreement conflicts with or will result in a breach or default under any agreement or obligation to which Purchaser is a party or by which Purchaser is bound.
- iii. **Accuracy of Information.** All information provided by Purchaser to Seller, as it pertains to (a) the Premises, (b) the Improvements on which the System is to be installed, if applicable, (c) Purchaser's planned use of the Premises and any applicable Improvements, and (d) Purchaser's estimated electricity requirements, is accurate in all material respects.
- iv. **Purchaser Status.** Purchaser is not a public utility or a public utility holding company and is not subject to regulation as a public utility or a public utility holding company.
- v. **Limit on Use.** No portion of the electricity generated by the System shall be used to heat a swimming pool.<sup>2</sup>

**c. Seller's Warranties.**

- i. If Seller penetrates the roof of any Improvement on which the System is installed, during System installation or any System repair, Seller shall warrant roof damage it causes as a direct result of these roof penetrations. This roof warranty shall terminate upon the later of (a) one (1) year following the completion of the System installation or repair, as the case may be, and (b) the length of any then-effective installer warranty on the applicable roof.
- ii. If Seller damages any other part of the Premises or any Improvement (including roof damages not covered under Section 12(c)(i) above), Seller shall repair or reimburse Purchaser for such damage, as agreed by the Parties.

**NO OTHER WARRANTY.** THE WARRANTIES SET FORTH IN SECTIONS 12(a) AND 12(c) OF THIS AGREEMENT ARE PURCHASER'S SOLE AND EXCLUSIVE BASIS FOR ANY CLAIM OR LIABILITY ARISING OUT OF OR IN CONNECTION WITH THIS SECTION 12, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE. OTHER THAN AS EXPRESSLY SET FORTH IN SECTIONS 12(a) AND 12(c), NO WARRANTY, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, OR WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE, APPLIES UNDER THIS AGREEMENT. IF A PERFORMANCE GUARANTY IS BEING PROVIDED PURSUANT TO SECTION 4(d) OF EXHIBIT 1, THE PERFORMANCE GUARANTY WILL REPRESENT A SEPARATE CONTRACT BETWEEN PURCHASER AND THE ISSUER OF THE PERFORMANCE GUARANTY. IF THE ISSUER OF THE PERFORMANCE GUARANTY (OR ANY SUBSEQUENT ASSIGNEE) AND THE SELLER ARE NOT THE SAME PERSON, NO RIGHTS PROVIDED TO PURCHASER BY THE PERFORMANCE GUARANTY MAY BE ASSERTED UNDER THIS AGREEMENT, AND NO CLAIM UNDER THE PERFORMANCE GUARANTY WILL AFFECT PURCHASER'S OBLIGATIONS UNDER THIS AGREEMENT.

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<sup>2</sup> This limitation reflects the requirements to qualify for the Federal Energy Tax Credit under §48 of the Internal Revenue Code. Individual states or localities may have further restrictions on the use of electricity from the System. Purchasers and Sellers are encouraged to consult local law to ensure that no such restrictions are being violated.

**13. Insurance.**

- a. **Insurance Coverage.** At all times during the Term, the Parties shall maintain the following insurance, as applicable:
- i. **Seller's Insurance.** Seller shall maintain or ensure the following is maintained (a) commercial general liability insurance with coverage of at least \$1,000,000 per occurrence and \$2,000,000 annual aggregate, (b) employer's liability insurance with coverage of at least \$1,000,000 and (c) workers' compensation insurance as required by law. Seller's coverage may be provided as part of an enterprise insurance program.
  - ii. **Purchaser's Insurance.** Purchaser shall maintain or ensure the following is maintained (a) property insurance on the System for the replacement cost thereof and be reimbursed by Seller and (b) commercial general liability insurance with coverage of at least \$1,000,000 per occurrence and \$2,000,000 annual aggregate.
    - (1) (30) days prior to the Commercial Operation Date, Seller shall provide Purchaser with the replacement cost of the System and Purchaser shall purchase and itemize the increase in insurance costs due the insurance requirements detailed in section 13.a.ii.(a). Seller shall reimburse the Purchaser within (14) business days for the insurance premium and divide this cost by the estimated kWh of the project as calculated by PVWatts or a similar satellite-based solar production software. The \$/kWh insurance premium shall be added back into the Contract Price for the first year.
    - (2) Each additional year, (30) days prior to the anniversary of the Commercial Operation Date or Seller's typical insurance procurement schedule, Purchaser shall itemize the increase in insurance costs due to the insurance requirements detailed in section 13.a.ii.(a). Seller shall reimburse the Purchaser within (14) business days for the insurance premium and divide this cost by the previous year's actual kWh of the project. The \$/kWh insurance premium shall be added back into the Contract Price.
- b. **Policy Provisions.** Each Party's insurance policies shall (i) contain a provision whereby the insurer agrees to give the other Party at least thirty (30) days (ten days for non-payment of premiums) written notice before the insurance is cancelled, or terminated, (ii) be written on an occurrence basis, and (iii) be maintained with companies either rated no less than A-VII as to Policy Holder's Rating in the current edition of A.M. Best's Insurance Guide or otherwise reasonably acceptable to the other Party.
- c. **Certificates.** Upon the other Party's request, each Party shall deliver to the other Party certificates of insurance evidencing the above required coverage. A Party's receipt, review or acceptance of such certificate shall in no way limit or relieve the other Party of the duties and responsibilities to maintain insurance as set forth in this Agreement.
- d. **Deductibles.** Each Party shall pay its own insurance deductibles, except in the case of claims (i) resulting from a breach of this Agreement, in which case the breaching Party is responsible for payment of the non-breaching Party's deductible for any responding insurance, and (ii) covered by an indemnity set forth in this Agreement.

**14. Ownership; Option to Purchase.**

- a. **Ownership of System.**
- i. **Ownership; Personal Property.** Throughout the Term, Seller shall be the legal and beneficial owner of the System, and all RECs and Incentives, and the System will remain the personal property of Seller and will not attach to or be deemed a part of, or fixture to, the Premises or any Improvement on which the System is installed. Each of the Seller and Purchaser agree that the Seller is the tax owner of the System and all tax filings and reports shall be filed in a manner consistent with this Agreement. The System will at all times retain the legal status of personal property as defined under Article 9 of the Uniform Commercial Code.
  - ii. **Notice to Purchaser Lienholders.** Purchaser shall use commercially reasonable efforts to place all parties having a Lien on the Premises or any Improvement on which the System is installed on notice of the ownership of the System and the legal status or classification of the System as personal property. If any mortgage or fixture filing against the Premises could reasonably be construed as prospectively attaching to the System as a fixture of the Premises, Purchaser shall provide a disclaimer or release from such lienholder.

- iii. **Fixture Disclaimer.** If Purchaser is the fee owner of the Premises, Purchaser consents to the filing of a disclaimer of the System as a fixture of the Premises in the office where real estate records are customarily filed in the jurisdiction where the Premises are located. If Purchaser is not the fee owner, Purchaser shall obtain such consent from such owner. For the avoidance of doubt, in either circumstance Seller has the right to file such disclaimer.
- iv. **SNDA.** Upon request, Purchaser shall deliver to Seller a subordination and non-disturbance agreement in a form mutually acceptable to Seller and the provider of the subordination and non-disturbance agreement from the owner of the Premises (if the Premises are leased by Purchaser), any mortgagee with a Lien on the Premises, and other Persons holding a similar interest in the Premises.
- v. **Eviction Notice.** To the extent that Purchaser does not own the Premises or any Improvement on which the System is installed, Purchaser shall provide to Seller immediate written notice of receipt of notice of eviction from the Premises or applicable Improvement or termination of Purchaser's lease of the Premises and/or Improvement.

**b. Option to Purchase.**

- i. **Exercise of Option.** At the end of the tenth (10th) Contract Years and each Additional Term, so long as Purchaser is not in default under this Agreement, Purchaser may purchase the System from Seller on any such date for a purchase price equal to \$34,000 plus all reasonable transaction fees & applicable transfer taxes. Purchaser shall have the option to pay the purchase price over a 2-year period via an increased Contract Price. For example, if the purchase price is \$10,000 then an additional \$5,000 per year will be divided by the average kWh of the previous years will be prorated monthly and added to each invoice. Purchaser shall notify Seller of its intent to purchase at least ninety (90) days and not more than one hundred eighty (180) days prior to the end of the applicable Contract Year or the Initial Term or Additional Term, as applicable, and the purchase shall be completed prior to the end of the applicable Contract Year or the Initial Term or Additional Term, as applicable.
- ii. **Title Transfer; Warranties; Manuals.** Seller shall transfer good title to the System to Purchaser upon Seller's receipt of the purchase price and execution by the Parties of a written instrument or agreement to effect such transfer. The System will be sold "as is, where is, with all faults". Seller will assign to Purchaser any manufacturer's warranties that are in effect as of the date of purchase and which are then assignable pursuant to their terms, but Seller otherwise disclaims all warranties of any kind, express or implied, concerning the System (other than as to title). Seller shall also provide Purchaser all System operation and maintenance manuals and logs in Seller's possession and provide Purchaser basic training on the operation and maintenance of the System upon Purchaser's reasonable request. Upon purchase of the System, Purchaser shall assume complete responsibility for the operation and maintenance of the System and liability for the performance of (and risk of loss for) the System, and, except for any Seller obligations that survive termination under Section 19(d), Seller will have no further liabilities or obligations hereunder for the System.
- iii. **Right of First Offer for an Operations and Maintenance Contract.** A Right of First Offer clause (also known as a "ROFO" or "First Right of Offer") gives Seller the first opportunity to negotiate before the owner can offer it to others. Therefore, if Purchaser intends to hire a company to manage the operations, maintenance, and asset management (the "O&M Contract") of the Project after the sale, Purchaser hereby grants the Seller the first right to make an offer for the O&M Contract, before the Purchaser offers the contract to any third party.
  - (1) **Intent to Bid.** Purchaser shall provide written notice (the "Notice") to Seller that it intends to seek an O&M Contract for the Project. The Notice shall include the terms and conditions of the proposed contract, including the scope of work and any other relevant details (the "Offer Terms").
  - (2) **Procedure.** Upon receipt of the Notice, Seller shall have (30) days to respond with a proposed O&M Contract, based on the terms outlined in the Notice or on terms mutually agreed upon by the parties. If Seller does not respond within the (30) day period, Purchaser is free to offer the contract to any third party on terms that are not more favorable than those offered to Seller.
  - (3) **Failure to Reach Agreement.** If in the event that Seller does not accept the Offer Terms, or if the parties fail to reach a mutually acceptable agreement within (30) days after the Notice, Purchaser shall have the right to offer the O&M Contract to a third party, provided that the terms to such third party are not more favorable than those offered to Seller under the Right of First Offer.



- (4) Expiration of ROFO. The First Right of Offer granted herein shall terminate upon the earlier of:
  - (a) Seller's written waiver of the ROFO; or (b) (15) years from the date of this Agreement.
- (5) No Obligation. Nothing in this clause shall obligate Purchaser to hire the Seller, and Purchaser reserves the right, at its sole discretion, to reject any offer made by Seller. Purchaser may also provide their own O&M internally, and choose not to go to bid. As such, the Purchaser has no obligation to the Seller if they do not plan to go to bid for the O&M Contract.
- (6) Confidentiality. The existence and terms of this ROFO shall be confidential and may not be disclosed to any third party without the prior written consent of both parties, except as required by law.

## 15. **Indemnification and Limitations of Liability.**

- a. **General**. Each Party (the "**Indemnifying Party**") shall defend, indemnify and hold harmless the other Party, its affiliates and the other Party's and its affiliates' respective directors, officers, shareholders, partners, members, agents and employees (collectively, the "**Indemnified Parties**"), from and against any loss, damage, expense, liability and other claims, including court costs and reasonable attorneys' fees (collectively, "**Liabilities**") resulting from (1) any Claim (as defined in Section 15(b) relating to the Indemnifying Party's breach of any representation or warranty set forth in Section 12 and (2) injury to or death of persons, and damage to or loss of property to the extent caused by or arising out of the negligent acts or omissions of, or the willful misconduct of, the Indemnifying Party (or its contractors, agents or employees) in connection with this Agreement; provided, however, that nothing herein will require the Indemnifying Party to indemnify the Indemnified Parties for any Liabilities to the extent caused by or arising out of the negligent acts or omissions of, or the willful misconduct of, an Indemnified Party. This Section 15(a) does not apply to Liabilities arising out of or relating to any form of Hazardous Substances or other environmental contamination, such matters being addressed exclusively by Section 15(c).
- b. **Notice and Participation in Third Party Claims**. The Indemnified Party shall give the Indemnifying Party written notice with respect to any Liability asserted by a third party (a "**Claim**"), as soon as possible upon the receipt of information of any possible Claim or of the commencement of such Claim. The Indemnifying Party may assume the defense of any Claim, at its sole cost and expense, with counsel designated by the Indemnifying Party and reasonably satisfactory to the Indemnified Party. The Indemnified Party may, however, select separate counsel if both Parties are defendants in the Claim and such defense or other form of participation is not reasonably available to the Indemnifying Party. The Indemnifying Party shall pay the reasonable attorneys' fees incurred by such separate counsel until such time as the need for separate counsel expires. The Indemnified Party may also, at the sole cost and expense of the Indemnifying Party, assume the defense of any Claim if the Indemnifying Party fails to assume the defense of the Claim within a reasonable time. Neither Party may settle any Claim covered by this Section 15(b) unless it has obtained the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. The Indemnifying Party has no liability under this Section 15(b) for any Claim for which such notice is not provided if the failure to give notice prejudices the Indemnifying Party.
- c. **Environmental Indemnification**.
  - i. **Seller Indemnity**. Seller shall indemnify, defend and hold harmless all of Purchaser's Indemnified Parties from and against all Liabilities arising out of or relating to the existence at, on, above, below or near the Premises of any Hazardous Substance (as defined in Section 15(c)(iv)) to the extent deposited, spilled or otherwise caused by Seller or any of its contractors, agents or employees.
  - ii. **Purchaser Indemnity**. Purchaser shall indemnify, defend and hold harmless all of Seller's Indemnified Parties from and against all Liabilities arising out of or relating to the existence at, on, above, below or near the Premises of any Hazardous Substance, except to the extent deposited, spilled or otherwise caused by Seller or any of its contractors, agents or employees.
  - iii. **Notice**. Each Party shall promptly notify the other Party if it becomes aware of any Hazardous Substance on or about the Premises generally or any deposit, spill or release of any Hazardous Substance. "**Hazardous Substance**" means any chemical, waste or other substance (a) which now or hereafter becomes defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants," "pollution," "pollutants," "regulated substances," or words of similar import under any laws pertaining to the environment, health, safety or welfare, (b) which is declared to be hazardous, toxic, or polluting by any Governmental Authority, (c) exposure to which is now or hereafter prohibited, limited or regulated by any Governmental Authority, (d) the storage, use, handling, disposal or release of which is restricted or regulated by any



Governmental Authority, or (e) for which remediation or cleanup is required by any Governmental Authority.

**d. Limitations on Liability.**

- i. **No Consequential Damages.** Except with respect to indemnification of third-party claims pursuant to Section 16, neither Party nor its directors, officers, shareholders, partners, members, agents and employees subcontractors or suppliers will be liable for any indirect, special, incidental, exemplary, or consequential loss or damage of any nature (including, without limitation, lost revenues, lost profits, lost business opportunity or any business interruption) arising out of their performance or non-performance hereunder even if advised of such. Notwithstanding the previous sentence, the Termination Payment set forth in Section 6 of Exhibit 1 shall be deemed to be direct, and not indirect or consequential damages for purpose of this Section 15(d)(i)
  - ii. **Actual Damages.** Except with respect to indemnification of Claims pursuant to this Section 15, and except as otherwise limited in Section 13(c), Seller's aggregate liability under this Agreement arising out of or in connection with the performance or non-performance of this Agreement cannot exceed the total payments made (and, as applicable, projected to be made) by Purchaser under this Agreement. The provisions of this Section 15(d)(ii) will apply whether such liability arises in contract, tort, strict liability or otherwise.
- e. EXCLUSIVE REMEDIES.** TO THE EXTENT THAT THIS AGREEMENT SETS FORTH SPECIFIC REMEDIES FOR ANY CLAIM OR LIABILITY, SUCH REMEDIES ARE THE AFFECTED PARTY'S SOLE AND EXCLUSIVE REMEDIES FOR SUCH CLAIM OR LIABILITY, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.
- f. Comparative Negligence.** Where negligence is determined to have been joint, contributory or concurrent, each Party shall bear the proportionate cost of any Liability.

**16. Change in Law.**

- a. **Impacts of Change in Law.** If Seller determines that a Change in Law has occurred or will occur that has or will have a material adverse effect on Seller's rights, entitlement, obligations or costs under this Agreement, then Seller may so notify the Purchaser in writing of such Change in Law. Within thirty (30) days following receipt by the Purchaser of such notice, the Parties shall meet and attempt in good faith to negotiate such amendments to this Agreement as are reasonably necessary to preserve the economic value of this Agreement to both Parties. If the Parties are unable to agree upon such amendments within such thirty (30) day period, then Seller may terminate this Agreement and remove the System and restore the Premises in accordance with Section 9 without either Party having further liability under this Agreement except with respect to liabilities accrued prior to the date of termination.
- b. **Illegality or Impossibility.** If a Change in Law renders this Agreement or Seller's performance of this Agreement illegal or impossible, Seller may terminate Agreement immediately upon notice to Purchaser without either Party having further liability under this Agreement, except with respect to liabilities accrued prior to date of termination.
- c. **"Change in Law"** means (i) the enactment, adoption, promulgation, modification or repeal after the Effective Date of any applicable law or regulation, (ii) the imposition of any material conditions on the issuance or renewal of any applicable permit after the Effective Date (notwithstanding the general requirements contained in any applicable Permit at the time of application or issue to comply with future laws, ordinances, codes, rules, regulations or similar legislation), or (iii) a change in any utility rate schedule or tariff approved by any Governmental Authority.

**17. Assignment and Financing.**

**a. Assignment.**

- i. **Restrictions on Assignment.** Subject to the remainder of this Section 17(a), this Agreement may not be assigned in whole or in part by either Party without the prior written consent of the other Party, which consent may not be unreasonably withheld or delayed. Purchaser may not withhold its consent to an assignment proposed by Seller where the proposed assignee has the financial capability and experience necessary to operate and maintain solar photovoltaic systems such as the System.
- ii. **Permitted Assignments.** Notwithstanding Section 17(a)(i):
  - (1) Seller may, without the prior written consent of Purchaser, assign, mortgage, pledge or otherwise directly or indirectly assign its interests in this Agreement to (A) any Financing Party (as defined in Section 17(b)),

(B) any entity through which Seller is obtaining financing from a Financing Party, or (C) any affiliate of Seller or any person succeeding to all or substantially all of the assets of Seller; provided, that, Seller is not released from liability hereunder as a result of any assignment to an affiliate unless the assignee assumes Seller's obligations hereunder by binding written instrument; and

(2) Purchaser may, by providing prior notice to Seller, assign this Agreement:

- a. to an affiliate of Purchaser or a purchaser of the Premises; provided, that, Purchaser is not released from liability hereunder by reason of the assignment unless the assignee assumes Purchaser's obligations hereunder by binding written instrument on terms satisfactory to Seller, including as to the assignee's creditworthiness; and
- b. to an assignee that has an Investment Grade credit rating at the time of the assignment. "**Investment Grade**" means the assignee has a long-term unsecured debt rating from Moody's or S&P of at least Baa3 from Moody's and/or at least BBB- from S&P.

iii. Successors and Permitted Assignees. This Agreement is binding on and inures to the benefit of successors and permitted assignees. The restrictions on assignment contained herein do not prohibit or otherwise limit changes in control of Seller.

- b. Financing. The Parties acknowledge that Seller may obtain debt or equity financing or other credit support from lenders, investors or other third parties (each a "**Financing Party**") in connection with the installation, construction, ownership, operation and maintenance of the System. In furtherance of Seller's financing arrangements and in addition to any other rights or entitlements of Seller under this Agreement, Purchaser shall timely execute any consents to assignment (which may include notice, cure, attornment and step-in rights) or estoppels and negotiate any amendments to this Agreement that may be reasonably requested by Seller or the Financing Parties; provided, that such estoppels, consents to assignment or amendments do not alter the fundamental economic terms of this Agreement.
- c. Termination Requires Consent. Seller and Purchaser agree that any right of Seller to terminate this Agreement is subject to the prior written consent of any Financing Party.

## 18. Confidentiality.

- a. Confidential Information. To the maximum extent permitted by applicable law, if either Party provides confidential information ("**Confidential Information**") to the other or, if in the course of performing under this Agreement or negotiating this Agreement a Party learns Confidential Information of the other Party, the receiving or learning Party shall (i) protect the Confidential Information from disclosure to third parties with the same degree of care accorded its own confidential and proprietary information, and (ii) refrain from using such Confidential Information, except in the negotiation, performance, enforcement and, in the case of Seller, financing, of this Agreement. The terms of this Agreement (but not the fact of its execution or existence) are considered Confidential Information of each Party for purposes of this Section 18(a).
- b. Permitted Disclosures. Notwithstanding Section 18(a):
  - i. Each Party may provide such Confidential Information to its affiliates and to its and its affiliates' respective officers, directors, members, managers, employees, agents, contractors, consultants and Financing Parties (collectively, "Representatives"), and potential direct or indirect assignees of this Agreement if such potential assignees are first bound by a written agreement or legal obligation restricting use and disclosure of Confidential Information. Each Party is liable for breaches of this provision by any person to whom that Party discloses Confidential Information.
  - ii. Confidential Information does not include any information that (a) becomes publicly available other than through breach of this Agreement, (b) is required to be disclosed to a Governmental Authority under applicable law or pursuant to a validly issued subpoena, (c) is independently developed by the receiving Party, or (d) becomes available to the receiving Party without restriction from a third party under no obligation of confidentiality. If disclosure of information is required by a Governmental Authority, the disclosing Party shall, to the extent permitted by applicable law, notify the other Party of such required disclosure promptly upon becoming aware of such required disclosure and shall reasonably cooperate with the other Party's efforts to limit the disclosure to the extent permitted by applicable law.
- c. Miscellaneous. All Confidential Information remains the property of the disclosing Party and will be returned to the

disclosing Party or destroyed (at the receiving Party's option) after the receiving Party's need for it has expired or upon the request of the disclosing Party. Each Party acknowledges that the disclosing Party would be irreparably injured by a breach of this Section 18 by the receiving Party or its Representatives or other person to whom the receiving Party discloses Confidential Information of the disclosing Party and that the disclosing Party may be entitled to equitable relief, including injunctive relief and specific performance, for breaches of this Section 18. To the fullest extent permitted by applicable law, such remedies shall not be deemed to be the exclusive remedies for a breach of this Section 18, but will be in addition to all other remedies available at law or in equity. The obligation of confidentiality will survive termination of this Agreement for a period of two (2) years.

- d. **Goodwill and Publicity.** Neither Party may (a) make any press release or public announcement of the specific terms of this Agreement or the use of solar or renewable energy involving this Agreement (except for filings or other statements or releases as may be required by applicable law), or (b) use any name, trade name, service mark or trademark of the other Party in any promotional or advertising material without the prior written consent of the other Party. The Parties shall coordinate and cooperate with each other when making public announcements regarding this Agreement, the System and its use, and each Party may promptly review, comment upon and approve any publicity materials, press releases or other public statements before they are made. Notwithstanding the above, Seller is entitled to place signage on the Premises reflecting its association with the System.

## 19. **General Provisions**

- a. **Definitions and Interpretation.** Unless otherwise defined or required by the context in which any term appears: (i) the singular includes the plural and vice versa, (ii) the words "herein," "hereof" and "hereunder" refer to this Agreement as a whole and not to any particular section or subsection of this Agreement, (iii) references to any agreement, document or instrument mean such agreement, document or instrument as amended, restated, modified, supplemented or replaced from time to time, and (iv) the words "include," "includes" and "including" mean include, includes and including "without limitation." The captions or headings in this Agreement are strictly for convenience and will not be considered in interpreting this Agreement. As used in this Agreement, "dollar" and the "\$" sign refer to United States dollars.
- b. **Choice of Law; Dispute Resolution.** The law of the state where the System is located governs all matters arising out of this Agreement without giving effect to conflict of laws principles. Any dispute arising from or relating to this Agreement shall be settled by arbitration in **Spokane County**. The arbitration shall be administered by **Spokane County Superior Court** in accordance with its arbitration rules, and judgment on any award rendered in such arbitration may be entered in any court of competent jurisdiction. If the Parties agree in writing, a mediator may be consulted prior to arbitration. The prevailing Party in any dispute arising out of this Agreement is entitled to reasonable attorneys' fees and costs.
- c. **Notices.** All notices under this Agreement shall be in writing and delivered by hand, electronic mail, overnight courier, or regular, certified, or registered mail, return receipt requested, and will be deemed received upon personal delivery, acknowledgment of receipt of electronic transmission, the promised delivery date after deposit with overnight courier, or five (5) days after deposit in the mail. Notices must be sent to the person identified in this Agreement at the addresses set forth in this Agreement or such other address as either Party may specify in writing.
- d. **Survival.** Provisions of this Agreement that should reasonably be considered to survive termination of this Agreement, including, without limitation provisions related to billing and payment and indemnification, will survive termination of this Agreement.
- e. **Further Assurances.** Each Party shall provide such information, execute and deliver any instruments and documents and to take such other actions as may be reasonably requested by the other Party to give full effect to this Agreement and to carry out the intent of this Agreement.
- f. **Waivers.** No provision or right or entitlement under this Agreement may be waived or varied except in writing signed by the Party to be bound. No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision, nor will such waiver constitute a continuing waiver unless otherwise expressly provided.
- g. **Non-Dedication of Facilities.** Nothing in this Agreement may be construed as the dedication by either Party of its facilities or equipment to the public or any part thereof. Neither Party may knowingly take any action that would subject the other Party, or other Party's facilities or equipment, to the jurisdiction of any Governmental Authority as a public utility or similar entity. Neither Party may assert in any proceeding before a court or regulatory body that the other Party is a public utility by virtue of such other Party's performance under this Agreement. If Seller is reasonably likely to become subject to regulation as a public utility, then the Parties shall use commercially reasonable efforts to

restructure their relationship under this Agreement in a manner that preserves their relative economic interests while ensuring that Seller does not become subject to any such regulation. If the Parties are unable to agree upon such restructuring, Seller may terminate this Agreement without further liability under this Agreement except with respect to liabilities accrued prior to the date of termination and remove the System in accordance with Section 9 of this Agreement.

- h. **Service Contract.** The Parties intend this Agreement to be a “service contract” within the meaning of Section 7701(e)(3) of the Internal Revenue Code of 1986. Purchaser shall not take the position on any tax return or in any other filings suggesting that it is anything other than a purchase of electricity from the System.
- i. **No Partnership.** No provision of this Agreement may be construed or represented as creating a partnership, trust, joint venture, fiduciary or any similar relationship between the Parties. No Party is authorized to act on behalf of the other Party, and neither may be considered the agent of the other.
- j. **Entire Agreement, Modification, Invalidity, Captions.** This Agreement constitutes the entire agreement of the Parties regarding its subject matter and supersedes all prior proposals, agreements, or other communications between the Parties, oral or written. This Agreement may be modified only by a writing signed by both Parties. If any provision of this Agreement is found unenforceable or invalid, such provision shall not be read to render this Agreement unenforceable or invalid as a whole. In such event, such provision shall be rectified or interpreted so as to best accomplish its objectives within the limits of applicable law.
- k. **Forward Contract.** The transaction contemplated under this Agreement constitutes a “forward contract” within the meaning of the United States Bankruptcy Code, and the Parties further acknowledge and agree that each Party is a “forward contract merchant” within the meaning of the United States Bankruptcy Code.
- l. **No Third-Party Beneficiaries.** Except as otherwise expressly provided herein, this Agreement and all rights hereunder are intended for the sole benefit of the Parties hereto, and the Financing Parties to the extent provided herein or in any other agreement between a Financing Party and Seller or Purchaser, and do not imply or create any rights on the part of, or obligations to, any other Person.
- m. **Counterparts.** This Agreement may be executed in any number of separate counterparts and each counterpart will be considered an original and together comprise the same Agreement.

- End of Exhibit 3 -

# Solar Power Purchase Agreement

This Solar Power Purchase Agreement (this “**Agreement**”) is entered into by the parties listed below (each a “**Party**” and collectively the “**Parties**”) as of the date signed by Seller below (the “**Effective Date**”).

<i>Purchaser:</i>		<i>Seller:</i>	
Name and Address	Pullman High School District 510 NW Greyhound Way Pullman, WA 99163 Attention: Juston Pollestad	Name and Address	Zero Emissions Northwest, LLC 3216 N Washington St, Spokane WA 99205
Phone	509-332-3581	Phone	509-518-5147
Fax	509-336-7202	Fax	N/A
E-mail	<a href="mailto:TBD@fpsd267.org">TBD@fpsd267.org</a>	E-mail	David.Funk@zeroemissionsnorthwest.com
Premises Ownership	Purchaser owns the Premises.	Additional Seller Information	
Tax Status	Tax Exempt		
Project Name	Pullman School Community Solar Projects		

This Agreement sets forth the terms and conditions of the purchase and sale of solar generated electricity from the solar panel system described in **Exhibit 2** (the “**System**”) and installed on the real property comprising Purchaser’s premises described or depicted in Schedule A to **Exhibit 2** (the “**Premises**”), including any buildings and other improvements on the Premises other than the System (the “**Improvements**”).

The exhibits listed below are incorporated by reference and made part of this Agreement.

<b><u>Exhibit 1</u></b>	Pricing
<b><u>Exhibit 2</u></b>	System Description, Delivery Point and Premises
<b><u>Exhibit 3</u></b>	General Terms and Conditions

<i>Purchaser:</i>	<b>Pullman School District</b>
Signature:	
Printed Name:	
Title:	
Date:	

<i>Seller:</i>	<b>Zero Emissions Northwest, LLC</b>
Signature:	
Printed Name:	
Title:	
Date:	



# Exhibit 1:

## Pricing

- Initial Term:** Ten (10) years, beginning on the Commercial Operation Date (the “Initial Term”).
- Additional Terms:** Up to two (2) terms of five (5) years, each beginning on the expiration of the Initial Term, each an “Additional Term”.
- Contract Price:**

Contract Year	Solar Energy \$/kWh	Insurance Premium	Total Solar CONTRACT PRICE \$/kWh	Average \$/kWh
1	\$ 0.028	\$ 0.009	\$ 0.037	
2	\$ 0.029	\$ 0.009	\$ 0.038	
3	\$ 0.029	\$ 0.010	\$ 0.039	
4	\$ 0.030	\$ 0.010	\$ 0.039	
5	\$ 0.030	\$ 0.010	\$ 0.040	
6	\$ 0.031	\$ 0.010	\$ 0.041	
7	\$ 0.032	\$ 0.010	\$ 0.042	
8	\$ 0.032	\$ 0.011	\$ 0.043	
9	\$ 0.033	\$ 0.011	\$ 0.044	
10	\$ 0.033	\$ 0.011	\$ 0.044	\$ 0.040

Contract Year	Estimated Utility \$/kWh	Estimated Solar kWh	Estimated Utility Purchases without Solar	Total Utility Purchases without Solar
1	\$ 0.102	168,000	\$ 17,100	
2	\$ 0.106	167,000	\$ 17,700	
3	\$ 0.110	166,000	\$ 18,300	
4	\$ 0.115	165,000	\$ 18,900	
5	\$ 0.119	164,000	\$ 19,600	
6	\$ 0.124	163,000	\$ 20,200	
7	\$ 0.129	162,000	\$ 20,900	
8	\$ 0.134	161,000	\$ 21,600	
9	\$ 0.140	160,000	\$ 22,300	
10	\$ 0.145	159,000	\$ 23,100	\$ 199,700

Contract Year	Total Solar \$/kWh	Estimated Solar kWh	Estimated Solar Purchases	Total Solar Purchases
1	\$ 0.037	168,000	\$ 6,200	
2	\$ 0.038	167,000	\$ 6,300	
3	\$ 0.039	166,000	\$ 6,400	
4	\$ 0.039	165,000	\$ 6,500	
5	\$ 0.040	164,000	\$ 6,600	
6	\$ 0.041	163,000	\$ 6,700	
7	\$ 0.042	162,000	\$ 6,800	
8	\$ 0.043	161,000	\$ 6,900	
9	\$ 0.044	160,000	\$ 7,000	
10	\$ 0.044	159,000	\$ 7,100	\$ 66,500

Contract Year	Avoided Utility Purchases	Total Avoided Purchases
1	\$ 10,900	
2	\$ 11,400	
3	\$ 11,900	
4	\$ 12,400	
5	\$ 13,000	
6	\$ 13,500	
7	\$ 14,100	
8	\$ 14,700	
9	\$ 15,300	
10	\$ 16,000	\$ 133,200

The first Contract Year shall commence on the Commercial Operation Date, and each subsequent Contract Year shall commence on the anniversary of the Commercial Operation Date.



- 4. Contract Price Assumptions.** The Contract Price is based on the following assumptions:
- a. Interconnection costs for the System will not exceed \$0.00 in the aggregate.
  - b. Statutory prevailing wage rates (e.g., Davis-Bacon) do not apply.
  - c. All prices in this Agreement are calculated based on an reimbursable rebate of 100%. In the event that the reimbursable rebate is not paid by the Utility, the PPA price shall be equal to 95% of the Utility rate.
  - d. The Contract Price is exclusive of Seller's Taxes (as defined in Section 3(d) of Exhibit 3), and Buyer shall be responsible for all Seller's Taxes at the rates in effect as of the Effective Date.
- 5. Contract Price Exclusions.** Unless Seller and Purchaser have agreed otherwise in writing, and except as otherwise provided in Section 2(c) of Exhibit 3, the Contract Price excludes the following:
- a. Unforeseen groundwork (including excavation and circumvention of underground obstacles). Upgrades or repair to customer or utility electrical infrastructure (including: client or utility service, transformers, substations, poles, breakers, reclosers, and disconnects).
  - b. Snow removal, tree removal, tree trimming, mowing and any landscape improvements.
  - c. Decorative fencing and/or any visual screening materials, decorative enhancements to solar support structures (including: painting, paint matching, masonry/stone work, and any lighting not required to meet the minimum code compliance).
  - d. Removal of existing lighting, light poles, or concrete light post bases.
  - e. Roof membrane maintenance or reroofing work.
  - f. Structural upgrades to the Improvements, including ADA upgrades.
  - g. Installation of public information screen or kiosk (including accompanying internet connection, power supply, technical support and ADA access).
  - h. Changes in System design caused by any inaccuracy or ambiguity in information provided by Purchaser, including information regarding Purchaser's energy use, the Premises and the Improvements, including building plans and specifications.
- 6. Termination Payment Schedule (Exhibit 3, Section 11(b)):**

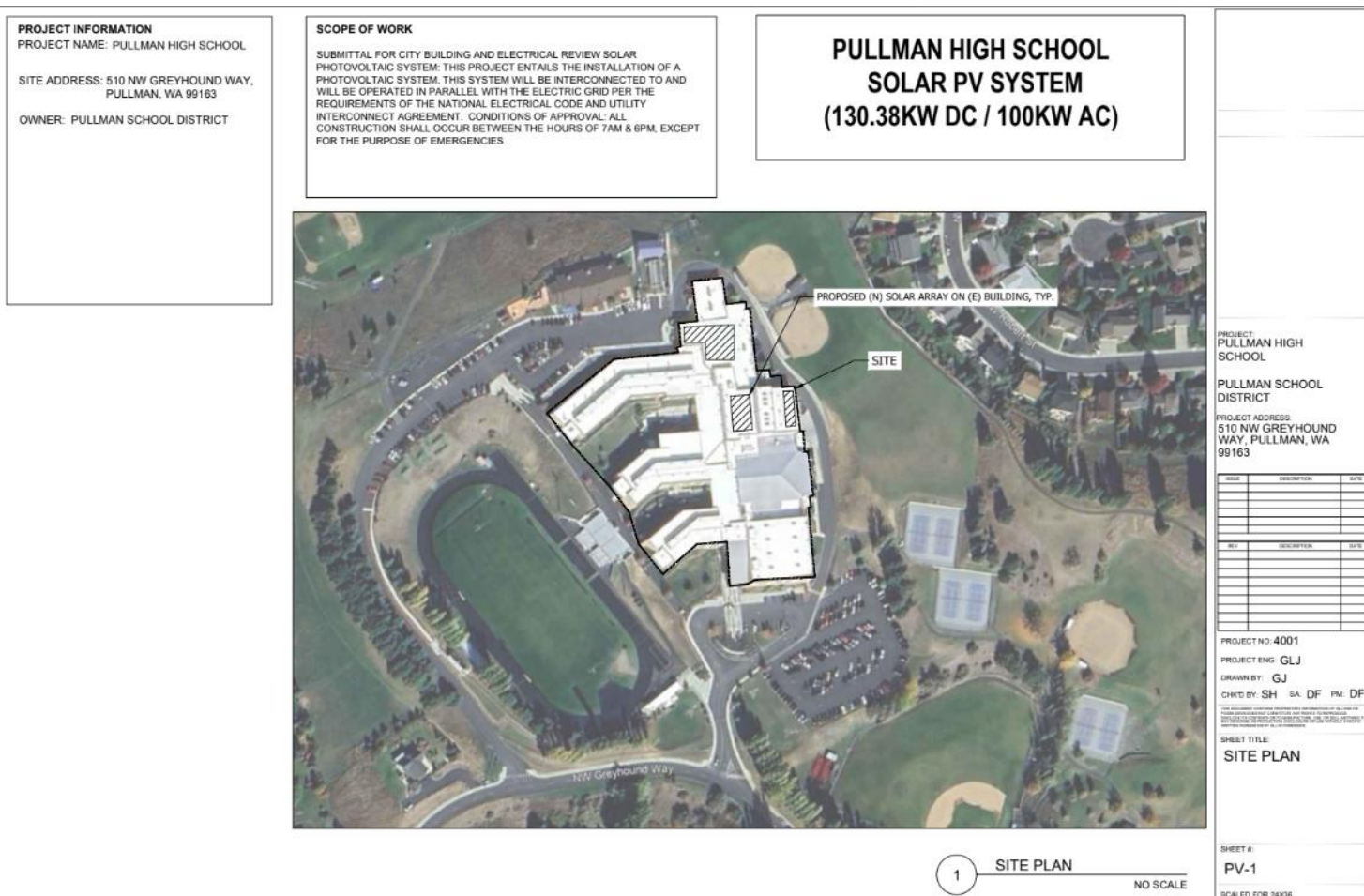
Contract Year	Termination Payment
1	\$72,000
2	\$71,000
3	\$70,000
4	\$69,000
5	\$68,000
6	\$67,000
7	\$66,000
8	\$65,000
9	\$64,000
10	\$63,000

## Exhibit 2:

# System Description, Delivery Point, and Premises

1. **System Location:** Pullman School District
2. **System Size (DC kW):** 130.38 DC kW
3. **System Description:** Roof mounted solar on Pullman High School interconnecting behind the meter.
4. **Delivery Point and Premises:** Schedule A to this **Exhibit 2** contains one or more drawings or images depicting:
  - a. Premises, including the Improvements (as applicable);
  - b. Proposed System location;
  - c. Delivery point for electricity generated by the System shall be Meter measuring the kWh output of the solar system as defined in Section 10 (the “**Delivery Point**”);
  - d. Access points needed for Seller to install and service the System (building, access, electrical room, stairs etc.); and
  - e. Construction assumptions (if any).

### Schedule A



## Exhibit 3:

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## Exhibit 3:

# General Terms and Conditions

1. **Purchase and Sale of Electricity.** Purchaser shall purchase from Seller, and Seller shall sell to Purchaser, all of the electricity generated by the System during the Term (as defined in Section 2(a)). Electricity generated by the System shall be delivered to Purchaser at the Delivery Point. Title to and risk of loss for the electricity generated by the System passes to Purchaser from Seller at the Delivery Point. Purchaser may purchase electricity for the Premises from other sources to the extent Purchaser's electricity consumption requirements at the Premises exceed the output of the System.
2. **Term and Termination.**
  - a. **Effective Date; Term.** This Agreement is effective as of the Effective Date. The electricity supply period under this Agreement commences on the Commercial Operation Date (as defined in Section 6) and continues for the duration of the Initial Term and any Additional Terms, unless earlier terminated as provided for in this Agreement (collectively, the "Term").
  - b. **Additional Terms.** The Parties may agree in writing to extend this Agreement for one or more Additional Term(s) at a Contract Price to be agreed.
  - c. **Termination Due to Contract Price Adjustments or Lack of Project Viability.** If, at any time after the Effective Date and prior to Commencement of Installation (as defined in Section 5), (i) circumstances arise which have been excluded from Contract Price calculations pursuant to Section 5 of **Exhibit 1**, or Seller determines that the installation of the System will not be technically or economically viable for any other reason, and (ii) the Parties have negotiated a Contract Price adjustment for thirty (30) days following written notice from Seller without reaching agreement, either Party may terminate this Agreement by providing ten (10) days' prior written notice to the other Party. Neither Party shall be liable for any damages in connection with such termination. After Commencement of Installation, the Contract Price shall not be subject to further adjustment pursuant to Section 5 of **Exhibit 1** or otherwise.
  - d. **Termination by Purchaser for Delay.** If Commencement of Installation has not occurred **(2) years** after the Effective Date, Purchaser may terminate this Agreement by providing thirty (30) days' prior written notice to Seller; provided that this Agreement will not terminate pursuant to this Section 2(d) if Seller achieves Commencement of Installation on or before the end of such thirty (30) day notice period. Purchaser shall not be liable for any damages in connection with such termination.
3. **Billing and Payment; Taxes.**
  - a. **Monthly Charges.** Purchaser shall pay Seller monthly for the electricity generated by the System and delivered to the Delivery Point at the \$/kWh rate shown in **Exhibit 1** (the "Contract Price"). The monthly payment for such energy will be equal to the applicable \$/kWh rate multiplied by the number of kWh of electricity generated during the applicable month, as measured by the Meter (as defined in Section 10). Additional costs for items differing from the assumptions in **Exhibit 1**, Item 4 are Purchaser's responsibility.
  - b. **Monthly Invoices.** Seller shall invoice Purchaser monthly. Such monthly invoices shall state (i) the amount of electricity produced by the System and delivered to the Delivery Point, (ii) the rates applicable to, and charges incurred by, Purchaser under this Agreement and (iii) the total amount due from Purchaser.
  - c. **Payment Terms.** All amounts due under this Agreement are due and payable net thirty (30) days following receipt of invoice. Any undisputed portion of the invoice amount not paid within such thirty (30) day period shall accrue interest at the annual rate of two and one-half percent (2.5%) above the Prime Rate (but not to exceed the maximum rate permitted by law). All payments shall be made in U.S. dollars.
  - d. **Taxes.**
    - i. **Purchaser's Taxes.** Purchaser is responsible for: (1) payment of, or reimbursement of Seller, for all taxes assessed on the generation, sale, delivery or consumption of electricity produced by the System or the interconnection of the System to the utility's electricity distribution system; and (2) real property taxes.

- ii. **Seller's Taxes.** Seller is responsible for: (1) payment of income taxes or similar taxes imposed on Seller's revenues due to the sale of electricity under this Agreement; and (2) personal property taxes imposed on the System ("**Seller's Taxes**").

- 4. **RECs and Incentives.** As the owner of the System, Seller is entitled to the benefit of, and will retain all ownership interests in the RECs and Incentives. Purchaser shall cooperate with Seller in obtaining, securing and transferring any and all RECs and Incentives. Purchaser is not obligated to incur any out-of-pocket costs or expenses in connection with such actions unless reimbursed by Seller. Purchaser shall not make any filing or statements inconsistent with Seller's ownership interests in the RECs and Incentives. If any RECs or Incentives are paid or delivered directly to Purchaser, Purchaser shall immediately pay or deliver such items or amounts to Seller.

"**Governmental Authority**" means any foreign, federal, state, local or other governmental, regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, court, tribunal, arbitrating body or other governmental authority having jurisdiction or effective control over a Party.

"**Incentives**" means (i) a payment paid by a utility or state or local Governmental Authority based in whole or in part on the cost or size of the System such as a rebate, (ii) a performance-based incentive paid as a stream of periodic payments by a utility, state or Governmental Authority based on the production of the System, (iii) investment tax credits, production tax credits, and similar tax credits, grants or other tax benefits under federal, state or local law, and (iv) any other attributes, commodity, revenue stream or payment in connection with the System (such as ancillary or capacity revenue), in each case of (i) through (iv) relating to the construction, ownership, use or production of energy from the System, provided that Incentives shall not include RECs.

"**REC**" means a renewable energy credit or certificate under any state renewable portfolio, standard or federal renewable energy standard, voluntary renewable energy credit certified by a non-governmental organization, pollution allowance, carbon credit and any similar environmental allowance or credit and green tag or other reporting right under Section 1605(b) of The Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions trading program, in each case relating to the construction, ownership, use or production of energy from the System, provided that RECs shall not include Incentives.

#### 5. **Project Completion.**

- a. **Project Development.** Seller shall diligently pursue the development and installation of the System, subject to Section 2(c), Section 11 and the remaining provisions of this Section 5.
- b. **Permits and Approvals.** Seller shall use commercially reasonable efforts to obtain the following at its sole cost and expense (each an "**Approval**"):
  - i. any zoning, land use and building permits required for Seller to construct, install and operate the System; and
  - ii. any agreements and approvals from the utility necessary in order to interconnect the System to the utility's electric distribution system.

Purchaser shall cooperate with Seller's reasonable requests to assist Seller in obtaining such Approvals, including, without limitation the execution of documents required to be provided by Purchaser to the local utility.

- c. **Commencement of Installation.** Seller shall exercise commercially reasonable efforts to achieve Commencement of Installation of the System within [\_\_\_\_\_] days after the Effective Date. "**Commencement of Installation**" means the date that Seller or its installation contractor has begun physical installation of the System on the Premises.
- d. **Force Majeure.**
  - i. **Force Majeure Event.** If either Party is unable to timely perform any of its obligations (other than payment obligations) under this Agreement in whole or in part due to a Force Majeure Event, that Party will be excused from performing such obligations for the duration of the time that such Party remains affected by the Force Majeure Event; provided, that such Party uses commercially reasonable efforts to mitigate the impact of the Force Majeure Event and resumes performance of its affected obligations as soon as reasonably practical. The Party affected by the Force Majeure Event shall notify the other Party as soon as reasonably practical after the



affected Party becomes aware that it is or will be affected by a Force Majeure Event. If the Force Majeure Event occurs during the Term and impacts the ability of the System to deliver electricity to the Delivery Point, the Term will be extended day for day for each day delivery is suspended due to the Force Majeure Event.

- ii. **Extended Force Majeure.** If a Force Majeure Event notified by either Party under paragraph (i) above continues for a consecutive period of one hundred eighty (180) days or more within a twelve (12) month period, then either Party may terminate this Agreement without either Party having further liability under this Agreement except: (a) liabilities accrued prior to termination, (b) Seller shall remove the System as required under Section 9 (but Purchaser shall reimburse Seller for Seller's removal costs if the Force Majeure Event affects Purchaser and Purchaser elects to terminate the Agreement) and (b) if Purchaser elects to terminate the Agreement in accordance with this Section, Purchaser shall pay the applicable Termination Payment. Notwithstanding the foregoing, if the Force Majeure Event can be corrected through repair or restoration of the System or other actions by Seller and, prior to expiration of the initial one hundred eighty (180)-day period, Seller provides written evidence to Purchaser that it is diligently pursuing such actions, then Purchaser shall not have the right to terminate this Agreement so long as Seller continues to diligently pursue such actions.
- iii. **"Force Majeure Event"** means any event or circumstance beyond the reasonable control of and without the fault or negligence of Seller, including, without limitation, failure or interruption of the production, delivery or acceptance of electricity due to: an act of god; war (declared or undeclared); sabotage; piracy; riot; insurrection; civil unrest or disturbance; military or guerilla action; terrorism; economic sanction or embargo; civil strike, work stoppage, slow-down, or lock-out; explosion; fire; earthquake; abnormal weather condition or actions of the elements; hurricane; flood; lightning; wind; drought; animals; the binding order of any Governmental Authority; the failure to act on the part of any Governmental Authority (including, without limitation delays in permitting not caused by actions or omissions of the Party seeking such permit); unavailability of electricity from the utility grid; and failure or unavailability of equipment, supplies or products outside of Seller's control or due to a Force Majeure Event.
- e. **Extension of Time.** If Seller is delayed in achieving Commencement of Installation due to a Force Majeure Event, the time for achievement of Commencement of Installation will be automatically extended to account for the impact of the delay.
- f. **Commercial Operation.** Seller shall notify Purchaser in writing when it has achieved Commercial Operation (the date of such notice, the **"Commercial Operation Date"**). **"Commercial Operation"** means that the System is mechanically complete, capable of providing electricity to the Delivery Point at the nameplate capacity specified in Exhibit 2 and has permission to operate from the relevant Governmental Authority. Seller shall provide Purchaser with documentation to evidence that the System is ready to begin Commercial Operation upon Purchaser's reasonable request.

## 6. **Installation, Operation and Maintenance.**

- a. **Seller's General Obligations Regarding the System.** Subject to the terms and conditions of this Agreement, Seller shall design, engineer, install, commission, monitor, operate and maintain the System, in each case in a good and workmanlike manner and in accordance with applicable law and prudent solar industry practices in the state in which the Premises are located. The System shall comply with all applicable rules, regulation and local building codes.
- b. **System Design Approval.** Seller shall provide Purchaser with a copy of the System design for approval prior to commencement of construction. Purchaser shall have ten (10) days after receipt to approve or disapprove the design. Failure by Purchaser to respond within such ten (10) day period shall be deemed approval of the design. If Purchaser disapproves the design, Seller shall modify the design and resubmit it for Purchaser's approval. If the System design modifications requested by Purchaser render the System non-viable, Seller may terminate this Agreement under Section 2(c) above.
- c. **System Repair and Maintenance.** Seller may suspend delivery of electricity from the System to the Delivery Point for the purpose of maintaining and repairing the System; provided that Seller shall use commercially reasonable efforts to (i) minimize any interruption in service to the Purchaser, and (ii) limit any such suspension of service to weekend or off-peak hours. Scheduled and unscheduled maintenance and repairs shall be undertaken at Seller's sole cost and expense, except that Purchaser shall reimburse Seller for the reasonable cost of any repairs or maintenance resulting from damage caused by Purchaser, its agents, employees or contractors.



- d. **Outages.** Upon Purchaser's written request, Seller shall take the System off-line for a total of one-hundred (100) daylight hours (as defined by the United States National Weather Service in the area where the System is located) during each Contract Year (each event an "**Outage**" and the one-hundred (100) hour period the "**Outage Allowance**"). The Outage Allowance includes all Outage hours undertaken by Seller for maintenance or repairs for which Purchaser is responsible pursuant to Section 6(b) or requested by Purchaser under this Section 6(d) (other than due to the fault or negligence of Seller). Purchaser's request shall be delivered at least forty-eight (48) hours in advance. Purchaser is not obligated to accept or pay for electricity from the System for Outages up to the annual Outage Allowance. If the aggregate hours for Outages exceed the Outage Allowance in a given Contract Year, Seller shall reasonably estimate the amount of electricity that would have been delivered to Purchaser during such excess Outages and Purchaser shall pay Seller for such amount in accordance with this Agreement.
- e. **Maintenance of Premises.** Purchaser shall, at its sole cost and expense, maintain the Premises and Improvements in good condition and repair. Purchaser, to the extent within its reasonable control, (i) shall ensure that the Premises remains interconnected to the local utility grid at all times; and (ii) shall not permit cessation of electric service to the Premises from the local utility. Purchaser is fully responsible for, and shall properly maintain in full working order and good repair, the electrical infrastructure on the Purchaser's side of the Delivery Point, including all of Purchaser's equipment that utilizes the System's outputs. Purchaser shall use commercially reasonable efforts to cooperate with Seller to comply with any technical standard of the utility providing electrical power to the Purchaser, and does not need to receive permission to operate from the utility.
- f. **No Alteration of Premises.** Not less than thirty (30) days prior to making any alterations or repairs to the Premises (except for emergency repairs) or any Improvement which may adversely affect the operation and maintenance of the System, Purchaser shall inform Seller in writing and, thereafter, shall use commercially reasonable efforts to conduct such repairs, alterations or Improvements in compliance with any reasonable request made by Seller within ten (10) days after having received such written request to mitigate any adverse effect. If any repair, alteration or Improvement result in a permanent and material adverse economic impact on the System, Purchaser may request relocation of the System under Section 8 hereof. To the extent that temporary disconnection or removal of the System is necessary to perform such alterations or repairs, Seller shall perform such work, and any re-connection or re-installation of the System, at Purchaser's cost, subject to Sections 6(b) and 6(c). Seller shall make any alterations and repairs in a good and workmanlike manner, in compliance with all applicable laws, codes and permits.

## 7. **Miscellaneous Rights and Obligations of the Parties.**

- a. **Access Rights.**<sup>1</sup> Purchaser hereby grants to Seller and to Seller's agents, employees, contractors and the utility (i) a non-exclusive license running with the Premises (the "**Non-Exclusive License**") for access to, on, over, under and across the Premises from the Effective Date until the date that is ninety (90) days following the date of expiration or earlier termination of this Agreement (the "**License Term**"), for the purposes of performing all of Seller's obligations and enforcing all of Seller's rights set forth in this Agreement and otherwise as required by Seller in order to effectuate the purposes of this Agreement. In addition to the foregoing, if the System shall be a ground-mounted System to be located within a secure, fenced area on the Premises, Purchaser hereby grants to Seller an exclusive, sub-licensable license running with the Premises (the "**Exclusive License**", and together with the Non-Exclusive License, the "**Licenses**") for purposes of the installation, operation, use and maintenance of the System on such exclusively licensed area of the Premises during the License Term. **Seller and its employees, agents and contractors must comply with Purchaser's site safety and security requirements when on the Premises (other than in respect of the fenced area governed by the Exclusive License) during the License Term.** During the License Term, Purchaser shall preserve and protect Seller's rights under the Licenses and Seller's access to the Premises and shall not interfere, or permit any third parties under Purchaser's control to interfere with such rights or access. Seller may record a customary memorandum of license in the land records respecting the Licenses.
- b. **OSHA Compliance.** Each Party shall comply with all Occupational Safety and Health Act (OSHA) requirements and other similar applicable safety laws and codes with respect to such Party's performance under this Agreement.

<sup>1</sup> *The Agreement provides for access to the Premises through a license and assumes that the Purchaser is the owner of the Premises. However, certain Sellers may prefer for access to the Premises to be provided through a lease or sublease. If the Purchaser is not the owner of the Premises, the lease or license will have to be entered into with the third party owner.*

- c. **Safeguarding the Premises.** Purchaser shall maintain the physical security of the Premises and Improvements in a manner to be expected of a reasonable and prudent owner or lessee of premises and improvements similar to the Premises and Improvements in nature and location. Purchaser shall not conduct or permit activities on, in or about the Premises or the Improvements that have a reasonable likelihood of causing damage, impairment or otherwise adversely affecting the System. Purchaser shall indemnify Seller for any loss or damage to the System to the extent caused by or arising out of (i) Purchaser's breach of its obligations under this Section or (ii) the acts or omissions of Purchaser or its employees, agents, invitees or separate contractors.
- d. **Insolation.** Purchaser acknowledges that unobstructed access to sunlight ("**Insolation**") is essential to Seller's performance of its obligations and a material term of this Agreement. Purchaser shall not, to the extent within its reasonable control, cause or permit any interference with the System's Insolation, and shall ensure that vegetation on the Premises adjacent to the System is regularly pruned or otherwise maintained to prevent interference with the System's Insolation. If Purchaser discovers any activity or condition that could diminish the Insolation of the System, Purchaser shall immediately notify Seller and cooperate with Seller in preserving and restoring the System's Insolation levels as they existed on the Effective Date.
- e. **Use and Payment of Contractors and Subcontractors.** Seller shall use suitably qualified, experienced and licensed contractors and subcontractors to perform its obligations under this Agreement. However, Seller shall be responsible for the quality of the work performed by its contractors and subcontractors. Seller shall pay when due all valid charges from all contractors, subcontractors and suppliers supplying goods or services to Seller under this Agreement.
- f. **Liens.**
  - i. **Lien Obligations.** Purchaser shall not directly or indirectly cause, create, incur, assume or allow to exist any mortgage, pledge, lien, charge, security interest, encumbrance or other claim of any nature, except such encumbrances as may be required to allow Seller access to the Premises, (each a "**Lien**") on or with respect to the System. Seller shall not directly or indirectly cause, create, incur, assume or allow to exist any Lien on or with respect to the Premises or the Improvements, other than those Liens which Seller is permitted by law to place on the Premises due to non-payment by Purchaser of amounts due under this Agreement. Each Party shall immediately notify the other Party in writing of the existence of any such Lien following discovery of same, and shall promptly (and in all events within thirty (30) days) cause the same to be discharged and released of record without cost to the other Party; provided, however, that each indemnifying Party has the right to contest any such Lien, so long as it provides a statutory bond or other reasonable assurances of payment that either removes such Lien from title to the affected property, or that assures that any adverse judgment with respect to such Lien shall be paid without affecting title to such property.
  - ii. **Lien Indemnity.** Each Party shall indemnify the other Party from and against all claims, losses, damages, liabilities and expenses resulting from any Liens filed against such other Party's property as a result of the indemnifying Party's breach of its obligations under Section 7(f)(i).

## 8. **Relocation of System.**

If, during the Term, Purchaser ceases to conduct business operations at the Premises or vacates the Premises; the Premises have been destroyed; or the Purchaser is otherwise unable to continue to host the System or accept the electricity delivered by the System for any other reason (other than a Default Event by Seller), Purchaser may propose in writing the relocation of the System, at Purchaser's cost, in lieu of termination of the Agreement by Seller for a Default Event by Purchaser. If such proposal is practically feasible and preserves the economic value of the agreement for Seller, the Parties shall seek to negotiate in good faith an agreement for the relocation of the System. If the Parties are unable to reach agreement on relocation of the System within sixty (60) days after the date of receipt of Purchaser's proposal, Seller may terminate this Agreement pursuant to Section 11(b)(ii).

## 9. **Removal of System upon Termination or Expiration.**

Upon the expiration or earlier termination of this Agreement (provided Purchaser does not exercise its purchase option under Section 14(b)), Seller shall, at its expense (unless expressly provided otherwise in this Agreement), remove all of the tangible property comprising the System from the Premises with a targeted completion date that is no later than ninety (90) days after the expiration of the Term. The portion of the Premises where the System is located shall be returned to substantially its original condition (excluding ordinary wear and tear), including the removal of System mounting pads or other support structures, and

repair and restoration of the roof and the roof membrane. If the System is installed on the roof of an Improvement, Seller's warranties under Section 12(c)(i) shall apply, as applicable. Purchaser must provide sufficient access, space and cooperation as reasonably necessary to facilitate System removal. If Seller fails to remove or commence substantial efforts to remove the System by such agreed upon date, Purchaser may, at its option, to remove the System to a public warehouse and restore the Premises to its original condition (other than ordinary wear and tear) at Seller's cost.

#### 10. **Measurement.**

- a. **Meter.** The System's electricity output during the Term shall be measured by Seller's meter, which shall be a revenue grade meter that meets ANSI-C12.20 standards for accuracy (the "**Meter**"). Purchaser shall have access to the metered energy output data via the monitoring system installed and maintained by Seller as part of the System.
- b. **Meter Calibration.** Seller shall calibrate the Meter in accordance with manufacturer's recommendations. Notwithstanding the foregoing, Purchaser may install, or cause to be installed, its own revenue-grade meter at the same location as the Meter. If there is a discrepancy between the data from Purchaser's meter and the data from the Meter of greater than two percent (2%) over the course of a Contract Year, then Purchaser may request that Seller calibrate the Meter at Purchaser's cost.

#### 11. **Default, Remedies and Damages.**

- a. **Default.** Any Party that fails to perform its responsibilities as listed below or experiences any of the circumstances listed below is deemed a "**Defaulting Party**", the other Party is the "**Non-Defaulting Party**" and each of the following is a "**Default Event**":
  - i. failure of a Party to pay any amount due and payable under this Agreement, other than an amount that is subject to a good faith dispute, within ten (10) days following receipt of written notice from the Non-Defaulting Party of such failure to pay ("**Payment Default**");
  - ii. failure of a Party to perform any material obligation under this Agreement not addressed elsewhere in this Section 11(a) within thirty (30) days following receipt of written notice from the Non-Defaulting Party demanding such cure; provided, that if the Default Event cannot reasonably be cured within thirty (30) days and the Defaulting Party has demonstrated prior to the end of that period that it is diligently pursuing such cure, the cure period will be extended for a further reasonable period of time, not to exceed ninety (90) days;
  - iii. any representation or warranty given by a Party under this Agreement was incorrect in any material respect when made and is not cured within thirty (30) days following receipt of written notice from the Non-Defaulting Party demanding such cure;
  - iv. a Party becomes insolvent or is a party to a bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors, or any general assignment for the benefit of creditors or other similar arrangement or any event occurs or proceedings are taken in any jurisdiction with respect to the Party which has a similar effect (or, if any such actions are initiated by a third party, such action(s) is (are) not dismissed within sixty (60) days); or,
  - v. in the case of Purchaser as the Defaulting Party only, Purchaser (a) loses its rights to occupy and enjoy the Premises, unless (i) the Parties agree upon a relocation under Section 8 above, or (ii) Purchaser pays the Termination Payment determined under Section 6 of **Exhibit 1** within thirty (30) days after written request by Seller; or (b) prevents Seller from performing any material obligation under this Agreement unless such action by Purchaser is (i) is permitted under this Agreement, or (ii) is cured within ten (10) days after written notice thereof from Seller.
- b. **Remedies.**
  - i. **Suspension.** Upon the occurrence and during the continuation of a Default Event by Purchaser, including a Payment Default, Seller may suspend performance of its obligations under this Agreement until the earlier to occur of the date (a) that Purchaser cures the Default Event in full, or (b) of termination of this Agreement. Seller's rights under this Section 11(b)(i) are in addition to any other remedies available to it under this Agreement, at law or in equity.

- ii. **Termination.** Upon the occurrence and during the continuation of a Default Event, the Non-Defaulting Party may terminate this Agreement, by providing five (5) days prior written notice to the Defaulting Party; provided, that, in the case of a Default Event under Section 11(a)(iv), the Non-Defaulting Party may terminate this Agreement immediately.
  - iii. **Damages Upon Termination by Default.** Upon a termination of this Agreement pursuant to Section 11(b)(ii), the Defaulting Party shall pay a termination payment to the Non-Defaulting Party determined as follows (the “Termination Payment”):
    - (1) **Termination by Seller.** If Seller terminates this Agreement for a Default Event by Purchaser, the Termination Payment payable to Seller shall be equal to the sum of (i) the applicable amount set forth in the Termination Payment Schedule set forth as Item 6 of **Exhibit 1**, and (ii) any other amounts previously accrued under this Agreement and then owned by Purchaser to Seller.
    - (2) **Termination by Purchaser.** If Seller is the Defaulting Party and Purchaser terminates this Agreement, the Termination Payment to Purchaser will be equal to the sum of (i) all direct costs reasonably incurred by Purchaser by reason of the termination; and (ii) any and all other amounts previously accrued under this Agreement and then owed by Seller to Purchaser. The Termination Payment determined under this Section 11(b)(iii)(2) cannot be less than zero.
  - iv. **Liquidated Damages.** The Parties agree that, if Seller terminates this Agreement prior to the expiration of the Term pursuant to Section 11(b)(ii), actual damages would be difficult to ascertain, and the Termination Payment determined in accordance with Section 11(b)(iii)(1) is a reasonable approximation of the damages suffered by Seller as a result of early termination of this Agreement and is not a penalty.
- c. **Obligations Following Termination.** If a Party terminates this Agreement pursuant to Section 11(b)(ii), then following such termination, Seller shall remove the equipment constituting the System in compliance with Section 9 above at the sole cost and expense of the Defaulting Party, *provided, however* that Seller shall not be required to remove the System following the occurrence of a Default Event by Purchaser pursuant to Section 11(a)(i), unless Purchaser pre-pays the cost of restoration reasonably estimated by Seller.
- i. **Reservation of Rights.** Except in the case of a termination under Section 11(b)(ii) and payment of a Termination Payment, if any, determined pursuant to Section 11(b)(ii), nothing in this Section 11 limits either Party’s right to pursue any remedy under this Agreement, at law or in equity, including with respect to the pursuit of an action for damages by reason of a breach or Default Event under this Agreement.
  - ii. **Mitigation Obligation.** Regardless of whether this Agreement is terminated for a Default Event, the Non-Defaulting Party must make commercially reasonable efforts to mitigate its damages as the result of such Default Event; provided that such obligation shall not reduce Purchaser’s obligation to pay the full Termination Payment set forth in Section 6 of Exhibit 1 following a Default Event by Purchaser.
  - iii. **No Limitation on Payments.** Nothing in this Section 11 excuses a Party’s obligation to make any payment when due under this Agreement, including with respect to payments for electricity that would have been delivered to Purchaser but for a Purchaser breach or Default Event.

## 12. **Representations and Warranties.**

- a. **General Representations and Warranties.** Each Party represents and warrants to the other the following:
  - i. Such Party is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation; the execution, delivery and performance by such Party of this Agreement have been duly authorized by all necessary corporate, partnership or limited liability company action, as applicable, and do not and will not violate any law; and this Agreement is the valid obligation of such Party, enforceable against such Party in accordance with its terms (except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws now or hereafter in effect relating to creditors’ rights generally).
  - ii. Such Party has obtained all licenses, authorizations, consents and approvals required by any Governmental Authority or other third party and necessary for such Party to own its assets, carry on its business and to execute and deliver this Agreement; and such Party is in compliance with all laws that relate to this Agreement in all material respects.

**b. Purchaser's Representations and Warranties.** Purchaser represents and warrants to Seller the following:

- i. **Licenses.** (a) Purchaser has title to or a leasehold or other valid property interest in the Premises such that Purchaser has the full right, power and authority to grant the Licenses in Section 7(a), (b) such grant of the Licenses does not violate any law, ordinance, rule or other governmental restriction applicable to Purchaser or the Premises and is not inconsistent with and will not result in a breach or default under any agreement by which Purchaser is bound or that affects the Premises, and (c) if Purchaser does not own the Premises or any Improvement on which the System is to be installed, Purchaser has obtained all required consents from the owner of the Premises and/or Improvements, as the case may be, to grant the Licenses to Seller so that Seller may perform its obligations under this Agreement.
- ii. **Other Agreements.** Neither the execution and delivery of this Agreement by Purchaser nor the performance by Purchaser of any of its obligations under this Agreement conflicts with or will result in a breach or default under any agreement or obligation to which Purchaser is a party or by which Purchaser is bound.
- iii. **Accuracy of Information.** All information provided by Purchaser to Seller, as it pertains to (a) the Premises, (b) the Improvements on which the System is to be installed, if applicable, (c) Purchaser's planned use of the Premises and any applicable Improvements, and (d) Purchaser's estimated electricity requirements, is accurate in all material respects.
- iv. **Purchaser Status.** Purchaser is not a public utility or a public utility holding company and is not subject to regulation as a public utility or a public utility holding company.
- v. **Limit on Use.** No portion of the electricity generated by the System shall be used to heat a swimming pool.<sup>2</sup>

**c. Seller's Warranties.**

- i. If Seller penetrates the roof of any Improvement on which the System is installed, during System installation or any System repair, Seller shall warrant roof damage it causes as a direct result of these roof penetrations. This roof warranty shall terminate upon the later of (a) one (1) year following the completion of the System installation or repair, as the case may be, and (b) the length of any then-effective installer warranty on the applicable roof.
- ii. If Seller damages any other part of the Premises or any Improvement (including roof damages not covered under Section 12(c)(i) above), Seller shall repair or reimburse Purchaser for such damage, as agreed by the Parties.

**NO OTHER WARRANTY.** THE WARRANTIES SET FORTH IN SECTIONS 12(a) AND 12(c) OF THIS AGREEMENT ARE PURCHASER'S SOLE AND EXCLUSIVE BASIS FOR ANY CLAIM OR LIABILITY ARISING OUT OF OR IN CONNECTION WITH THIS SECTION 12, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE. OTHER THAN AS EXPRESSLY SET FORTH IN SECTIONS 12(a) AND 12(c), NO WARRANTY, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, OR WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE, APPLIES UNDER THIS AGREEMENT. IF A PERFORMANCE GUARANTY IS BEING PROVIDED PURSUANT TO SECTION 4(d) OF EXHIBIT 1, THE PERFORMANCE GUARANTY WILL REPRESENT A SEPARATE CONTRACT BETWEEN PURCHASER AND THE ISSUER OF THE PERFORMANCE GUARANTY. IF THE ISSUER OF THE PERFORMANCE GUARANTY (OR ANY SUBSEQUENT ASSIGNEE) AND THE SELLER ARE NOT THE SAME PERSON, NO RIGHTS PROVIDED TO PURCHASER BY THE PERFORMANCE GUARANTY MAY BE ASSERTED UNDER THIS AGREEMENT, AND NO CLAIM UNDER THE PERFORMANCE GUARANTY WILL AFFECT PURCHASER'S OBLIGATIONS UNDER THIS AGREEMENT.

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<sup>2</sup> This limitation reflects the requirements to qualify for the Federal Energy Tax Credit under §48 of the Internal Revenue Code. Individual states or localities may have further restrictions on the use of electricity from the System. Purchasers and Sellers are encouraged to consult local law to ensure that no such restrictions are being violated.



**13. Insurance.**

- a. **Insurance Coverage.** At all times during the Term, the Parties shall maintain the following insurance, as applicable:
- i. **Seller's Insurance.** Seller shall maintain or ensure the following is maintained (a) commercial general liability insurance with coverage of at least \$1,000,000 per occurrence and \$2,000,000 annual aggregate, (b) employer's liability insurance with coverage of at least \$1,000,000 and (c) workers' compensation insurance as required by law. Seller's coverage may be provided as part of an enterprise insurance program.
  - ii. **Purchaser's Insurance.** Purchaser shall maintain or ensure the following is maintained (a) property insurance on the System for the replacement cost thereof and be reimbursed by Seller and (b) commercial general liability insurance with coverage of at least \$1,000,000 per occurrence and \$2,000,000 annual aggregate.
    - (1) (30) days prior to the Commercial Operation Date, Seller shall provide Purchaser with the replacement cost of the System and Purchaser shall purchase and itemize the increase in insurance costs due the insurance requirements detailed in section 13.a.ii.(a). Seller shall reimburse the Purchaser within (14) business days for the insurance premium and divide this cost by the estimated kWh of the project as calculated by PVWatts or a similar satellite-based solar production software. The \$/kWh insurance premium shall be added back into the Contract Price for the first year.
    - (2) Each additional year, (30) days prior to the anniversary of the Commercial Operation Date or Seller's typical insurance procurement schedule, Purchaser shall itemize the increase in insurance costs due to the insurance requirements detailed in section 13.a.ii.(a). Seller shall reimburse the Purchaser within (14) business days for the insurance premium and divide this cost by the previous year's actual kWh of the project. The \$/kWh insurance premium shall be added back into the Contract Price.
- b. **Policy Provisions.** Each Party's insurance policies shall (i) contain a provision whereby the insurer agrees to give the other Party at least thirty (30) days (ten days for non-payment of premiums) written notice before the insurance is cancelled, or terminated, (ii) be written on an occurrence basis, and (iii) be maintained with companies either rated no less than A-VII as to Policy Holder's Rating in the current edition of A.M. Best's Insurance Guide or otherwise reasonably acceptable to the other Party.
- c. **Certificates.** Upon the other Party's request, each Party shall deliver to the other Party certificates of insurance evidencing the above required coverage. A Party's receipt, review or acceptance of such certificate shall in no way limit or relieve the other Party of the duties and responsibilities to maintain insurance as set forth in this Agreement.
- d. **Deductibles.** Each Party shall pay its own insurance deductibles, except in the case of claims (i) resulting from a breach of this Agreement, in which case the breaching Party is responsible for payment of the non-breaching Party's deductible for any responding insurance, and (ii) covered by an indemnity set forth in this Agreement.

**14. Ownership; Option to Purchase.**

- a. **Ownership of System.**
- i. **Ownership; Personal Property.** Throughout the Term, Seller shall be the legal and beneficial owner of the System, and all RECs and Incentives, and the System will remain the personal property of Seller and will not attach to or be deemed a part of, or fixture to, the Premises or any Improvement on which the System is installed. Each of the Seller and Purchaser agree that the Seller is the tax owner of the System and all tax filings and reports shall be filed in a manner consistent with this Agreement. The System will at all times retain the legal status of personal property as defined under Article 9 of the Uniform Commercial Code.
  - ii. **Notice to Purchaser Lienholders.** Purchaser shall use commercially reasonable efforts to place all parties having a Lien on the Premises or any Improvement on which the System is installed on notice of the ownership of the System and the legal status or classification of the System as personal property. If any mortgage or fixture filing against the Premises could reasonably be construed as prospectively attaching to the System as a fixture of the Premises, Purchaser shall provide a disclaimer or release from such lienholder.



- iii. **Fixture Disclaimer.** If Purchaser is the fee owner of the Premises, Purchaser consents to the filing of a disclaimer of the System as a fixture of the Premises in the office where real estate records are customarily filed in the jurisdiction where the Premises are located. If Purchaser is not the fee owner, Purchaser shall obtain such consent from such owner. For the avoidance of doubt, in either circumstance Seller has the right to file such disclaimer.
- iv. **SNDA.** Upon request, Purchaser shall deliver to Seller a subordination and non-disturbance agreement in a form mutually acceptable to Seller and the provider of the subordination and non-disturbance agreement from the owner of the Premises (if the Premises are leased by Purchaser), any mortgagee with a Lien on the Premises, and other Persons holding a similar interest in the Premises.
- v. **Eviction Notice.** To the extent that Purchaser does not own the Premises or any Improvement on which the System is installed, Purchaser shall provide to Seller immediate written notice of receipt of notice of eviction from the Premises or applicable Improvement or termination of Purchaser's lease of the Premises and/or Improvement.

**b. Option to Purchase.**

- i. **Exercise of Option.** At the end of the tenth (10th) Contract Years and each Additional Term, so long as Purchaser is not in default under this Agreement, Purchaser may purchase the System from Seller on any such date for a purchase price equal to \$34,000 plus all reasonable transaction fees & applicable transfer taxes. Purchaser shall have the option to pay the purchase price over a 2-year period via an increased Contract Price. For example, if the purchase price is \$10,000 then an additional \$5,000 per year will be divided by the average kWh of the previous years will be prorated monthly and added to each invoice. Purchaser shall notify Seller of its intent to purchase at least ninety (90) days and not more than one hundred eighty (180) days prior to the end of the applicable Contract Year or the Initial Term or Additional Term, as applicable, and the purchase shall be completed prior to the end of the applicable Contract Year or the Initial Term or Additional Term, as applicable.
- ii. **Title Transfer; Warranties; Manuals.** Seller shall transfer good title to the System to Purchaser upon Seller's receipt of the purchase price and execution by the Parties of a written instrument or agreement to effect such transfer. The System will be sold "as is, where is, with all faults". Seller will assign to Purchaser any manufacturer's warranties that are in effect as of the date of purchase and which are then assignable pursuant to their terms, but Seller otherwise disclaims all warranties of any kind, express or implied, concerning the System (other than as to title). Seller shall also provide Purchaser all System operation and maintenance manuals and logs in Seller's possession and provide Purchaser basic training on the operation and maintenance of the System upon Purchaser's reasonable request. Upon purchase of the System, Purchaser shall assume complete responsibility for the operation and maintenance of the System and liability for the performance of (and risk of loss for) the System, and, except for any Seller obligations that survive termination under Section 19(d), Seller will have no further liabilities or obligations hereunder for the System.
- iii. **Right of First Offer for an Operations and Maintenance Contract.** A Right of First Offer clause (also known as a "ROFO" or "First Right of Offer") gives Seller the first opportunity to negotiate before the owner can offer it to others. Therefore, if Purchaser intends to hire a company to manage the operations, maintenance, and asset management (the "O&M Contract") of the Project after the sale, Purchaser hereby grants the Seller the first right to make an offer for the O&M Contract, before the Purchaser offers the contract to any third party.
  - (1) **Intent to Bid.** Purchaser shall provide written notice (the "Notice") to Seller that it intends to seek an O&M Contract for the Project. The Notice shall include the terms and conditions of the proposed contract, including the scope of work and any other relevant details (the "Offer Terms").
  - (2) **Procedure.** Upon receipt of the Notice, Seller shall have (30) days to respond with a proposed O&M Contract, based on the terms outlined in the Notice or on terms mutually agreed upon by the parties. If Seller does not respond within the (30) day period, Purchaser is free to offer the contract to any third party on terms that are not more favorable than those offered to Seller.
  - (3) **Failure to Reach Agreement.** If in the event that Seller does not accept the Offer Terms, or if the parties fail to reach a mutually acceptable agreement within (30) days after the Notice, Purchaser shall have the right to offer the O&M Contract to a third party, provided that the terms to such third party are not more favorable than those offered to Seller under the Right of First Offer.

- (4) Expiration of ROFO. The First Right of Offer granted herein shall terminate upon the earlier of:
  - (a) Seller's written waiver of the ROFO; or (b) (15) years from the date of this Agreement.
- (5) No Obligation. Nothing in this clause shall obligate Purchaser to hire the Seller, and Purchaser reserves the right, at its sole discretion, to reject any offer made by Seller. Purchaser may also provide their own O&M internally, and choose not to go to bid. As such, the Purchaser has no obligation to the Seller if they do not plan to go to bid for the O&M Contract.
- (6) Confidentiality. The existence and terms of this ROFO shall be confidential and may not be disclosed to any third party without the prior written consent of both parties, except as required by law.

## 15. Indemnification and Limitations of Liability.

- a. General. Each Party (the "**Indemnifying Party**") shall defend, indemnify and hold harmless the other Party, its affiliates and the other Party's and its affiliates' respective directors, officers, shareholders, partners, members, agents and employees (collectively, the "**Indemnified Parties**"), from and against any loss, damage, expense, liability and other claims, including court costs and reasonable attorneys' fees (collectively, "**Liabilities**") resulting from (1) any Claim (as defined in Section 15(b) relating to the Indemnifying Party's breach of any representation or warranty set forth in Section 12 and (2) injury to or death of persons, and damage to or loss of property to the extent caused by or arising out of the negligent acts or omissions of, or the willful misconduct of, the Indemnifying Party (or its contractors, agents or employees) in connection with this Agreement; provided, however, that nothing herein will require the Indemnifying Party to indemnify the Indemnified Parties for any Liabilities to the extent caused by or arising out of the negligent acts or omissions of, or the willful misconduct of, an Indemnified Party. This Section 15(a) does not apply to Liabilities arising out of or relating to any form of Hazardous Substances or other environmental contamination, such matters being addressed exclusively by Section 15(c).
- b. Notice and Participation in Third Party Claims. The Indemnified Party shall give the Indemnifying Party written notice with respect to any Liability asserted by a third party (a "**Claim**"), as soon as possible upon the receipt of information of any possible Claim or of the commencement of such Claim. The Indemnifying Party may assume the defense of any Claim, at its sole cost and expense, with counsel designated by the Indemnifying Party and reasonably satisfactory to the Indemnified Party. The Indemnified Party may, however, select separate counsel if both Parties are defendants in the Claim and such defense or other form of participation is not reasonably available to the Indemnifying Party. The Indemnifying Party shall pay the reasonable attorneys' fees incurred by such separate counsel until such time as the need for separate counsel expires. The Indemnified Party may also, at the sole cost and expense of the Indemnifying Party, assume the defense of any Claim if the Indemnifying Party fails to assume the defense of the Claim within a reasonable time. Neither Party may settle any Claim covered by this Section 15(b) unless it has obtained the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. The Indemnifying Party has no liability under this Section 15(b) for any Claim for which such notice is not provided if the failure to give notice prejudices the Indemnifying Party.
- c. Environmental Indemnification.
  - i. Seller Indemnity. Seller shall indemnify, defend and hold harmless all of Purchaser's Indemnified Parties from and against all Liabilities arising out of or relating to the existence at, on, above, below or near the Premises of any Hazardous Substance (as defined in Section 15(c)(iv)) to the extent deposited, spilled or otherwise caused by Seller or any of its contractors, agents or employees.
  - ii. Purchaser Indemnity. Purchaser shall indemnify, defend and hold harmless all of Seller's Indemnified Parties from and against all Liabilities arising out of or relating to the existence at, on, above, below or near the Premises of any Hazardous Substance, except to the extent deposited, spilled or otherwise caused by Seller or any of its contractors, agents or employees.
  - iii. Notice. Each Party shall promptly notify the other Party if it becomes aware of any Hazardous Substance on or about the Premises generally or any deposit, spill or release of any Hazardous Substance. "**Hazardous Substance**" means any chemical, waste or other substance (a) which now or hereafter becomes defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants," "pollution," "pollutants," "regulated substances," or words of similar import under any laws pertaining to the environment, health, safety or welfare, (b) which is declared to be hazardous, toxic, or polluting by any Governmental Authority, (c) exposure to which is now or hereafter prohibited, limited or regulated by any Governmental Authority, (d) the storage, use, handling, disposal or release of which is restricted or regulated by any

Governmental Authority, or (e) for which remediation or cleanup is required by any Governmental Authority.

**d. Limitations on Liability.**

- i. **No Consequential Damages.** Except with respect to indemnification of third-party claims pursuant to Section 16, neither Party nor its directors, officers, shareholders, partners, members, agents and employees subcontractors or suppliers will be liable for any indirect, special, incidental, exemplary, or consequential loss or damage of any nature (including, without limitation, lost revenues, lost profits, lost business opportunity or any business interruption) arising out of their performance or non-performance hereunder even if advised of such. Notwithstanding the previous sentence, the Termination Payment set forth in Section 6 of Exhibit 1 shall be deemed to be direct, and not indirect or consequential damages for purpose of this Section 15(d)(i)
  - ii. **Actual Damages.** Except with respect to indemnification of Claims pursuant to this Section 15, and except as otherwise limited in Section 13(c), Seller's aggregate liability under this Agreement arising out of or in connection with the performance or non-performance of this Agreement cannot exceed the total payments made (and, as applicable, projected to be made) by Purchaser under this Agreement. The provisions of this Section 15(d)(ii) will apply whether such liability arises in contract, tort, strict liability or otherwise.
- e. EXCLUSIVE REMEDIES.** TO THE EXTENT THAT THIS AGREEMENT SETS FORTH SPECIFIC REMEDIES FOR ANY CLAIM OR LIABILITY, SUCH REMEDIES ARE THE AFFECTED PARTY'S SOLE AND EXCLUSIVE REMEDIES FOR SUCH CLAIM OR LIABILITY, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.
- f. Comparative Negligence.** Where negligence is determined to have been joint, contributory or concurrent, each Party shall bear the proportionate cost of any Liability.

**16. Change in Law.**

- a. **Impacts of Change in Law.** If Seller determines that a Change in Law has occurred or will occur that has or will have a material adverse effect on Seller's rights, entitlement, obligations or costs under this Agreement, then Seller may so notify the Purchaser in writing of such Change in Law. Within thirty (30) days following receipt by the Purchaser of such notice, the Parties shall meet and attempt in good faith to negotiate such amendments to this Agreement as are reasonably necessary to preserve the economic value of this Agreement to both Parties. If the Parties are unable to agree upon such amendments within such thirty (30) day period, then Seller may terminate this Agreement and remove the System and restore the Premises in accordance with Section 9 without either Party having further liability under this Agreement except with respect to liabilities accrued prior to the date of termination.
- b. **Illegality or Impossibility.** If a Change in Law renders this Agreement or Seller's performance of this Agreement illegal or impossible, Seller may terminate Agreement immediately upon notice to Purchaser without either Party having further liability under this Agreement, except with respect to liabilities accrued prior to date of termination.
- c. **"Change in Law"** means (i) the enactment, adoption, promulgation, modification or repeal after the Effective Date of any applicable law or regulation, (ii) the imposition of any material conditions on the issuance or renewal of any applicable permit after the Effective Date (notwithstanding the general requirements contained in any applicable Permit at the time of application or issue to comply with future laws, ordinances, codes, rules, regulations or similar legislation), or (iii) a change in any utility rate schedule or tariff approved by any Governmental Authority.

**17. Assignment and Financing.**

**a. Assignment.**

- i. **Restrictions on Assignment.** Subject to the remainder of this Section 17(a), this Agreement may not be assigned in whole or in part by either Party without the prior written consent of the other Party, which consent may not be unreasonably withheld or delayed. Purchaser may not withhold its consent to an assignment proposed by Seller where the proposed assignee has the financial capability and experience necessary to operate and maintain solar photovoltaic systems such as the System.
- ii. **Permitted Assignments.** Notwithstanding Section 17(a)(i):
  - (1) Seller may, without the prior written consent of Purchaser, assign, mortgage, pledge or otherwise directly or indirectly assign its interests in this Agreement to (A) any Financing Party (as defined in Section 17(b)),

(B) any entity through which Seller is obtaining financing from a Financing Party, or (C) any affiliate of Seller or any person succeeding to all or substantially all of the assets of Seller; provided, that, Seller is not released from liability hereunder as a result of any assignment to an affiliate unless the assignee assumes Seller's obligations hereunder by binding written instrument; and

(2) Purchaser may, by providing prior notice to Seller, assign this Agreement:

- a. to an affiliate of Purchaser or a purchaser of the Premises; provided, that, Purchaser is not released from liability hereunder by reason of the assignment unless the assignee assumes Purchaser's obligations hereunder by binding written instrument on terms satisfactory to Seller, including as to the assignee's creditworthiness; and
- b. to an assignee that has an Investment Grade credit rating at the time of the assignment. "**Investment Grade**" means the assignee has a long-term unsecured debt rating from Moody's or S&P of at least Baa3 from Moody's and/or at least BBB- from S&P.

iii. Successors and Permitted Assignees. This Agreement is binding on and inures to the benefit of successors and permitted assignees. The restrictions on assignment contained herein do not prohibit or otherwise limit changes in control of Seller.

- b. Financing. The Parties acknowledge that Seller may obtain debt or equity financing or other credit support from lenders, investors or other third parties (each a "**Financing Party**") in connection with the installation, construction, ownership, operation and maintenance of the System. In furtherance of Seller's financing arrangements and in addition to any other rights or entitlements of Seller under this Agreement, Purchaser shall timely execute any consents to assignment (which may include notice, cure, attornment and step-in rights) or estoppels and negotiate any amendments to this Agreement that may be reasonably requested by Seller or the Financing Parties; provided, that such estoppels, consents to assignment or amendments do not alter the fundamental economic terms of this Agreement.
- c. Termination Requires Consent. Seller and Purchaser agree that any right of Seller to terminate this Agreement is subject to the prior written consent of any Financing Party.

## 18. Confidentiality.

- a. Confidential Information. To the maximum extent permitted by applicable law, if either Party provides confidential information ("**Confidential Information**") to the other or, if in the course of performing under this Agreement or negotiating this Agreement a Party learns Confidential Information of the other Party, the receiving or learning Party shall (i) protect the Confidential Information from disclosure to third parties with the same degree of care accorded its own confidential and proprietary information, and (ii) refrain from using such Confidential Information, except in the negotiation, performance, enforcement and, in the case of Seller, financing, of this Agreement. The terms of this Agreement (but not the fact of its execution or existence) are considered Confidential Information of each Party for purposes of this Section 18(a).
- b. Permitted Disclosures. Notwithstanding Section 18(a):
  - i. Each Party may provide such Confidential Information to its affiliates and to its and its affiliates' respective officers, directors, members, managers, employees, agents, contractors, consultants and Financing Parties (collectively, "Representatives"), and potential direct or indirect assignees of this Agreement if such potential assignees are first bound by a written agreement or legal obligation restricting use and disclosure of Confidential Information. Each Party is liable for breaches of this provision by any person to whom that Party discloses Confidential Information.
  - ii. Confidential Information does not include any information that (a) becomes publicly available other than through breach of this Agreement, (b) is required to be disclosed to a Governmental Authority under applicable law or pursuant to a validly issued subpoena, (c) is independently developed by the receiving Party, or (d) becomes available to the receiving Party without restriction from a third party under no obligation of confidentiality. If disclosure of information is required by a Governmental Authority, the disclosing Party shall, to the extent permitted by applicable law, notify the other Party of such required disclosure promptly upon becoming aware of such required disclosure and shall reasonably cooperate with the other Party's efforts to limit the disclosure to the extent permitted by applicable law.
- c. Miscellaneous. All Confidential Information remains the property of the disclosing Party and will be returned to the

disclosing Party or destroyed (at the receiving Party's option) after the receiving Party's need for it has expired or upon the request of the disclosing Party. Each Party acknowledges that the disclosing Party would be irreparably injured by a breach of this Section 18 by the receiving Party or its Representatives or other person to whom the receiving Party discloses Confidential Information of the disclosing Party and that the disclosing Party may be entitled to equitable relief, including injunctive relief and specific performance, for breaches of this Section 18. To the fullest extent permitted by applicable law, such remedies shall not be deemed to be the exclusive remedies for a breach of this Section 18, but will be in addition to all other remedies available at law or in equity. The obligation of confidentiality will survive termination of this Agreement for a period of two (2) years.

- d. **Goodwill and Publicity.** Neither Party may (a) make any press release or public announcement of the specific terms of this Agreement or the use of solar or renewable energy involving this Agreement (except for filings or other statements or releases as may be required by applicable law), or (b) use any name, trade name, service mark or trademark of the other Party in any promotional or advertising material without the prior written consent of the other Party. The Parties shall coordinate and cooperate with each other when making public announcements regarding this Agreement, the System and its use, and each Party may promptly review, comment upon and approve any publicity materials, press releases or other public statements before they are made. Notwithstanding the above, Seller is entitled to place signage on the Premises reflecting its association with the System.

## 19. **General Provisions**

- a. **Definitions and Interpretation.** Unless otherwise defined or required by the context in which any term appears: (i) the singular includes the plural and vice versa, (ii) the words "herein," "hereof" and "hereunder" refer to this Agreement as a whole and not to any particular section or subsection of this Agreement, (iii) references to any agreement, document or instrument mean such agreement, document or instrument as amended, restated, modified, supplemented or replaced from time to time, and (iv) the words "include," "includes" and "including" mean include, includes and including "without limitation." The captions or headings in this Agreement are strictly for convenience and will not be considered in interpreting this Agreement. As used in this Agreement, "dollar" and the "\$" sign refer to United States dollars.
- b. **Choice of Law; Dispute Resolution.** The law of the state where the System is located governs all matters arising out of this Agreement without giving effect to conflict of laws principles. Any dispute arising from or relating to this Agreement shall be settled by arbitration in **Spokane County**. The arbitration shall be administered by **Spokane County Superior Court** in accordance with its arbitration rules, and judgment on any award rendered in such arbitration may be entered in any court of competent jurisdiction. If the Parties agree in writing, a mediator may be consulted prior to arbitration. The prevailing Party in any dispute arising out of this Agreement is entitled to reasonable attorneys' fees and costs.
- c. **Notices.** All notices under this Agreement shall be in writing and delivered by hand, electronic mail, overnight courier, or regular, certified, or registered mail, return receipt requested, and will be deemed received upon personal delivery, acknowledgment of receipt of electronic transmission, the promised delivery date after deposit with overnight courier, or five (5) days after deposit in the mail. Notices must be sent to the person identified in this Agreement at the addresses set forth in this Agreement or such other address as either Party may specify in writing.
- d. **Survival.** Provisions of this Agreement that should reasonably be considered to survive termination of this Agreement, including, without limitation provisions related to billing and payment and indemnification, will survive termination of this Agreement.
- e. **Further Assurances.** Each Party shall provide such information, execute and deliver any instruments and documents and to take such other actions as may be reasonably requested by the other Party to give full effect to this Agreement and to carry out the intent of this Agreement.
- f. **Waivers.** No provision or right or entitlement under this Agreement may be waived or varied except in writing signed by the Party to be bound. No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision, nor will such waiver constitute a continuing waiver unless otherwise expressly provided.
- g. **Non-Dedication of Facilities.** Nothing in this Agreement may be construed as the dedication by either Party of its facilities or equipment to the public or any part thereof. Neither Party may knowingly take any action that would subject the other Party, or other Party's facilities or equipment, to the jurisdiction of any Governmental Authority as a public utility or similar entity. Neither Party may assert in any proceeding before a court or regulatory body that the other Party is a public utility by virtue of such other Party's performance under this Agreement. If Seller is reasonably likely to become subject to regulation as a public utility, then the Parties shall use commercially reasonable efforts to



restructure their relationship under this Agreement in a manner that preserves their relative economic interests while ensuring that Seller does not become subject to any such regulation. If the Parties are unable to agree upon such restructuring, Seller may terminate this Agreement without further liability under this Agreement except with respect to liabilities accrued prior to the date of termination and remove the System in accordance with Section 9 of this Agreement.

- h. **Service Contract.** The Parties intend this Agreement to be a “service contract” within the meaning of Section 7701(e)(3) of the Internal Revenue Code of 1986. Purchaser shall not take the position on any tax return or in any other filings suggesting that it is anything other than a purchase of electricity from the System.
- i. **No Partnership.** No provision of this Agreement may be construed or represented as creating a partnership, trust, joint venture, fiduciary or any similar relationship between the Parties. No Party is authorized to act on behalf of the other Party, and neither may be considered the agent of the other.
- j. **Entire Agreement, Modification, Invalidity, Captions.** This Agreement constitutes the entire agreement of the Parties regarding its subject matter and supersedes all prior proposals, agreements, or other communications between the Parties, oral or written. This Agreement may be modified only by a writing signed by both Parties. If any provision of this Agreement is found unenforceable or invalid, such provision shall not be read to render this Agreement unenforceable or invalid as a whole. In such event, such provision shall be rectified or interpreted so as to best accomplish its objectives within the limits of applicable law.
- k. **Forward Contract.** The transaction contemplated under this Agreement constitutes a “forward contract” within the meaning of the United States Bankruptcy Code, and the Parties further acknowledge and agree that each Party is a “forward contract merchant” within the meaning of the United States Bankruptcy Code.
- l. **No Third-Party Beneficiaries.** Except as otherwise expressly provided herein, this Agreement and all rights hereunder are intended for the sole benefit of the Parties hereto, and the Financing Parties to the extent provided herein or in any other agreement between a Financing Party and Seller or Purchaser, and do not imply or create any rights on the part of, or obligations to, any other Person.
- m. **Counterparts.** This Agreement may be executed in any number of separate counterparts and each counterpart will be considered an original and together comprise the same Agreement.

- End of Exhibit 3 -



# Coversheet

## 2025-2026 Budget Presentation

<b>Section:</b>	VI. Discussion Items
<b>Item:</b>	B. 2025-2026 Budget Presentation
<b>Purpose:</b>	
<b>Submitted by:</b>	
<b>Related Material:</b>	2025-26 PSD Budget Presentation.pdf 2025-26 Budget Executive Summary.pdf 2025-26 Board Budget Resolution.pdf

# **PULLMAN SCHOOL DISTRICT NO. 267**



**FY 2025-2026 BUDGET**



This Budget Summary outlines key information for the Pullman School District's 2025–2026 Budget. Detailed budget data is available in the official OSPI Form F-195, which can be accessed on our district website or in print at the district office upon request.

## Foundation of a School Budget

### ➤ Staffing and Class Size

- *Adequate staffing levels to maintain appropriate class sizes*

### ➤ Educational Programs and Services

- *Support core and elective course offerings, curriculum and instructional materials, student support services (including counseling, special education, and intervention), and professional development.*

### ➤ Infrastructure and Operational Support

- *Maintain school facilities, buildings, and grounds; support classroom and administrative technology; and provide transportation, food service, custodial, and other essential support services.*

### ➤ Contractual and Legal Obligations

- *Collective bargaining agreements, including required salaries, benefits, and compliance with labor laws.*



## Operational Goals

### Financial

- Maintain 7.5% minimum fund balance to meet one month's payroll
- Prepare for unexpected emergencies
- Sustain our current expenditure commitments into the future

### Instructional

- Promote a culture of learning that supports student wellness and engagement.
- Ensure protocols and practices reflect student belonging to foster a positive and supportive learning environment.
- Implement effective instructional strategies and integrate social-emotional learning to support student growth and achievement.
- Provide meaningful, goal-aligned professional development that equips staff to meet student needs and advance district priorities.

**GOALS + PLANS = SUCCESS**





## 2025-2026 Recommended Budgets



*Each fund is like its own checking account. They can't be used outside of their intended use.*

### 2025-26 Recommended Budget

	General Fund	ASB Fund	Debt Service Fund	Capital Projects Fund	Transportation Vehicle Fund
<b>Total Revenues</b>	<b>\$ 44,541,325</b>	<b>\$ 626,475</b>	<b>\$ 7,177,920</b>	<b>\$ 1,618,000</b>	<b>\$ 330,518</b>
Interfund Transfers In					
<b>Subtotal</b>	<b>\$ 44,541,325</b>	<b>\$ 626,475</b>	<b>\$ 7,177,920</b>	<b>\$ 1,618,000</b>	<b>\$ 330,518</b>
<b>Total Expenditures</b>	<b>\$ 44,541,325</b>	<b>\$ 739,877</b>	<b>\$ 6,970,591</b>	<b>\$ 3,726,596</b>	<b>\$ 285,000</b>
Interfund Transfers Out				\$ 100,000	
<b>Beginning Fund Balance</b>	<b>\$ 3,904,808</b>	<b>\$ 614,281</b>	<b>\$ 3,766,324</b>	<b>\$ 2,705,515</b>	<b>\$ 847,828</b>
<b>Change In Fund Balance</b>	<b>\$ -</b>	<b>\$ (113,402)</b>	<b>\$ 207,329</b>	<b>\$ (2,208,596)</b>	<b>\$ 45,518</b>
<b>Ending Fund Balance</b>	<b>\$ 3,904,808</b>	<b>\$ 500,879</b>	<b>\$ 3,973,653</b>	<b>\$ 496,919</b>	<b>\$ 893,346</b>

The secret to budgeting is that it needs to be honest. Not what you think it should be or wish it could be, but what it really is.  
- Lisa Conway-Hughes



## 2025-2026 Enrollment & Staffing

### Actual and Projected Average Enrollment (FTE)

Grades	Actual 2021-22	Actual 2022-23	Actual 2023-24	Actual 2024-25	Estimate 2025-26
Elementary (K-5)	1171	1217	1179	1205	1205
Middle (6-8)	578	586	615	636	588
High (9-12)	815	838	780	754	747
<b>Total K-12 Enrollment</b>	<b>2564</b>	<b>2641</b>	<b>2574</b>	<b>2595</b>	<b>2540</b>
<b>FTE Change from Prior Year</b>	<b>35</b>	<b>77</b>	<b>-67</b>	<b>21</b>	

### Actual Average vs. Budgeted Enrollment

Grades	Actual 2021-22	Actual 2022-23	Actual 2023-24	Actual 2024-25	Estimate 2025-26
Actual K-12 Enrollment	2564	2641	2574	2595	
Budgeted FTE	2615	2625	2650	2560	2540
<b>Variance</b>	<b>-51</b>	<b>16</b>	<b>-76</b>	<b>35</b>	

### Staffing

	Average 2023-24	Budget 2024-5	Budget 2025-26
<b>Instructional &amp; Administrative Staff</b>	214.490	200.530	<b>198.722</b>
<b>Classified Staff</b>	107.610	107.590	<b>101.761</b>
<b>Total FTE</b>	<b>322.100</b>	<b>308.120</b>	<b>300.483</b>

Enrollment projections are essential to the budget, as it is used to determine the revenue eligibility the district is to receive.

**FTE = Full-Time Equivalent**

## Breakdown by Program

Program	Certified		Classified		Benefits	Total Salaries & Benefits	Total FTE	% by Program
	FTE	Salary	FTE	Salary				
(01) Basic Ed Certified	144.513	\$15,003,366	19.677	\$1,612,298	\$5,379,246	\$21,994,910	164.190	54.64%
(02) ALE	0.350	\$ 26,380	0.000	\$ -	\$ 11,344	\$ 37,724	0.350	0.12%
(21) Special Education, State	25.255	\$ 2,345,337	20.509	\$1,221,621	\$1,521,957	\$ 5,088,915	45.764	15.23%
(24) Special Education, Federal	5.000	\$ 370,519	0.000	\$ -	\$ 137,521	\$ 508,040	5.000	1.66%
(31) Vocational Education, State	7.600	\$ 839,112	1.022	\$ 67,805	\$ 281,269	\$ 1,188,186	8.622	2.87%
(34) Middle School CTE	2.000	\$ 216,026	0.000	\$ -	\$ 65,401	\$ 281,427	2.000	0.67%
(51) Disadvantaged (Title 1)	3.000	\$ 295,374	1.384	\$ 82,675	\$ 142,103	\$ 520,152	4.384	1.46%
(52) School Improvement (Title II)	0.500	\$ 53,436	0.000	\$ -	\$ 16,381	\$ 69,817	0.500	0.17%
(55) Learning Assistance (LAP)	6.004	\$ 493,635	0.915	\$ 53,917	\$ 207,993	\$ 755,545	6.919	2.30%
(58) Special and Pilot Programs	0.000	\$ 117,252	0.000	\$ 8,993	\$ 19,613	\$ 145,858	0.000	0.00%
(64) Limited English	0.000	\$ -	0.000	\$ -	\$ -	\$ -	0.000	0.00%
(65) Transitional Bilingual	2.000	\$ 177,092	0.519	\$ 29,128	\$ 78,742	\$ 284,962	2.519	0.84%
(73) Summer School	0.000	\$ 11,002	0.000	\$ -	\$ 1,684	\$ 12,686	0.000	0.00%
(74) Highly Capable	0.500	\$ 53,436	0.000	\$ -	\$ 16,381	\$ 69,817	0.500	0.17%
(79) Instructional Programs	0.000	\$ -	0.000	\$ -	\$ -	\$ -	0.000	0.00%
(97) District-Wide Support	2.000	\$ 458,830	40.000	\$2,987,552	\$1,232,109	\$ 4,678,491	42.000	13.98%
(98) School Food Service	0.000	\$ -	7.668	\$ 455,112	\$ 300,488	\$ 755,600	7.668	2.55%
(99) Pupil Transportation	0.000	\$ -	10.067	\$ 805,749	\$ 437,727	\$ 1,243,476	10.067	3.35%
<b>Totals</b>	<b>198.722</b>	<b>\$20,460,797</b>	<b>101.761</b>	<b>\$7,324,850</b>	<b>\$9,849,959</b>	<b>\$37,635,606</b>	<b>300.483</b>	<b>100.00%</b>

Never spend your money before you've earned it.  
— Thomas Jefferson

## Funded vs. Actual

PROGRAMS 01 & 97 ONLY	F 203 FUNDED	F195 BUDGET	UNDERFUNDED
FTE (Certified & Classified)	189.860	206.190	(16.330)
SALARIES*	\$ 14,896,085	\$ 20,062,046	(\$5,165,961)
BENEFITS	\$ 5,730,838	\$ 6,611,355	(\$880,517)
TOTAL			(\$6,046,478)

\*Includes only Program 01 & 97 costs associated with salaries (staff over state allocation, LID, class size overload, extended days, subs, stipends, extra hours, overtime, leave buyback, etc.)



## General Fund Budget

**The General Fund Budget, totaling approximately \$44.5 million, supports the district's annual operations. The district anticipates serving around 2,540 FTE students, supported by 198.72 FTE instructional and administrative staff and 101.76 FTE classified staff.**

**For the 2025–2026 fiscal year, projected General Fund revenue is expected to increase by \$1,175,850 compared to the 2024–2025 budget. Revenue estimates are based on the F-203 revenue forecast, projected student enrollment, and anticipated new grants. Expenditures reflect current staffing levels and operational costs.**



***FTE = Full-Time Equivalent***



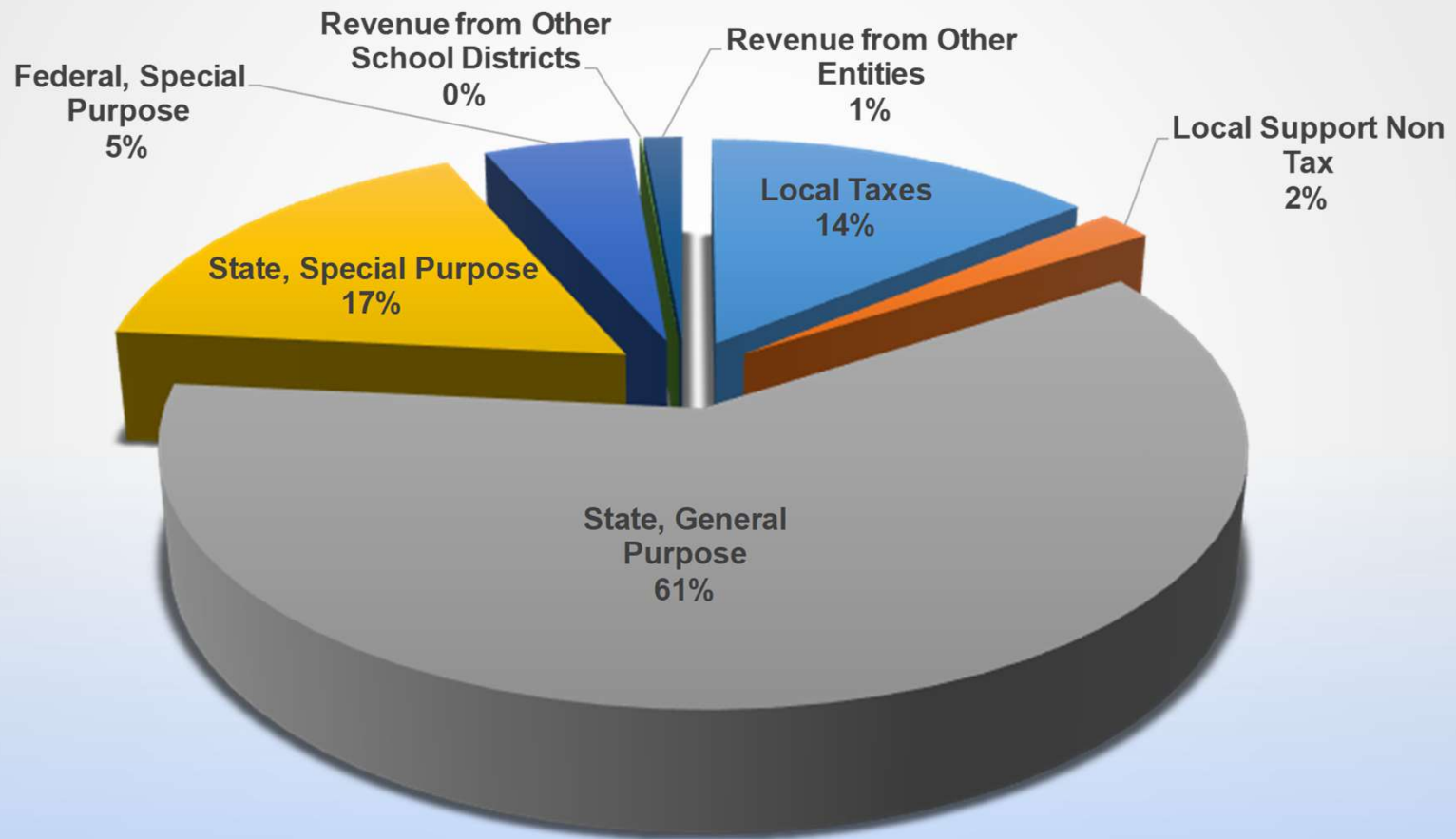


## General Fund Revenues

	Actual 2023-24	Budget 2024-25	Budget 2025-26	Increase/ (Decrease)
1000 LOCAL TAXES	\$ 5,310,589	\$ 5,817,000	\$ 6,237,000	\$ 420,000
2000 Local Support Non Tax	\$ 712,052	\$ 873,850	\$ 866,200	\$ (7,650)
3000 State, General Purpose	\$26,159,169	\$26,969,312	\$26,988,051	\$ 18,739
4000 State, Special Purpose	\$ 6,808,124	\$ 6,957,089	\$ 7,491,606	\$ 534,517
5000 Federal, General Purpose	\$ -	\$ -	\$ -	\$ -
6000 Federal, Special Purpose	\$ 2,235,769	\$ 2,208,724	\$ 2,323,968	\$ 115,244
7000 Rev from Other School Distri	\$ 551	\$ 24,000	\$ 24,000	\$ -
8000 Rev from Other Entities	\$ 10,000	\$ 515,500	\$ 510,500	\$ (5,000)
9000 Other Financing Sources	\$ 55,189	\$ -	\$ 100,000	\$ 100,000
<b>Grand Total</b>	<b>\$41,291,443</b>	<b>\$43,365,475</b>	<b>\$44,541,325</b>	<b>\$ 1,175,850</b>

*Refer to 'A Guide to Pullman Public Schools Budget' on the district website for an explanation of revenue sources*

## Where does the money come from?



They call it a budget so you don't budge from it.  
— Mike Figgis



## General Fund Expenditures by Program

		Actual 2023-24	Budget 2024-25	Budget 2025-26
00	Regular Instruction	\$ 23,743,172	\$ 23,820,385	\$ 23,595,015
10	Federal Special Purpose	\$ 12,198	\$ -	\$ -
20	Special Education	\$ 4,995,396	\$ 5,356,610	\$ 5,777,707
30	Vocational Education	\$ 1,622,864	\$ 1,569,215	\$ 1,688,845
50&60	Compensatory Education	\$ 2,065,731	\$ 2,325,923	\$ 2,232,592
70	Other Instructional Prog	\$ 157,528	\$ 752,390	\$ 694,019
80	Community Services	\$ 22,072	\$ 39,000	\$ 9,850
90	Support Services	\$ 10,378,704	\$ 10,904,431	\$ 10,543,297
GRAND TOTAL		\$ 42,997,665	\$ 44,767,954	\$ 44,541,325

### Direct Classroom Support

- ✓ Teachers/Administration
- ✓ Instructional Assistants
- ✓ Guidance/Counseling/Psychologists
- ✓ Nurses
- ✓ Occupational & Physical Therapists
- ✓ Office Staff
- ✓ Athletics/Student Activities
- ✓ Classroom Supplies
- ✓ Learning Improvement Days
- ✓ Instructional Technology

### Indirect Classroom Support

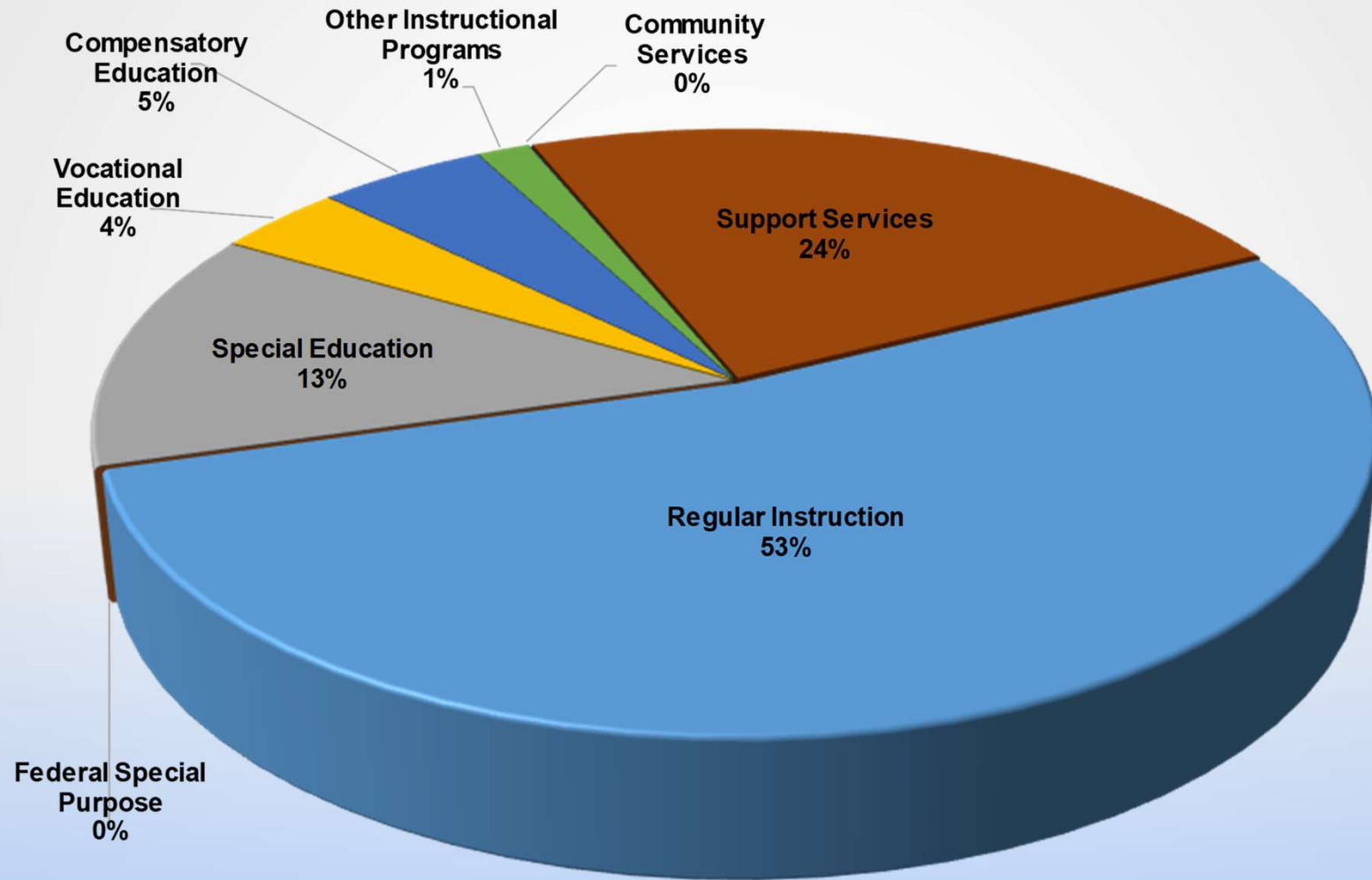
- ✓ Utilities
- ✓ Maintenance
- ✓ Custodians
- ✓ Curriculum & Instruction
- ✓ Professional Development
- ✓ Transportation
- ✓ Technology
- ✓ Food Service

### District Level Support

- ✓ Business Office
- ✓ Human Resources
- ✓ Superintendent's Office
- ✓ Curriculum & Instruction
- ✓ Board Expenses
- ✓ Insurance
- ✓ Risk Management

*Refer to 'A Guide to Pullman Public Schools Budget' on the district website for an explanation of revenue sources*

## Where is the money spent?



The only man who never makes mistakes is the man who never does anything."  
— Theodore Roosevelt

## General Fund Expenditures by Object

Expenditures by Object	2023-24	% of Total	2024-25	% of Total	2025-26	% of Total
Certificated Salaries	\$20,012,026	46.54%	\$20,105,858	44.91%	\$20,460,797	45.94%
Classified Salaries	\$ 7,362,567	17.12%	\$ 7,538,790	16.84%	\$ 7,324,850	16.45%
Employee Benefits & Taxes	\$ 9,837,725	22.88%	\$10,057,046	22.46%	\$ 9,849,959	22.11%
Supplies & Instructional Res.	\$ 1,696,123	3.94%	\$ 2,316,514	5.17%	\$ 2,275,962	5.11%
Purchased Services	\$ 3,899,658	9.07%	\$ 4,653,982	10.40%	\$ 4,519,570	10.15%
Travel	\$ 122,057	0.28%	\$ 85,764	0.19%	\$ 105,187	0.24%
Capital Outlay	\$ 67,510	0.16%	\$ 10,000	0.02%	\$ 5,000	0.01%
<b>Total Object</b>	<b>\$42,997,666</b>	<b>100.00%</b>	<b>\$44,767,954</b>	<b>100.00%</b>	<b>\$44,541,325</b>	<b>100.00%</b>



# 2025-2026 MSOC DISCLOSURE



Combined 1191 MSOC from F-203	
Regular Instruction (Column A)	\$ 3,827,458
Grades 9-12 Additional (Column J)	\$ 160,485
<b>* Total MSOC Allocation</b>	<b>\$ 3,987,943</b>

** Objects of Expenditure from F-195	Totals	Prg 01	Prg 02	Prg 03	Prg 97
Object 5 - totals	\$563,675	\$260,325	\$0	\$0	\$303,350
Object 7 - totals	\$3,537,773	\$639,992	\$6,049	\$20,582	\$2,871,150
Object 8 - totals	\$16,150	\$4,650	\$0	\$0	\$11,500
Object 9 - totals	\$5,000	\$0	\$0	\$0	\$5,000
<b>* Total Budgeted 5-9 Expenditures</b>	<b>\$4,122,598</b>				

<b>* Difference</b>	<b>(\$134,655)</b>
---------------------	--------------------

ESSB 5950 - Section 504(8)(a)(ii) page 688:

(ii) For the 2025-26 school year, as part of the budget development, hearing, and review process required by chapter 28A.505 RCW, each school district must disclose: (A) The amount of state funding to be received by the district under (a) and (d) of this subsection (8); (B) the amount the district proposes to spend for materials, supplies, and operating costs; (C) the difference between these two amounts; and (D) if (a) (ii) (A) of this subsection (8) exceeds (a) (ii) (B) of this subsection (8), any proposed use of this difference and how this use will improve student achievement.

**MSOC = Materials, Supplies, and Operating Costs**



## Property Tax Levy Collection

	Voter Approved Levy Amount	Levy Collection Based on \$2.50 per \$1,000 of Assessed Value	Anticipated State Local Effort Assistance (LEA) to Offset Levy	Additional Revenue
2025-26	\$6,300,000	\$6,237,000	\$127,273	\$6,364,273
2026-27	\$6,300,000	\$6,237,000	\$701,648	\$6,938,648
2027-28	\$6,300,000	\$6,237,000	\$761,463	\$6,998,463
2028-29	\$6,300,000	\$6,237,000	\$648,553	\$6,885,553

*During the budget process, only current levy amounts may be used for future budget projections if a levy has not been approved by the voters*



Levy Amount	Collection Percent	Revenue Projection
<b>Fall 2025</b> \$6,300,000	42.00%	\$2,646,000
<b>Spring 2026</b> \$6,300,000	57.00%	\$3,591,000
<b>Total Estimated 2025-26 Levy Revenue</b>		<b>\$6,237,000</b>

*\*Collection percentage estimated at 99.0%*

We must consult our means rather than our wishes.  
-George Washington

## Capital Projects Fund Summary

CAPITAL PROJECTS FUND SUMMARY			
	Actual 2023-24	Budget 2024-25	Budget 2025-26
<b>Beginning Fund Balance</b>	<b>\$ 2,475,863</b>	<b>\$ 2,479,149</b>	<b>\$ 2,705,515</b>
<b>Revenues</b>			
1000 Local Taxes	\$ 199,645	\$ 255,000	\$ 297,000
2000 Local Nontax Support	\$ 139,099	\$ 114,800	\$ 121,000
4000 State, Special Purpose	\$ 10,424	\$ -	\$ -
8000 Revenues from Other Entities	\$ -	\$ -	\$ -
9000 Other Financing Sources	\$ -	\$ -	\$ 1,200,000
<b>Total Rev &amp; Other Financing Sources</b>	<b>\$ 349,168</b>	<b>\$ 369,800</b>	<b>\$ 1,618,000</b>
<b>Expenditures</b>			
10 Sites	\$ 17,504	\$ -	\$ 1,200,000
20 Buildings	\$ 17,719	\$ 2,138,800	\$ 2,262,000
30 Equipment	\$ 225,348	\$ 255,686	\$ 260,096
50 Sale and Lease Expenditures	\$ -	\$ -	\$ -
60 Bond Issuance Expenditures	\$ -	\$ 4,500	\$ 4,500
<b>Total Expenditures</b>	<b>\$ 260,571</b>	<b>\$ 2,398,986</b>	<b>\$ 3,726,596</b>
OTHER FINANCING USES - TRANSFERS OUT			\$ 100,000
<b>Ending Fund Balance</b>	<b>\$ 2,564,460</b>	<b>\$ 449,963</b>	<b>\$ 496,919</b>

The greatest wealth is to live content with little.  
— Plato





## 2025-2026 Capital Project Expenditures



- **Pioneer Center upgrades**
- **Elementary roof replacements**
- **Land purchase (*PAC encumbrance*)**
- **Technology (*Levy*)**



## Debt Service Fund Summary

### DEBT SERVICE FUND SUMMARY

	Actual 2023-24	Budget 2024-25	Budget 2025-26
<b>Beginning Fund Balance</b>	<b>\$ 4,363,149</b>	<b>\$ 3,984,549</b>	<b>\$ 3,766,324</b>
<b>Revenues</b>			
1000 Local Taxes	\$ 7,301,437	\$ 7,119,300	\$ 7,087,920
2000 Local Nontax Support	\$ 130,137	\$ 85,000	\$ 90,000
9000 Other Financing Sources	\$ -	\$ -	\$ -
<b>Total Rev &amp; Other Financing Source</b>	<b>\$ 7,431,574</b>	<b>\$ 7,204,300</b>	<b>\$ 7,177,920</b>
<b>Expenditures</b>			
Matured Bond Expenditures	\$ 4,980,000	\$ 4,680,000	\$ 4,625,000
Interest on Bonds	\$ 3,001,470	\$ 2,560,116	\$ 2,335,591
UnderWriter's Fees	\$ 1,460	\$ 10,000	\$ 10,000
Other Financing Uses	\$ -		
<b>Total Expenditures</b>	<b>\$ 7,982,930</b>	<b>\$ 7,250,116</b>	<b>\$ 6,970,591</b>
<b>Ending Fund Balance</b>	<b>\$ 3,811,793</b>	<b>\$3,938,733</b>	<b>\$ 3,973,653</b>

An investment in education gives the best returns  
-Benjamin Franklin

## Bond Summaries

Voter Approved General Obligation Bonds	Final Maturity	Par at Issuance	Outstanding	Project
UTGO Bonds, 2016	12/01/32	\$20,450,000	\$15,010,000	Kamiak Elementary
UTGO Bonds, 2020A (Tax Exempt)	12/01/39	\$9,180,000	\$9,180,000	LMS Renovation/HVAC
UTGO Bonds, 2020B (Taxable)	12/01/34	\$4,960,000	\$3,765,000	LMS Renovation/HVAC
UTGO Refunding Bonds, 2023	12/01/32	\$35,555,000	\$29,075,000	PHS/Franklin Elementary
<b>Total</b>		<b>\$70,145,000</b>	<b>\$57,030,000</b>	

**THANK YOU  
FOR INVESTING  
IN OUR  
STUDENTS**

**UTGO** = *Unlimited Tax General Obligation*

# Associated Student Body Fund Summary



ASSOCIATED STUDENT BODY FUND SUMMARY			
	Actual 2023-24	Budget 2024-25	Budget 2025-26
<b>Beginning Fund Balance</b>	<b>\$ 448,278</b>	<b>\$ 543,116</b>	<b>\$ 614,281</b>
<b>Revenues</b>			
1000 General Student Body	\$ 126,947	\$ 236,105	\$ 295,555
2000 Athletics	\$ 153,927	\$ 153,970	\$ 178,470
3000 Classes	\$ 23,281	\$ 13,400	\$ 15,300
4000 Clubs	\$ 208,891	\$ 125,900	\$ 130,150
6000 Private Moneys	\$ 1,126	\$ 7,000	\$ 7,000
<b>Total Revenues</b>	<b>\$ 514,172</b>	<b>\$ 536,375</b>	<b>\$ 626,475</b>
<b>Expenditures</b>			
1000 General Student Body	\$ 42,369	\$ 258,725	\$ 251,275
2000 Athletics	\$ 148,916	\$ 233,307	\$ 239,057
3000 Classes	\$ 20,544	\$ 13,640	\$ 20,640
4000 Clubs	\$ 223,729	\$ 209,055	\$ 221,905
6000 Private Moneys	\$ 1,126	\$ 7,000	\$ 7,000
<b>Total Expenditures</b>	<b>\$ 436,684</b>	<b>\$ 721,727</b>	<b>\$ 739,877</b>
<b>Ending Fund Balance</b>	<b>\$ 525,766</b>	<b>\$ 357,764</b>	<b>\$ 500,879</b>

Teachers can open the door, but you must enter it yourself.  
-Chinese Proverb

## Transportation Vehicle Fund Summary

TRANSPORTATION VEHICLE FUND SUMMARY			
	Actual 2023-24	Budget 2024-25	Budget 2025-26
<b>Beginning Fund Balance</b>	<b>\$ 667,544</b>	<b>\$ 644,526</b>	<b>\$ 847,828</b>
<b>Revenues</b>			
2300 Investment Earnings	\$ 26,780	\$ 21,000	\$ 30,000
4300 Other State Agencies - Unassigned	\$ -	\$ 292,802	\$ -
4499 Reimbursement Depreciation	\$ 315,745	\$ 260,589	\$ 300,518
9300 Other Financing Sources	\$ -	\$ -	\$ -
<b>Total Rev &amp; Other Financing Sources</b>	<b>\$ 342,525</b>	<b>\$ 574,391</b>	<b>\$ 330,518</b>
<b>Expenditures</b>			
33 Equipment Purchases	\$ 358,188	\$ 586,000	\$ 185,000
34 Equipment Major Repair	\$ -	\$ 100,000	\$ 100,000
<b>Total Expenditures</b>	<b>\$ 358,188</b>	<b>\$ 686,000</b>	<b>\$ 285,000</b>
<b>Ending Fund Balance</b>	<b>\$ 651,881</b>	<b>\$ 532,917</b>	<b>\$ 893,346</b>

School bus drivers are the people who transport children to their future



**2025-2026 through 2028-29**

One reason people resist change is because they focus on what they have to give up, instead of what they have to gain.  
— Rick Godwin



## Four Year Enrollment Projection

Grade	2025-26	2026-27	2027-28	2028-29
Kindergarten	176.00	175.00	174.00	174.00
1st	176.00	175.00	175.00	174.00
2nd	191.00	190.00	174.00	174.00
3rd	217.00	216.00	190.00	172.00
4th	239.00	239.00	216.00	190.00
5th	206.00	205.00	239.00	214.00
6th	175.00	174.00	205.00	237.00
7th	206.00	205.00	174.00	203.00
8th	207.00	207.00	205.00	172.00
9th	200.00	200.00	205.00	200.00
10th	198.00	198.00	198.00	203.00
11th (excluding RS)	173.00	173.00	195.00	193.00
12th (excluding RS)	176.00	173.00	170.00	194.00
<b>Subtotal</b>	<b>2540.00</b>	<b>2530.00</b>	<b>2520.00</b>	<b>2500.00</b>
Running Start	43.50	43.50	43.50	43.50
Drop Out Reengagement	2.00	2.00	2.00	2.00
ALE Enrollment	4.00	4.00	4.00	4.00
<b>Total K-12</b>	<b>2589.50</b>	<b>2579.50</b>	<b>2569.50</b>	<b>2549.50</b>

*FTE = Full-Time Equivalent*

# General Fund Four Year Projection

General Fund	Revenue			
Description	2025-26	2026-27	2027-28	2028-29
1000-Local Taxes	\$ 6,237,000.00	\$ 6,237,000.00	\$ 6,237,000.00	\$ 6,237,000.00
2000-Local Non-Tax	\$ 866,200	\$ 866,200	\$ 866,200	\$ 866,200
3000-State, General Purpose	\$ 26,988,051	\$ 27,999,642	\$ 28,607,416	\$ 28,953,426
4000 State, Spec Purpose	\$ 7,491,606	\$ 7,585,729	\$ 7,681,734	\$ 7,767,152
5000 - Federal General Purpose	\$ -	\$ -	\$ -	\$ -
6000 - Federal, Special Purpose	\$ 2,323,968	\$ 2,263,968	\$ 2,162,692	\$ 2,162,692
7000- From Other District	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000
8000 - From Other Entity	\$ 510,500	\$ 510,500	\$ 510,500	\$ 510,500
9000- Other Financing sources	\$ 100,000	\$ -	\$ -	\$ -
Total Revenue	\$ 44,541,325	\$ 45,487,039	\$ 46,089,542	\$ 46,520,970

General Fund	Expenditures			
Description	2025-26	2026-27	2027-28	2028-29
00-Regular Instruction	\$ 23,595,015	\$ 23,965,629	\$ 24,429,989	\$ 24,887,660
10 - Federal Stimulus	\$ -	\$ -	\$ -	\$ -
20 - Spec Ed Instructions	\$ 5,777,707	\$ 5,817,365	\$ 6,042,766	\$ 6,068,206
30 - Vocational Instruction	\$ 1,688,845	\$ 1,722,142	\$ 1,756,106	\$ 1,790,748
40 - Skill Center Instruction	\$ -	\$ -	\$ -	\$ -
50 & 60 - Compensatory Ed. Inst.	\$ 2,232,592	\$ 2,268,802	\$ 2,173,339	\$ 2,166,762
70 - Other Inst. Programs	\$ 694,019	\$ 706,549	\$ 706,549	\$ 706,549
80- Community Services	\$ 9,850	\$ 9,850	\$ 9,850	\$ 9,850
90 - Support Services	\$ 10,543,297	\$ 10,996,702	\$ 10,970,943	\$ 10,891,195
Total Expenditures	\$ 44,541,325	\$ 45,487,039	\$ 46,089,542	\$ 46,520,970

General Fund	Beginning Fund Balance			
Description	2025-26	2026-27	2027-28	2028-29
810-Restricted Other Items	\$ -	\$ -	\$ -	\$ -
840-Nonspendable Inventory & Pre Paid Items	\$ 7,550	\$ 7,550	\$ 7,550	\$ 7,550
845- Restricted for Self-Insurance	\$ -	\$ -	\$ -	\$ -
888- Assigned to Other Purpose	\$ -	\$ -	\$ -	\$ -
890- Unassigned Fund Balance	\$ 556,659	\$ 556,659	\$ 485,730	\$ 440,542
891-Minimum Fund Balance Policy	\$ 3,340,599	\$ 3,340,599	\$ 3,411,528	\$ 3,456,716
Total Beginning Fund Balance	\$ 3,904,808	\$ 3,904,808	\$ 3,904,808	\$ 3,904,808

General Fund	Ending Fund Balance			
Description	2025-26	2026-27	2027-28	2028-29
810-Restricted Other Items	\$ -	\$ -	\$ -	\$ -
840-Nonspendable Inventory & Pre Paid Items	\$ 7,550	\$ 7,550	\$ 7,550	\$ 7,550
845- Restricted for Self-Insurance	\$ -	\$ -	\$ -	\$ -
888- Assigned to Other Purpose	\$ -	\$ -	\$ -	\$ -
890- Unassigned Fund Balance	\$ 556,659	\$ 485,730	\$ 440,542	\$ 408,185
891-Minimum Fund Balance Policy	\$ 3,340,599	\$ 3,411,528	\$ 3,456,716	\$ 3,489,073
Total Ending Fund Balance	\$ 3,904,808	\$ 3,904,808	\$ 3,904,808	\$ 3,904,808

General Fund has a 7.5% ending fund balance as required by board policy 6000.

Information is based on the district's budget assumptions. Projections are subject to change as new legislative changes become available or other unforeseen events.

# Capital Projects Fund Four Year Projection

Capital Projects		Revenue			
Description		2025-26	2026-27	2027-28	2028-29
1000 - Local Taxes		297,000	297,000	297,000	297,000
2000 - Local Nontax Support		121,000	121,000	121,000	121,000
3000 - State, General Purpose		0	0	0	0
4000 - State, Special Purpose		0	0	0	0
9000 - Other Financing Sources		1,200,000	0	0	0
<b>Total Revenue</b>		<b>\$ 1,618,000</b>	<b>\$ 418,000</b>	<b>\$ 418,000</b>	<b>\$ 418,000</b>

Capital Projects		Expenditures			
Description		2025-26	2026-27	2027-28	2028-29
10 - Sites		\$ 1,240,000	\$ -	\$ -	\$ -
20 - Buildings		\$ 2,222,000	\$ 100,000	\$ 100,000	\$ 100,000
30 - Equipment		\$ 260,096	\$ 297,000	\$ 297,000	\$ 297,000
40 - Energy		\$ -	\$ -	\$ -	\$ -
50 - Sales and Lease Expenditures		\$ -	\$ -	\$ -	\$ -
60 - Bond Issuance Expenditures		\$ -	\$ -	\$ -	\$ -
90 - Debt Expenditures		\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500
<b>Total Expenditures</b>		<b>\$ 3,726,596</b>	<b>\$ 401,500</b>	<b>\$ 401,500</b>	<b>\$ 401,500</b>
Other Financing Uses-Transfers Out (G.L. 536)		\$ 100,000	\$ -	\$ -	\$ -
Other Financing Uses (G.L. 535)		\$ -	\$ -	\$ -	\$ -
Excess of Revenue Over/Under		\$ (2,208,596)	\$ 16,500	\$ 16,500	\$ 16,500

Capital Projects		Beginning Fund Balance			
Description		2025-26	2026-27	2027-28	2028-29
861-Restricted from Bond Proceeds		\$ 4,500	\$ -	\$ -	\$ -
862-Committed from Levy Proceeds		\$ 260,096	\$ -	\$ -	\$ -
863-Restricted from State Proceeds		\$ -	\$ -	\$ -	\$ -
889-Assigned to Fund Purposes		\$ 2,440,919	\$ 496,919	\$ 513,419	\$ 529,919
890- Unassigned Fund Balance		\$ -	\$ -	\$ -	\$ -
<b>Total Beginning Fund Balance</b>		<b>\$ 2,705,515</b>	<b>\$ 496,919</b>	<b>\$ 513,419</b>	<b>\$ 529,919</b>

Capital Projects		Ending Fund Balance			
Description		2025-26	2026-27	2027-28	2028-29
861-Restricted from Bond Proceeds		\$ -	\$ -	\$ -	\$ -
862-Committed from Levy Proceeds		\$ -	\$ -	\$ -	\$ -
863-Restricted from State Proceeds		\$ -	\$ -	\$ -	\$ -
889-Assigned to Fund Purposes		\$ 496,919	\$ 513,419	\$ 529,919	\$ 546,419
890- Unassigned Fund Balance		\$ -	\$ -	\$ -	\$ -
<b>Total Ending Fund Balance</b>		<b>\$ 496,919</b>	<b>\$ 513,419</b>	<b>\$ 529,919</b>	<b>\$ 546,419</b>

# Debt Service Fund Four Year Projection

Debt Service		Revenue			
Description	2025-26	2026-27	2027-28	2028-29	
1000 - Local Taxes	\$ 7,087,920	\$ 7,236,690	\$ 7,392,180	\$ 7,240,620	
2000 - Local Nontax Support	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000	
3000 - State, General Purpose	\$ -	\$ -	\$ -	\$ -	
5000 - Federal, General Purpose	\$ -	\$ -	\$ -	\$ -	
9000 - Other Financing Sources	\$ -	\$ -	\$ -	\$ -	
<b>Total Revenue</b>	<b>\$ 7,177,920</b>	<b>\$ 7,326,690</b>	<b>\$ 7,482,180</b>	<b>\$ 7,330,620</b>	

Debt Service		Expenditures			
Description	2025-26	2026-27	2027-28	2028-29	
Matured Bond Expenditures	\$ 4,625,000	\$ 5,000,000	\$ 5,375,000	\$ 5,780,000	
Interest on Bonds	\$ 2,335,591	\$ 2,111,316	\$ 1,877,166	\$ 1,625,416	
Interfund Loan Interest	\$ -	\$ -	\$ -	\$ -	
Bond Transfer Fee	\$ -	\$ -	\$ -	\$ -	
Arbitrage Rebate	\$ -	\$ -	\$ -	\$ -	
Underwriter's Fees	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	
<b>Total Expenditures</b>	<b>\$ 6,970,591</b>	<b>\$ 7,121,316</b>	<b>\$ 7,262,166</b>	<b>\$ 7,415,416</b>	
Excess of Revenue Over/Under	\$ 207,329	\$ 205,374	\$ 220,014	\$ (84,796)	

Debt Service		Beginning Fund Balance			
Description	2025-26	2026-27	2027-28	2028-29	
810-Restricted Other Items	\$ -	\$ -	\$ -	\$ -	
830-Restrict For Debt Service	\$ 3,766,324	\$ 3,973,653	\$ 4,179,027	\$ 4,399,041	
835-Restricted for Arbitrage Rebate	\$ -	\$ -	\$ -	\$ -	
<b>Total Beginning Fund Balance</b>	<b>\$ 3,766,324</b>	<b>\$ 3,973,653</b>	<b>\$ 4,179,027</b>	<b>\$ 4,399,041</b>	

Debt Service		Ending Fund Balance			
Description	2025-26	2026-27	2027-28	2028-29	
810-Restricted Other Items	\$ -	\$ -	\$ -	\$ -	
830-Restricted for Debt Service	\$ 3,973,653	\$ 4,179,027	\$ 4,399,041	\$ 4,314,245	
835 - Restricted for Arbitrage Rebate	\$ -	\$ -	\$ -	\$ -	
<b>Total Ending Fund Balance</b>	<b>\$ 3,973,653</b>	<b>\$ 4,179,027</b>	<b>\$ 4,399,041</b>	<b>\$ 4,314,245</b>	

# ASB Fund Four Year Projection

ASB	Revenue			
Description	2025-26	2026-27	2027-28	2028-29
100 - General Student Body	\$ 295,555	\$ 301,466	\$ 307,495	\$ 313,645
200 - Athletics	\$ 178,470	\$ 187,394	\$ 196,763	\$ 206,601
300 - Classes	\$ 15,300	\$ 15,606	\$ 15,918	\$ 16,236
400 - Clubs	\$ 130,150	\$ 132,753	\$ 135,408	\$ 138,116
600 - Private Moneys	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
Total Revenue	\$ 626,475	\$ 644,219	\$ 662,585	\$ 681,599

ASB	Expenditures			
Description	2025-26	2026-27	2027-28	2028-29
100 - General Student Body	\$ 251,275	\$ 227,531	\$ 229,807	\$ 232,105
200 - Athletics	\$ 239,057	\$ 215,252	\$ 217,405	\$ 219,579
300 - Classes	\$ 20,640	\$ 21,672	\$ 21,889	\$ 22,108
400 - Clubs	\$ 221,905	\$ 213,015	\$ 215,145	\$ 217,296
600 - Private Moneys	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
Total Expenditures	\$ 739,877	\$ 684,470	\$ 691,245	\$ 698,087
Excess of Revenue Over/Under	\$ (113,402)	\$ (40,252)	\$ (28,660)	\$ (16,488)

ASB	Beginning Fund Balance			
Description	2025-26	2026-27	2027-28	2028-29
810-Restricted Other Items	\$ -	\$ -	\$ -	\$ -
819-Restrict For Fund Purposes	\$ 614,281	\$ 500,879	\$ 460,627	\$ 431,967
890- Unassigned Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Beginning Fund Balance	\$ 614,281	\$ 500,879	\$ 460,627	\$ 431,967

ASB	Ending Fund Balance			
Description	2025-26	2026-27	2027-28	2028-29
810-Restricted Other Items	\$ -	\$ -	\$ -	\$ -
819-Restrict For Fund Purposes	\$ 500,879	\$ 460,627	\$ 431,967	\$ 415,479
890- Unassigned Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Ending Fund Balance	\$ 500,879	\$ 460,627	\$ 431,967	\$ 415,479



# Transportation Vehicle Fund Four Year Projection

Transportation Vehicle Fund		Revenue			
Description	2025-26	2026-27	2027-28	2028-29	
1100 - Local Property Tax	\$0	\$0	\$0	\$0	
2200 - Sales of Goods, Supplies, & Serv. Unassig.	\$0	\$0	\$0	\$0	
2300 - Investment Earnings	\$30,000	\$30,000	\$30,000	\$30,000	
4300 - Other State Agencies-Unassigned	\$0	\$0	\$0	\$0	
4499 - Transportation Reimbursement Depreciation	\$300,518	\$300,518	\$300,518	\$300,518	
9300 - Sale of Equipmnet	\$0	\$0	\$0	\$0	
9500 - Long-Term Financing	\$0	\$0	\$0	\$0	
Total Revenue	\$330,518	\$330,518	\$330,518	\$330,518	
9000 - Other Finanacing Sources	\$0	\$0	\$0	\$0	
<b>Total Revenue and Other Financing Sources</b>	<b>\$330,518</b>	<b>\$330,518</b>	<b>\$330,518</b>	<b>\$330,518</b>	

Transportation Vehicle Fund		Expenditures			
Description	2025-26	2026-27	2027-28	2028-29	
33 - Transportation Equipment Purchase	\$ 185,000	\$ 585,000	\$ 185,000	\$ 585,000	
34 - Transportation Major Repair	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	
<b>Total Expenditures</b>	<b>\$ 285,000</b>	<b>\$ 685,000</b>	<b>\$ 285,000</b>	<b>\$ 685,000</b>	
Excess of Revenue Over/Under	\$ 45,518	\$ (354,482)	\$ 45,518	\$ (354,482)	

Transportation Vehicle Fund		Beginning Fund Balance			
Description	2025-26	2026-27	2027-28	2028-29	
810-Restricted Other Items	\$ -	\$ -	\$ -	\$ -	
819-Restricted for Fund Purposes	\$ 847,828	\$ 893,346	\$ 538,864	\$ 584,382	
890- Unassigned Fund Balance	\$ -	\$ -	\$ -	\$ -	
<b>Total Beginning Fund Balance</b>	<b>\$ 847,828</b>	<b>\$ 893,346</b>	<b>\$ 538,864</b>	<b>\$ 584,382</b>	

Transportation Vehicle Fund		Ending Fund Balance			
Description	2025-26	2026-27	2027-28	2028-29	
810-Restricted Other Items	\$ -	\$ -	\$ -	\$ -	
819-Restricted for Fund Purposes	\$ 893,346	\$ 538,864	\$ 584,382	\$ 229,900	
890- Unassigned Fund Balance	\$ -	\$ -	\$ -	\$ -	
Total Ending Fund Balance (Check Figure)	\$ 893,346	\$ 538,864	\$ 584,382	\$ 229,900	
<b>Total Ending Fund Balance</b>	<b>\$ 893,346</b>	<b>\$ 538,864</b>	<b>\$ 584,382</b>	<b>\$ 229,900</b>	





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***2025-26 Fixing and Adopting the Budget, Four-Year Budget Summary and Four-Year Enrollment Projection***

**Executive Summary**

**July 23, 2025**

By: Diane Hodge  
Finance Director

**Background:**

The proposed 2025–2026 budget represents a comprehensive investment plan in support of our students, staff, and district operations. The general fund budget is set at \$44,541,325 and is based on a projected enrollment of 2,540 full-time equivalent (FTE) students.

Included in the budget document is a four-year financial and enrollment forecast, providing a longer-term perspective on district planning. The proposed budget reflects the most current legislative funding assumptions available at the time of development.

A public hearing and recommendation for adoption of the budget are scheduled for the August 13, 2025, board meeting.

**Recommended Board Action:**

I recommend approval of the 2025–2026 budget as presented in Resolution 25-26:01, which includes all five funds, the four-year budget summary, and the four-year enrollment projection.

**Motion to Approve**

I move to approve the 2025–2026 fiscal year budgets as presented in Resolution 25-26:01.

☐ Approved

☐ Not Approved

**Date:** \_\_\_\_\_

**Board Secretary Signature:** \_\_\_\_\_

Pullman School District No. 267  
Pullman WA 99163

**Resolution 25-26: 01**  
**2025-2026 Fixing and Adopting the Budget**  
**and the Four-Year Plan Summary & Enrollment Projection**

**WHEREAS,** WAC 392-123-054 requires that the board of directors of every school district meet for the purpose of fixing and adopting the budget of the district for the ensuring fiscal year.

**WHEREAS,** a public notice was published announcing that on August 13, 2025, the Board of Directors of Pullman School District No. 267, Whitman County, Washington, would meet in a public meeting for the purpose of fixing and adopting the 2025-2026 Fiscal Budget along with the four-year budget plan summary and four-year enrollment projection of the district.

**WHEREAS,** pursuant to RCW 28A.150.270 and WAC 392-121-445 the Board of Directors is executing a resolution as part of this budget hearing requesting approval for operating transfers from the Capital Projects Fund to the General Fund up to the amount of \$100,000 for the purpose of supporting technology-related expenditures, including software licensing costs, as allowed under the technology levy; and

**THEREFORE, BE IT RESOLVED** the Board of Directors of Pullman School District, Whitman County, Washington, has determined that the final appropriation level of expenditures for each fund in 2025-2026 will be as follows:

	<b><u>APPROPRIATION LEVEL</u></b>
General Fund	\$44,541,325
Capital Projects Fund	\$3,726,596
Debt Service Fund	\$6,970,591
Associated Student Body Fund	\$739,877
Transportation Vehicle Fund	\$285,000

*Signed this 13th day of August, 2025*

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Directors, Pullman School District No. 267  
Whitman County, Pullman, Washington

Attest:

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Dr. Robert Maxwell, Secretary

# Coversheet

## 2025-2026 Assessment Plan

<b>Section:</b>	VI. Discussion Items
<b>Item:</b>	C. 2025-2026 Assessment Plan
<b>Purpose:</b>	
<b>Submitted by:</b>	
<b>Related Material:</b>	ES 2025-26 Assessment Plan 7.23.25.pdf PSD Assessment Plan 25-26 FINAL.pdf



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## ***2025-2026 Pullman School District Assessment Plan***

### **Executive Summary**

**July 23, 2025**

***By: Ryan Mulvey***

*Assistant Superintendent*

### **Background:**

Per Policy 2090, an annual review of the assessment processes and procedures is required to determine if the purposes of the evaluation program are being accomplished. Every year the district shall utilize a variety of assessment processes to regularly assess the achievement levels of all students. These assessments shall include state-mandated standardized tests, district tests and surveys, and a variety of teacher-designed tools.

### **Recommended Board Action:**

Approval of 2025-2026 Assessment Plan.

### **Motion to Approve**

I move that we approve the 2025-2026 Assessment Plan for the Pullman School District.

☐ Approved

☐ Not Approved

Date: \_\_\_\_\_

Board Secretary Signature: \_\_\_\_\_



Pullman School District Assessment Plan 2025-2026

Assessment Program	Grade Level	2025-2026 Testing Window	Notes
District Assessments			
<p><a href="#">MAP:</a> (Measures of Academic Progress)</p> <ul style="list-style-type: none"><li>• Reading (Language Use optional)</li><li>• Math</li></ul>	Grades K –8, some 9-12	<p><b>Fall:</b> September 8-September 26</p> <p><b>Winter:</b> January 26-February 13</p> <p><b>Spring:</b> May 11-June 5</p>	<p>Second Grade takes:</p> <ul style="list-style-type: none"><li>• 2-5 version for reading</li><li>• K-2 version for math</li></ul> <p>Audio for math is required at all grade levels.</p>
<p><b>DIBELS:</b> (Dynamic Indicators of Basic Early Literacy Skills)</p> <ul style="list-style-type: none"><li>• Reading</li></ul>	Grades K-5	<p><b>Fall:</b> Grades 2-5 September 8-12</p> <p><b>Fall:</b> Grades K-1 October 13-17</p> <p><b>Winter:</b> K-5 January 12-23</p> <p><b>Spring:</b> K-5 May 18- June 5</p>	<p>Benchmark DIBELS will be administered by CORE+ staff. Progress monitoring of the lowest strand will be completed by classroom teachers. Composite scores will be utilized to establish Ambitious Zones of Growth Goals.</p>
<p><b>AP Testing</b> (Advanced Placement)</p>	Grades 9-12	May TBD	<p>Optional: testing is open to any students who would like to participate in AP testing.</p> <p>List of complete dates and times for each subject to be determined.</p>
Student Universal Wellness Screener	Grades K - 12	Sept. 29- Oct. 3 March 2-27	<p>A 15-question screener in the areas of social, emotional, belonging, and feelings about academics.</p>



## Pullman School District Assessment Plan 2025-2026

Assessment Program	Grade Level	2025-2026 Testing Window	Notes
State Assessments - Standard			
<a href="#">SBA - Summative:</a> (Smarter Balanced Assessments) <ul style="list-style-type: none"><li>• ELA</li><li>• Math</li></ul>	Grades 3 – 8, 10, & 11*-12*	March 2 - May 30	*Available to students who have not yet passed the ELA and/or math assessment and want to use as a pathway to demonstrate post-secondary career or college readiness or who previously tested and would like to attempt a higher score.
<a href="#">SBA - Interim:</a> (Smarter Balanced Assessments) <ul style="list-style-type: none"><li>• ELA</li><li>• Math</li></ul>	Grades 3 – 8, 10, & 11	To Be Determined	Grade level teams need to create a plan for administering interims and submit by Oct. 4
<a href="#">WCAS:</a> (Washington Comprehensive Assessment of Science) <ul style="list-style-type: none"><li>• Science</li></ul>	Grades 5, 8, & 11	April 6 - June 5	
<a href="#">WA-AIM:</a> (Washington Access to Instruction & Measurement) <ul style="list-style-type: none"><li>• ELA</li><li>• Math</li><li>• Science</li></ul>	<b>Math &amp; ELA:</b> Grades 3-8 & 10 <b>Science:</b> Grades 5, 8, & 11	<b>January 26 - May 1</b> (2 data points advised – six weeks between pre & post assessment)	Students with significant cognitive disabilities may participate in this assessment as an alternative to SBA and WCAS assessments for the purpose of meeting accountability and demonstrating post-secondary career or college readiness.





## Pullman School District Assessment Plan 2025-2026

Assessment Program	Grade Level	2025-2026 Testing Window	Notes
State Assessments – Standard, continued.			
<b><u>WaKIDS:</u></b> (Washington Kindergarten Inventory of Developing Skills) <ul style="list-style-type: none"><li>• Social-emotional</li><li>• Language</li><li>• Physical</li><li>• Literacy</li><li>• Cognitive</li><li>• Math</li></ul>	Grade K	<b>Fall: November 15, 2025</b> <b>Winter: March 15, 2026</b> <b>Spring: June 15, 2026</b>	Required for all kindergarten students in the fall. Some students will be re-assessed in the spring in the cognitive and language domains only.
<b>Primary Reading:</b> State mandated oral assessment of fluency & accuracy	Grade 2 (Fall DIBELS)	September 8 - 12	This is a second grade reading assessment administered via paper/pencil.
<b>OSPI Developed Assessments/CBA:</b> (Classroom Based Assessments) <ul style="list-style-type: none"><li>• <a href="#">Social Studies</a></li><li>• <a href="#">The Arts</a></li><li>• <a href="#">Health &amp; Physical Education</a></li><li>• <a href="#">Educational Technology</a></li></ul>	Grades K – 12	Completed By May 29	Required for: <ul style="list-style-type: none"><li>• Civics:<ul style="list-style-type: none"><li>○ At least grades 4 or 5, 7 or 8, and 11 or 12</li></ul></li><li>• The Arts:<ul style="list-style-type: none"><li>○ At least one grade at each school</li></ul></li><li>• Health:<ul style="list-style-type: none"><li>○ At least one grade at each school</li></ul></li><li>• Physical Education:<ul style="list-style-type: none"><li>○ At least one grade at each school</li></ul></li></ul> Optional for: <ul style="list-style-type: none"><li>• Social Studies (other than civics)</li><li>• Educational Technology</li></ul>



Pullman School District Assessment Plan 2025-2026

Assessment Program	Grade Level	2025-2026 Testing Window	Notes
<div>State Assessments – English Language Proficiency</div> <div>Washington State has adopted the WIDA English Language Development Standards Framework and will transition into using the new standards and related assessments in the 2021–22 school year. WIDA is a 40-state consortium that promotes educational equity for multilingual learners through language development standards, assessments, and high-quality professional learning for P-12 educators.</div>			
WIDA Screener for Kindergarten and WIDA Screener	Grades K - 12	August 27 – June 12, 2026 Administered no later than the student’s 10 <sup>th</sup> day of attendance	Required for newly enrolled students who first learned or actively speak a language other than English at home, as well as newly enrolled Native American students who are academically at risk.  K is only offered via paper/pencil, 1-12 is online.
<div><a href="#">WIDA ACCESS</a> Annual Test</div> <div>Assesses language proficiency growth of Multilingual learners.</div> <div>• Reading • Listening • Writing • Speaking</div>	Grades K - 12	January 26 - March 20	Required annually for all qualified Multilingual Learners.
<div><a href="#">WIDA</a> Alternative ACCESS</div>	Grades K-12	January 26 - March 20	Students with significant cognitive disabilities may participate in this assessment as an alternative to WIDA ACCESS for the purpose of meeting the annual requirement for all qualified Multilingual Learners.



## Pullman School District Assessment Plan 2025-2026

### Links to additional information:

- Program specific information: Click on hyperlinked Assessment Program titles above
- Washington Comprehensive Assessment Program (WCAP) Portal: <https://wa.portal.cambiumast.com>
- OSPI Assessment Overview: <http://www.k12.wa.us/assessment/StateTesting/default.aspx>
- State Testing Timelines/Calendar: <http://www.k12.wa.us/assessment/StateTesting/timelines-calendars.aspx>
- Multiple Pathways to Graduation: <https://ospi.k12.wa.us/student-success/graduation/graduation-pathways>
  - Graduation Class Graduation Pathways: <https://ospi.k12.wa.us/student-success/graduation>

# Coversheet

## 2025-2026 State and Federal Grants Approval

<b>Section:</b>	VI. Discussion Items
<b>Item:</b>	D. 2025-2026 State and Federal Grants Approval
<b>Purpose:</b>	
<b>Submitted by:</b>	
<b>Related Material:</b>	ES 2025-26 State and Federal Grants Approval 7.23.25.pdf PSD Grant Matrix 2025-26.pdf



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## ***2025-2026 State and Federal Grants Approval***

**Executive Summary**

**July 23, 2025**

***By: Ryan Mulvey***

*Assistant Superintendent*

### **Background:**

Each year our district applies for multiple state and federal grants (for a complete list please see the attached grant matrix.) With the exception of the state highly capable grant which requires separate action, our board of directors takes action to approve these grants.

### **Recommended Board Action:**

Approval of 2025-2026 State and Federal Grants.

### **Motion to Approve**

I move that we approve the adoption of 2025-2026 State and Federal Grants.

☐ Approved

☐ Not Approved

Date: \_\_\_\_\_

Board Secretary Signature: \_\_\_\_\_

**Pullman School District**  
**Annual State & Federal**  
**Grants 2025-2026**

Grant Name	Allocation	Proposed Activities	School(s)	Purpose and Funding Overview
Federal Funds for <b>Special Education (IDEA) Part B &amp; Sec 611</b>	<b>\$ 528,630</b> (\$13,796 <i>more</i> than 2024-25)	<ul style="list-style-type: none"> <li>- Teacher</li> <li>- Para educators</li> <li>- Preschool services</li> <li>- Supplies, testing materials, new computers, etc.</li> <li>- Contract services (Physical &amp; Occupational Therapy)</li> <li>- Transition services</li> <li>- Assistive technology</li> </ul>	All schools	<p>Provides financial assistance to school districts for students in need of specially designed instruction.</p> <p>Formula is a derivative of Basic Education funding and includes a base allocation as well as a relative population and poverty allocation.</p>
Federal Funds for <b>Special Education (IDEA) Preschool Part B Sec. 619</b>	<b>\$ 10,067</b> (\$92 <i>more</i> than 2024-25)	Contracting with Community Child Care Center	Head Start. There is another preschool program at CCCC for children with higher level of needs (not funded with federal funds).	<p>Provides financial assistance to school districts for students in need of specially designed instruction.</p> <p>Funding is calculated using a base allocation as well as a relative population and poverty allocation.</p>
State Funds for <b>Special Education</b>	<b>\$ 5,482,898</b> (\$695,143 <i>more</i> than 2024-25)	<p>Teachers</p> <p>Para educators</p> <p>Materials and supplies</p>	All schools	Provides financial assistance to school districts for students in need of specially designed instruction.
Federal Funds for <b>Title I Part A</b> Improving Basic Programs	<b>\$ 679,276</b> (\$139,203 <i>more</i> than 2023-24)	<ul style="list-style-type: none"> <li>- Intervention teachers</li> <li>- Intervention para educators</li> <li>- Professional development to address school and district concerns identified through the comprehensive needs assessment process</li> <li>- Intervention materials</li> </ul>	Jefferson Kamiak	<p>To provide assistance to districts and schools to support students at the greatest risk of not meeting state standards.</p> <p>Funding is based on poverty and includes free &amp; reduced lunch numbers and other formulas.</p>



Grant Name	Allocation	Proposed Activities	School(s)	Purpose and Funding Overview
Federal Funds for <b>Title II, Part A</b> Teacher & Principal Quality	<b>\$ 77,169 2024-2025</b> <i>2025-2026 Unknown</i>	0.8 Curriculum & Assessment TOSA	All schools	To increase the academic achievement of all students by helping schools and school districts improve teacher and principal quality.
Federal Funds for <b>Title III</b> Language Instruction for Limited English Proficient (LEP) and Immigrant Students	<b>\$ 20,498 2024-2025</b> <i>2025-2026 Unknown</i>	Professional development to increase staff capacity to meet the academic needs of limited English proficient students	All schools	To ensure that limited English proficient (LEP) students, including immigrant children and youth, develop English proficiency and meet the same academic content and academic achievement standards that other children are expected to meet. Funds are for implementing language instruction educational programs designed to help LEP students achieve standards.
Federal Funds for <b>Title IV</b> Student Support and Academic Enrichment	<b>\$ 39,633 2024-2025</b> <i>2025-2026 Unknown</i>	Mental Health Supports College in the HS Tuition for students impacted by poverty Professional Learning	All schools	To provide students with access to a well-rounded education, improve school conditions for student learning, and improve use of technology to improve the academic achievement and digital literacy of all students.
State Funds for <b>Transitional Bilingual Instructional Program (TBIP)</b>  <i>Form package presented separately for Board approval.</i>	<b>\$ 266,663</b> (\$5,963 <i>more</i> than 2024-25)	- ELD teachers - ELD para educators	All schools	To address the unique needs of limited English proficient students and to develop language proficiency that enables meaningful access to grade level curricula and instruction. A formula is used to determine funding allocation which includes district annual average ELL enrollment, prototypical class size, number of instructional hours per week, LEAP salary schedule, certificated instructional staff funded, district wide staff mix multiplied by base salary, benefit rate, insurance funding etc.

Grant Name	Allocation	Proposed Activities	School(s)	Purpose and Funding Overview
Federal Funds for <b>Carl D. Perkins Act / Career &amp; Technical Education (CTE) Improvement</b>	2024-25: \$29,977  2025-26 amount has not posted.	Funds utilized for professional development and/or the purchase of materials	PHS	Pullman CTE programs integrate academic skills in all of our programs. Using math, English and science disciplines in CTE courses validates the applicability of those subjects to the world of work as well as integrates the subjects to solve problems.
State Funds for <b>Learning Assistance Program (LAP)</b>	\$ 687,296 (35,756 <i>more</i> than 2024-25)	<ul style="list-style-type: none"> <li>- Intervention teachers</li> <li>- Intervention para educators</li> <li>- Professional development to increase staff capacity to meet the academic needs of students at risk of not meeting grade level standards</li> <li>- Intervention materials</li> </ul>	All schools	<p>To provide supplemental services for K–12 students scoring below grade-level standard in English language arts (ELA) and mathematics. These services focus on accelerating student growth to make progress towards grade level. LAP has a “K-4 focus first” related to ensuring students are reading at grade level by the end of grade 4.</p> <p>Funding is based on FTE student count and the district’s free &amp; reduced lunch numbers. LAP is now a basic education allocation not a grant.</p>
State Funds for <b>LAP High Poverty School (JES)</b>	<b>\$110,644</b> (\$12,507 <i>more</i> than 2024-25)	SEL Specialist	JES	Use of funds must be determined by school staff. Funds may be used in any manner that aligns with LAP funding.
State Funds for <b>Highly Capable Program (HCP)</b>  <i>Program Plan presented separately for Board approval.</i>	<b>\$82,347</b> (\$8,889 <i>more</i> than 2023-24)	<ul style="list-style-type: none"> <li>- 0.2 FTE Curriculum &amp; Assessment TOSA</li> <li>- .5 HCP TOSA</li> <li>- Professional development to increase staff capacity to meet the academic needs of highly capable students</li> <li>- Supplemental instructional materials</li> <li>- Program qualification testing</li> <li>- Teacher/coach support</li> </ul>	All schools	<p>To provide instruction, activities and services that accelerate learning, and offer a unique academic challenge for young learners identified as highly capable.</p> <p>Funding is based on a per-pupil rate for 5% of district pupil FTE (increased in 2017-18 from 2.34%)</p>

# Coversheet

## 2025-2026 School Meal Prices

<b>Section:</b>	VI. Discussion Items
<b>Item:</b>	E. 2025-2026 School Meal Prices
<b>Purpose:</b>	
<b>Submitted by:</b>	
<b>Related Material:</b>	ES 2025-26 Meal Prices.pdf Paid Lunch Equity Tool.pdf



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**Pullman School District No. 267 • 240 SE Dexter • Pullman, WA 99163 • (509) 332-3581**

***School Meal Prices 2025-2026***

**Executive Summary**

July 23, 2025

By: Juston Pollestad

*Executive Director of Operations*

**Background:**

Section 205 of the Healthy, Hunger-Free Kids Act of 2010 requires school districts to gradually increase paid lunch prices to better reflect the difference between the Federal free meal reimbursement and the Federal paid meal reimbursement. The amount of required price increases is determined by The Paid Lunch Equity (PLE) tool. PLE is used to determine the weighted average paid lunch price. This tool determines the new paid lunch price. For the 2025-2026 school year this difference or “paid lunch equity” with a 10 cents cap is \$3.61.

	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	Increase
Elementary Lunch	\$2.90	\$2.90	\$3.05	\$3.10	\$3.20	\$3.25	<b>\$3.30</b>	<b>\$0.05</b>
Middle School Lunch	\$3.00	\$3.25	\$3.25	\$3.25	\$3.35	\$3.50	<b>\$3.55</b>	<b>\$0.05</b>
High School Lunch	\$3.25	\$3.50	\$3.50	\$3.50	\$3.60	\$3.75	<b>\$3.80</b>	<b>\$0.05</b>
Adult Lunch	\$4.25	\$4.25	\$4.71	\$4.75	\$4.75	\$5.00	<b>\$5.00</b>	<b>No change</b>
Breakfast, Elem	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	<b>\$2.00</b>	\$0.00
Breakfast, LMS				\$2.10	\$2.10	\$2.25	<b>\$2.25</b>	\$0.00
Breakfast, PHS	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.40	<b>\$2.40</b>	\$0.00
Adult Breakfast	\$2.75	\$2.75	\$2.75	\$2.75	\$3.00	\$3.00	<b>\$3.00</b>	\$0.00

**Special considerations:**

- Jefferson Elementary and Kamiak Elementary schools are not included in these calculations because these schools participate in the Community Eligibility Provision (CEP) are not required to be included in the Paid Lunch Equity tool.
- Franklin Elementary for school year 2025-2026 meets the House Bill 1238 eligibility for free meals for all students.

Per OSPI Child Nutrition, “RCW 28A.235.135 requires LEAs to provide breakfast and lunch at no cost to students enrolled at elementary schools where 30% or more of enrolled children are eligible for free or reduced-price meals. The state legislature also provided supplemental funds to ensure all meals served at qualifying elementary schools will be reimbursed at the federal free rate. RCW 28A.235.135 does not supersede RCW 28A.235.300 which requires the operation of the USDA Community Eligibility Provision (CEP) at schools with an Identified Student Percentage (ISP) of 40% or greater.” Eligibility is determined annually based on the previous year’s October Building Data. In October 2024 31.43% of the students attending Franklin Elementary qualified for free or reduced priced meals.

Therefore, the paid lunch eligibility meal pricing is based on anticipated paid lunches sold at Sunnyside Elementary, Lincoln Middle School, and Pullman High School.

To meet the required meal price increases I propose the following increases in the price of paid lunches:

Elementary School	\$0.05 to \$3.30 per lunch
Lincoln Middle School	\$0.05 to \$3.55 per lunch
Pullman High School	\$0.05 to \$3.80 per lunch



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**Recommended Board Action:**

Approve the 2025-2026 meal prices as listed above.

**Motion to Approve**

I move the Board adopt the 2025-2026 meal price schedule as listed above.

☐ Approved

☐ Not Approved

**Date:** \_\_\_\_\_ **Board Secretary Signature:** \_\_\_\_\_

**SFA NAME: Pullman School District #267**

The prices are based on adjusting SY 2024-25 price requirement by the 2% rate increase plus the Consumer Price Index (6.03%).

SY 2025-26 Weighted Average Price Requirement	
Requirement to the nearest cent	Requirement ROUNDED DOWN to the nearest 5 cents
\$4.01	\$ 4.00

**SY 2025-26 Price Raise Calculator****Step 1**

If the SY 2024-25 Weighted Average Price is equal to or above the target price of \$4.01 then the SFA is compliant for SY 2025-26.

**SY 2024-25 Weighted Average Price Calculator**

Enter the paid prices and number of paid lunches sold at each price for October 2024.

	Number of Paid Lunches	Paid Lunch Prices	Monthly Revenue	Weighted Average Price for SY 2024-25
1	2,531	\$ 3.25	\$ 8,225.75	
2	2,681	\$ 3.50	\$ 9,383.50	
3	2,725	\$ 3.75	\$ 10,218.75	
4			\$ -	
5			\$ -	
6			\$ -	
7			\$ -	
8			\$ -	
9			\$ -	
10			\$ -	
<b>Total</b>	<b>7,937</b>		<b>\$ 27,828.00</b>	<b>\$ 3.51</b>

**Step 2**

Shortfall or Credit
Enter any shortfall or credit carried forward from SY 2024-25

**Overview of the Calculations**

Total Price Increase for SY 2025-26 (Based on the requirement rounded down to the nearest 5 cents)	
\$	0.49
Required Weighted Average Price for SY 2025-26 (Increase with the 10 cents cap)	
\$	3.61
Remaining Shortfall to Meet the Total Price Increase for SY 2025-26 (Based on establishing the price with the 10 cents cap)	
\$	0.39
Credit From the Total Price Increase for SY 2025-26 (Based on a greater price in SY 24-25 and/or credit from the previous year)	
\$	-

**(Optional Step)****Pricing Estimation Calculator**

Below is a tool allowing users to manipulate prices to achieve the required weighted average price for SY 2025-26.

	Number of Paid Lunches	Paid Lunch Prices	Monthly Revenue	Weighted Average Price for SY 2025-26
1	1,086	\$ 3.30	\$ 3,583.80	
2	2,681	\$ 3.55	\$ 9,517.55	
3	2,725	\$ 3.80	\$ 10,355.00	
4			\$ -	
5			\$ -	
6			\$ -	
7			\$ -	
8			\$ -	
9			\$ -	
10			\$ -	
<b>Total</b>	<b>6,492</b>		<b>\$ 23,456.35</b>	<b>\$ 3.61</b>

**Step 3**

[SY 25-26 Report](#)

To review the instructions for the SY 25-26 Price Raise Calculator:

[Instructions](#)

Attention: Users should only enter information in the cells highlighted in green. Modifications should not be made to the tool as changes can cause an incorrect new average price to be calculated which will impact future calculations.

May 2025



# Coversheet

## 2025-2026 Clubs and Fundraisers

<b>Section:</b>	VI. Discussion Items
<b>Item:</b>	F. 2025-2026 Clubs and Fundraisers
<b>Purpose:</b>	
<b>Submitted by:</b>	
<b>Related Material:</b>	ES Clubs and Fundraisers 7.23.25.pdf PSD Clubs and Fundraisers 25-26.pdf



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***2025-2026 Clubs & Fundraisers***

**Executive Summary**

**July 23, 2025**

***By Juston Pollestad***

*Executive Director of Operations*

**Background:**

Each summer the Board must review and approve the anticipated clubs and fundraisers for the next fiscal year. In your Board packet are the clubs and fundraisers for the fiscal year 2025-2026. (Additions to the 2024-25 list are in red, deletions are struck through.)

**Recommended Board Action:**

Approval of the clubs and fundraisers for the fiscal year 2025-2026.

**Motion to Approve**

I move the Board approve the anticipated clubs and fundraisers as presented for the fiscal year 2025-2026.

☐ Approved

☐ Not Approved

**Date:** \_\_\_\_\_

**Board Secretary Signature:** \_\_\_\_\_

## 2025-26 PSD Clubs and Fundraisers

### Pullman High School

Clubs & Activities	Fundraisers
AAPI	
Art Club	
Band	Popcorn
Baseball	Program Sales, media guide, Greyhound Buddies
Black Student Union	
Boys Basketball	
Boys Golf	
Boys Soccer	
Boys Swim	
Boys Tennis	
Cheerleading	Junior Cheer Camp
Class-Senior	Reindeer Games
Class-Junior	Prom, Movie Night
Class-Sophomore	TOLO
Class-Freshman	
Computer Club	
Cross Country	WSU Concessions, 5K fundraiser
Dance Team	Hug Notes
Distributive Education Clubs of America (DECA)	Dig to Donate, DECA Night
Drama Club	Theater Productions (Fall & Winter, Spring)
Executive Council	Halloween Dance, Toy drive, Coin drive Winter Dance, ATVP
Family, Career and Community Leaders Of America (FCCLA)	We Help Too- Socks
Football	
FFA	Plant Sale, Charitable-Alternatives to Violence on the Palouse (donation jars)
Girls Basketball	
Girls Golf	Club Sales
Girls Soccer	
Girls Swim	
Girls Tennis	
Greyhound Minds Matter	
Junior Statesman of America	
Key Club	Valentine's Day Flowers
Knowledge Bowl	
Lego Club	
Math Club	
Math Team	
Multimedia	
Orchestra	Disney & desserts, popcorn, concession sales
Origami Club	
Ping Pong Club	
Environmental Club	WSU Concessions
Science Bowl	
Science Olympiad	Letter Writing Campaign
Skills USA Welding and Machining	Escape Room
Skills USA	
Visual Communication	
Softball	
Spirit Club	Homecoming Dance

STEM Explorers	
Tabletop	Chess Tournament
Track	WSU Concessions
Vocal/Choir	Popcorn
Volleyball	
Wrestling	
Mem Book/Annual	Yearbook sales

### Lincoln Middle School

Clubs & Activities	Fundraisers
6001 Donations Charitable...	Multiple food drives
Art Club	
ASB	Fan Gear/Popcorn Fundraiser
Boys Basketball	Summer camp/Gear
Chess Club	
Cross Country	Cross Country Meet
Cryptid Club	Snacks at School Events
Cubing Club	
Drama Club	
Esports	
Football	TBD
Garden Club	
Girls Basketball	Summer camp/Gear
GSA–Gender Sexuality Alliance	
Intramurals	
6 <sup>th</sup> Jazz Band	
7/8 Jazz Band	
Jazz Choir	Dessert Concert
Magic The Gathering	
Math Team	T-Shirts/Gear
Pokemon Club	
Science Bowl	
Science Olympiad	
Spirit Club	Popcorn Sales/Turkey Trot/T-Shirts/Gear
SOCA Students of Color Alliance	
Volleyball	
Wrestling	T-Shirts/Gear
WTSA-WA Tech Student Association	
Yearbook	

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### Franklin Elementary School

Clubs & Activities	Fundraisers
5 <sup>th</sup> Grade Camp	
Blogging Club	
Chess Club	
Fox Council	
Fox Den Club	
Fox Minds Matter	
Fox School Spirit	
Garden/Green Club	
Jazz Choir	
Library Club	
Math Olympiads	
Patrol Team	
Pickle Ball Club	
Reading Club	
STEAM Club	

### Jefferson Elementary School

Clubs & Activities	Fundraisers
5 <sup>th</sup> Grade Camp	Candy Sales
Chess Club	
Coding Club	
Destination Imagination	
Environmental/Recycling Club	
Gardening Club	
Geography Club	
Green Team	
Jefferson Joggers	
Lego Club	
Multicultural Club	
Safety Patrol	
Spanish Club	
Student Council	

**Kamiak Elementary School**

<b>Clubs &amp; Activities</b>	<b>Fundraisers</b>
5 <sup>th</sup> Grade Camp	
Art Club	
Chess Club	
Cross Country Club	
Drama Club	
Geography Club	
Green Team Environmental Club	
Kestrels Minds Matter	
Lego Club	
Math Club	
Safety Patrol	
STEM Club	
Student Council	

**Sunnyside Elementary School**

<b>Clubs &amp; Activities</b>	<b>Fundraisers</b>
5 <sup>th</sup> Grade Camp	
Chess Club	
Coding Club	
Greenhouse/Horticulture Club	
K-Kids Club	
Knitting/Crocheting Club	
Math Olympiad	
Spelling Bee	
Sunnyside singers	
Recycling club	
Rock Painting Club	
Board Game club	
Building club	



# Coversheet

## Prime Vendor Contract Renewal

<b>Section:</b>	VI. Discussion Items
<b>Item:</b>	G. Prime Vendor Contract Renewal
<b>Purpose:</b>	
<b>Submitted by:</b>	
<b>Related Material:</b>	ES Prime Vendor Contract Renewal 7.23.25.pdf Interlocal Agreement - PullmanSD and SpokaneSD.pdf



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## ***Prime Vendor Contract Renewal***

**Executive Summary**

**July 23, 2025**

***By: Juston Pollestad***

*Executive Director of Operations*

### **Background:**

Pullman School District #267 benefits from an inter-local agreement with Spokane Public School District #81 Co-op which allows the Pullman School District to receive the same food prices negotiated by the Spokane School District. US Foods is in agreement to exercise the Option of Renewal for the 2025-2026 school year as the prime vendor contractor for grocery, bread, dairy, and produce. It is recommended that the Pullman School District continue the partnership with US Foods for the 2025-2026 school year.

### **Recommended Board Action:**

Exercise the option to renew the yearly Prime Vendor Contract with US Foods for the school year 2025-2026.

### **Motion to Approve**

I move that the Board exercise the option to renew the yearly Prime Vendor Contract with US Foods for the school year 2025-2026.

☐ Approved

☐ Not Approved

**Date:** \_\_\_\_\_

**Board Secretary Signature:** \_\_\_\_\_

INTERLOCAL AGREEMENT BETWEEN PULLMAN SCHOOL DISTRICT  
AND SPOKANE PUBLIC SCHOOLS

This INTERLOCAL AGREEMENT ("Agreement") is entered into by and between Pullman School District #267, and SPOKANE PUBLIC SCHOOLS, legally referenced as SPOKANE SCHOOL DISTRICT No. 81 (collectively referred to herein as the "Parties"). The Parties hereby enter into this Agreement as of the date of execution for the purposes and under the terms contained herein.

RECITALS

WHEREAS, each of the Parties is a duly constituted public agency, as that term is defined by RCW 39.34.020; School District, organized and existing under and by virtue of the laws of the State of Washington;

WHEREAS, the Interlocal Cooperation Act, Chapter 39.34 RCW, provides for cooperation between public agencies;

WHEREAS, the Parties are required to make certain purchases by a formal advertisement and bid process, and incur certain expenses, and it is in the public interest for the parties to cooperate in purchasing activities to obtain the most favorable pricing for each Party and to reduce duplicative activities;

WHEREAS, the Parties recognize and find that this Agreement will permit the Parties to make the most efficient use of their powers by enabling them to cooperate with each other on a basis of mutual advantage and that it is in each of their best interests to cooperate and join in certain purchasing activities;


NOW THEREFORE, BE IT RESOLVED by each Board of Directors for each of the Parties, for and in consideration of the promises and covenants contained herein and the mutual benefits to be derived therefrom, the Parties agree as follows:

1. Purpose. The purpose of this Agreement is to allow one Party to purchase goods and services through contracts executed and administered by the other Party with one or more third party vendors.
2. Scope. This agreement shall allow the following activities:
  - A. Purchase or acquisition of goods and services by each Party acting as the agent for either or both Parties; or
  - B. Purchase or acquisition of goods and services by each Party directly from a third party vendor where if a provision has been made in a contract with that third party vendor for other agencies to avail themselves of the goods and services offered under the contract.

3. Duration. This Agreement shall become effective once it is fully executed and posted on each respective Parties' website. The Agreement shall remain in force until terminated by either Party according to the terms herein.
4. Termination. Either Party may terminate this Agreement upon thirty (30) days written notice to the other Party.
5. Administration of Agreement. It is not the intent of the Parties, nor shall this Agreement be interpreted, to create a new or separate legal entity for the performance of this Agreement. Instead, the Boards of both Parties shall jointly administer this Agreement.
6. Manner of Acquiring, Holding, and Disposing of Property. The Party purchasing goods or services under this Agreement shall be solely responsible for acquiring the real or personal property it purchases, and all such property shall be held in that Party's name. That Party shall also have primary responsibility for disposing of such property for the duration of the Agreement and upon termination of the Agreement.
7. Manner of Financing. The method of financing this Agreement shall be through budgeted funds or other available funds of the Party for whose use the property is actually acquired or disposed. Each Party accepts no responsibility for the payment of goods or services acquired for the sole and exclusive use of the other Party.
8. Budget. The Party purchasing the goods or services under this Agreement shall be responsible for all budget and accounting procedures related to such purchases.
9. Compliance with Bidding Requirements. The Party contracting with a third party vendor through a bid, proposal or contract (the lead agency) shall comply with its statutory requirements regarding notice for bids or proposals for goods or services subject to this Agreement, and the lead agency shall either post the bid or solicitation notice on a website established and maintained by a public agency, purchasing cooperative, or similar service provider, for purposes of posting public notice of bid or proposal solicitations, or shall provide an access link to the notice on the State of Washington's web portal.
10. Adoption of Agreement. The Board of Directors for each Party authorizes this Agreement and has or will take action by resolution, motion, or other necessary action to approve this Agreement.
11. Independent Right to Contract. Each Party reserves the right to contract for the purchase or disposal of any particular class of goods or services, with or without notice being given to the other Party.


12. No Obligation. This Agreement does not obligate either Party to acquire goods or services or dispose property through the contractual agreements of the other Party.
13. Amendments. This Agreement may be amended or modified by mutual agreement of the Parties. Any amendment or modification shall be in writing, signed and duly approved by the Boards of both Parties.
14. Governing Law. The terms of this Agreement shall be governed by the laws of the State of Washington.
15. Signature Blocks. The Parties acknowledge that they have read, understand and accept this Agreement, including any supplements or attachments, and that this Agreement constitutes the entire agreement between them and supersedes all other communications, written or oral, relating to the subject matter of this Agreement.

**SPOKANE PUBLIC SCHOOLS**

  
\_\_\_\_\_  
Dr. Mark Anderson  
Associate Superintendent,  
School Support Services

6-10-10  
Date

**PULLMAN SCHOOL DISTRICT**

  
\_\_\_\_\_  
Dr. Paul Sturm  
Superintendent

4-28-10  
Date

# Coversheet

## Annual Organizational Meeting

<b>Section:</b>	VI. Discussion Items
<b>Item:</b>	H. Annual Organizational Meeting
<b>Purpose:</b>	
<b>Submitted by:</b>	
<b>Related Material:</b>	Representatives and Committee Appointment 2025-26.pdf





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## 2025-2026 Annual Organizational Meeting *Representatives and Committee Appointment*

Committees of the board may be created by a majority of the board. The board president will appoint board members to serve on such committees, the purpose and terms of which will be determined by a majority vote of the board. Board committees will be limited to two members.

According to policy 1210, the board president will appoint board members to serve on committees. The board can review and appoint or re-appoint board members to serve as the board representatives for the following committees:

Committee / Representative	Board Member
WIAA Representative	1) Arron Carter <i>Alternate: Craig Nelson</i>
Legislative Representative	1) Nathan Roberts
Board Policy Representative	1) Aaron Carter 2) Amanda Tanner
District Finance Committee	1) Arron Carter 2) Lisa Waananen Jones
District Facilities Committee	1) Craig Nelson
Curriculum Advisory Committee	1) Amanda Tanner
District Wellness Committee	1) Nathan Roberts
District Sustainability Committee	1) Craig Nelson
DEIB Citizens Task Force	1) Amanda Tanner <i>Alternate: Craig Nelson</i>
Parent Resource Partnership	1) Lisa Waananen Jones
Communications Advisory Committee	<i>Removing as standing committee but can convene if necessary</i>
Strategic Planning Steering Committee	<i>Removing as standing committee but can convene if necessary</i>

### Other Committees – For Your Information

WSSDA Nominating Committee	Amanda Tanner
OSPI School Facilities and Organization Citizen Advisory Panel	Nathan Roberts

### Board Liaisons – 2025-2026

Franklin Elementary – Craig Nelson  
Jefferson Elementary – Lisa Waananen Jones  
Sunnyside Elementary – Amanda Tanner

Kamiak Elementary – Nathan Roberts  
Lincoln Middle School – Arron Carter  
Pullman High School – Nathan Roberts

# Coversheet

## Administrative Requirements Update

<b>Section:</b>	VII. Informational Items
<b>Item:</b>	A. Administrative Requirements Update
<b>Purpose:</b>	FYI
<b>Submitted by:</b>	
<b>Related Material:</b>	July Administrative Requirements Update.pdf



**Pullman School District**  
**240 SE Dexter St.**  
**Pullman, WA 99163**

## Monthly Administrative Requirements

### July

#### ☐ Grant Application Proposals

*Person(s) Responsible: Asst. Superintendent*

- Title III – State Transitional Bilingual
- Hi Cap - State
- Title IIA & IID
- Title 1 – Federal
- LAP – State
- Title V – Innovative Program – Federal
- Title IV – Safe & Drug Free Schools – Federal
- TAP – Teachers Assistance Program - State

#### ☐ Year End Reports + Report to Board

*Person(s) Responsible: Asst. Superintendent*

- Title I
- LAP
- Hi Cap
- Bilingual, Form 1051E

#### ☐ Special Education End of Year Reports – Due July 15

*Person(s) Responsible: Asst. Director of Special Services & Program Manager – State & Federal Programs*

- COSF
- Initial Evaluation Timeline Report
- Transition from Part C to Part B Report

#### ☐ ASB Clubs and Fundraisers to board for approval

*Person(s) Responsible: Exec. Director of Operations & Principals*

#### ☐ Organize joint meeting with PPD (Joe)

*Person(s) Responsible: Exec. Director of Operations*

#### ☐ Credit and clock hours for certified staff (Dagny)

*Person(s) Responsible: Human Resources Manager*

#### ☐ Submit Federal Special Ed iGrant– Due July 1

*Person(s) Responsible: Asst. Director of Special Services & Program Manager – State & Federal Programs*

#### ☐ Budget Hearing & Adoption (Diane)

*Person(s) Responsible: Finance Director*

#### ☐ Provide Pullman Police Department with data collected annually by the district as outlined in 4311P for review by the Pullman Police Advisory Committee

*Person(s) Responsible: Admin Assistant to Supt & School Resource Officer*

### August

#### ☐ New Employee Orientation

*Person(s) Responsible: Superintendent, HR Manager, Finance Director, Principals*

- ☐ Title I Parental Involvement Meetings
  - *Person(s) Responsible: Assistant Superintendent*
- ☐ McKinney-Vento Data Collection
  - *Person(s) Responsible: Assistant Superintendent*
- ☐ Revise Crisis Plan
  - *Person(s) Responsible: Exec. Director of Operations*
- ☐ Small Works Roster
  - *Person(s) Responsible: Exec. Director of Operations & Maintenance Supervisor*
- ☐ National School Lunch & Breakfast Application
  - *Person(s) Responsible: Exec. Director of Operations & Nutrition Services Supervisor*
- ☐ Free & Reduced Applications
  - *Person(s) Responsible: Exec. Director of Operations & Nutrition Services Supervisor*
- ☐ Food Service Bids
  - *Person(s) Responsible: Exec. Director of Operations & Nutrition Services Supervisor*
- ☐ Gas/Diesel Bids
  - *Person(s) Responsible: Exec. Director of Operations & Transportation Supervisor*
- ☐ Annual Bus Mileage report 1021
  - *Person(s) Responsible: Exec. Director of Operations & Transportation Supervisor*
- ☐ Required Annual Published Notifications – (must go in newsletter/email to all parents)
  - *Person(s) Responsible: Superintendent's Office*
- ☐ \*\*REMINDER – ALL volunteers must complete a new volunteer packet each year
- ☐ Minimum Basic Education Compliance Review
  - *Person(s) Responsible: Superintendent*
- ☐ Staff Directory
  - *Person(s) Responsible: Superintendent's Office*
- ☐ Update & Distribute Extension list (need updates from secretaries)
  - *Person(s) Responsible: Superintendent's Office*
- ☐ Credit and Clock Hours for Certificated Staff
  - *Person(s) Responsible: HR Manager*
- ☐ Reminders to all staff: professional development procedures, Red Rover information, personal leave procedures
  - *Person(s) Responsible: HR Manager*
- ☐ Voc Ed Final Report
  - *Person(s) Responsible: High School Principal & CTE Director*
- ☐ Collect Data Sharing Agreement – Disclosure of Free/Reduced-Price Information from identified staff members
  - *Person(s) Responsible: Exec. Director of Operations & Nutrition Services Supervisor*

# Coversheet

## Expense Claim Audit - Community Update Board Schedule

<b>Section:</b>	VII. Informational Items
<b>Item:</b>	B. Expense Claim Audit - Community Update Board Schedule
<b>Purpose:</b>	FYI
<b>Submitted by:</b>	
<b>Related Material:</b>	Expense Claim Audit Comm Update Schedule.pdf



## BOARD DIRECTOR SCHEDULES

### Expense Claim Audit Schedule

Month	Reviewer
August 2024	Amanda Tanner
September	Lisa Waananen Jones
October	Craig Nelson
November	Nathan Roberts
December	Arron Carter
January 2025	Amanda Tanner
February	Lisa Waananen Jones
March	Craig Nelson
April	Nathan Roberts
May	Arron Carter
June	Amanda Tanner
July	Lisa Waananen Jones

### Community Update Board Report Schedule

Month	Submitter	Deadline
September 2025	District – Supt.	Need by end of July
October	Lisa Waananen Jones	Need by end of August
November	Nathan Roberts	Need by end of September
December	Amanda Tanner	Need by end of October
January 2026	District – Asst. Supt.	Need by end of November
February	Craig Nelson	Need by end of December
March	Arron Carter	Need by end of January
April	District – Exec. Dir of Operations	Need by end of February
May	Lisa Waananen Jones	Need by end of March
June	Board Director District 4	Need by end of April
July	Amanda Tanner	Need by end of May
August	Craig Nelson	Need by end of June

*\*Please provide article from principal or staff member (please, not too “school-specific”) about 500 words and photos if applicable.*



# Coversheet

## Board Calendar & Communication Plan

<b>Section:</b>	VII. Informational Items
<b>Item:</b>	C. Board Calendar & Communication Plan
<b>Purpose:</b>	FYI
<b>Submitted by:</b>	
<b>Related Material:</b>	Board of Directors Communication Plan 2024-2025_1.22.25.pdf

January - May **2025**



# Board of Directors Communication Plan

January

**Finance Committee Meeting**

February

**Finance Committee Meeting**

March

**Finance Committee Meeting**

April

**Finance Committee Meeting**

May

**Finance Committee Meeting**

**Community Update Article**

Nathan Roberts

**Community Update Article**

Arron Carter

**Community Update Article**

Amanda Tanner

**Community Update Article**

District - Juston Pollestad

**Community Update Article**

Nathan Roberts

**Staff Meeting Presentations**

Supt & Board Member

**Joint Communication to Staff**

from Supt. and Board

**Board Listening Session**

Topic: School Finances/Budget

**Joint Communication to Staff**

from Supt. and Board

**Chamber of Commerce  
Presentation**

State of the District/Aquatic Center

**Presentation to ASB &  
Student Ambassadors**

**Spring Board Dinner (March or April)**

**Communication about  
School/District Website  
Change**

**Legislative Conference**

Superintendent

**Enrollment for Next School**

Year Opens

**Communication about  
School/District Website  
Change**

**Budget & Post Legislative Session Update**

PTA/PTO/Booster Clubs

**Budget & Legislative Update Presentation**

PTA/PTO/Booster Clubs

**Survey**

**Staff Meeting Presentations**

Post Legislative Session & Budget Impacts Update

**Board Program Report**

Board Operating Protocols  
Supt. Evaluation

**Board Program Report**

Board Goals & Strategic Plan  
Supt. Contract Renewal  
Board Financial Disclosures

**Board Program Report**

National Board Cert. Teachers

**Board Program Report**

Dedicated Teacher/Team Award

**Board Program Report**

Review Board Calendar  
Filing Open Board Positions

• **Board Liaison:**

- Provides Spring PTA-PTO-Booster Club Report

• **Board President with a Board Member & Supt. Weekly Meeting**

- **Weekly:** Wednesdays, 4:30pm-5:30pm

• **Staff Weekly Report** - 3:00pm, Thursdays

- **Family Weekly Report** - 4:00pm, Fridays

• **Supt. Monthly Newsletter w/Board Feature**

- Board of Directors Information Section, submit 2 business days before the last business day of the month

June - October **2025**



# Board of Directors Communication Plan

June

**Finance Committee Meeting**

July

August

September

Oct

**Community Update Article**

Amanda Tanner  
*\*District Cover Page*

**Community Update Article**

Craig Nelson

**Community Update Article**

Arron Carter

**Community Update Article**

TBD  
*\*District Cover Page*

**Community Update Article**

TBD

**EOY Staff Presentation**

Budget Impacts Update

**Annual School Board Retreat**

*with Finance Update*

**Board Listening Session**

**Reminder Communication  
about School/District Website  
Change**

**New District ParentSquare  
Website Launches July 1**

**Fall Board Dinner (September or October)**

**Reminder: Enrollment for Next  
School Year**

**Board Program Report**

Summary of SIP Progress  
Supt EOY Evaluation

**Board Program Report**

Board Committee Rep. Assigned  
Budget: Presentation

**Board Program Report**

Affirmative Action  
Budget: Public Hearing

**Board Program Report**

Program Compliance

**Board Program Report**

Elem. School Improvement Plans

• **Board Liaison:**

- Provides Spring PTA-PTO-Booster Club Report

• **Board President with a Board Member & Supt. Weekly Meeting**

- **Weekly:** Wednesdays, 4:30pm-5:30pm

• **Staff Weekly Report** - 3:00pm, Thursdays

- **Family Weekly Report** - 4:00pm, Fridays

• **Supt. Monthly Newsletter w/Board Feature**

- *Board of Directors Information Section, submit 2 business days before the last business day of the month*

# Coversheet

## The Pullman Promise: Priorities, Goals, Success Indicators

<b>Section:</b>	VII. Informational Items
<b>Item:</b>	D. The Pullman Promise: Priorities, Goals, Success Indicators
<b>Purpose:</b>	FYI
<b>Submitted by:</b>	
<b>Related Material:</b>	The Pullman Promise.pdf

# The Pullman Promise:

The Pullman Public School District commits to these priorities and the six Cultural Beliefs that serve as the foundation of our educational excellence.

