



PARTNERSHIP FOR RHODE ISLAND
STREETLIGHT MANAGEMENT

Participation Agreement

Between the

Partnership for Rhode Island Streetlight Management (PRISM),

As Project Administrator,

And the

City of Central Falls

a Rhode Island Municipality,

As Participant.

PARTICIPATION AGREEMENT

This PARTICIPATION AGREEMENT (“Agreement”) is made as of this _____ day of _____, _____, between the Partnership for Rhode Island Streetlight Management (PRISM) (the “Project Administrator”), and the City of Central Falls, a Rhode Island municipal corporation, with an address of 1 Main Street, Slatersville, RI 02876 (“Participant” and collectively with other towns signing this agreement, as the “Participants”).

WITNESSETH THAT

WHEREAS, municipalities light their streets as a matter of public safety. Street lighting defines the roadway and enables motorists to navigate safely after dark by lighting signs, roadway boundaries, disabled and emergency vehicles, bicycles, pedestrians, etc.; and

WHEREAS, the Washington County Regional Planning Council (WCRPC) developed and successfully advocated for passage of the Municipal Streetlight Investment Act (the “Act”) (now RIGL 39.30) to serve all RI municipalities. The Act allows the Municipalities to buy their streetlights from the electric distribution company (also known and referred to as “National Grid”) and better manage them using a collaborative maintenance program. It gives municipalities the opportunity to install higher performing light fixtures (like LED lighting) and introduce streetlight control devices that allow dark-sky compliance, dimming, flashing, and part-night operations when appropriate; and

WHEREAS, WCRPC and the Rhode Island League of Cities and Towns (“League”) have represented municipalities at the Rhode Island Public Utilities Commission to ensure that the rate tariff that National Grid submitted to implement municipal control of the streetlight systems (the “Tariff”) is as beneficial to the Municipalities as possible; and

WHEREAS, WCRPC and the Rhode Island League of Cities and Towns (“League”) represent municipalities at the Rhode Island Public Utilities Commission to ensure that the metering pilot that National Grid submitted to test metering control systems for streetlights is as beneficial to the Municipalities as possible; and

WHEREAS, the Rhode Island Public Utilities Commission has approved the S-05 customer-owned Streetlights rate tariff that sets the conditions under which municipalities can collaboratively operate modern street lighting systems; and

WHEREAS, WCRPC has established PRISM, the Partnership for Rhode Island Streetlight Management, to implement the Municipal Streetlights Investment Act and the S-05 Rate Tariff by collaboratively managing, maintaining, and upgrading municipal streetlighting systems statewide; and

WHEREAS, PRISM was established to help the Municipalities implement this transition to municipally controlled streetlight service; and

WHEREAS, Participants understand the opportunity for cost savings, improved streetlight operations, and enhanced efficiency that come from municipal control and collaborative management of the streetlight systems; and

WHEREAS, Participants, both as individual entities and as a collective group, wish to save money on energy related expenditures, increase the operating control of streetlight assets, acquire updated lighting and control technologies, and reduce carbon emissions by owning and better managing their streetlights. By acting in concert through PRISM, each participant will be guided by experienced management that can provide more effective and efficient implementation; and

WHEREAS, the role of Project Administrator is an energy-related service, and has been procured as specified in RIGL 45-55-13.2.

NOW THEREFORE, in consideration of the aforementioned goals and understandings, the Parties agree to the following:

Article 1. Project Administrator

Participant agrees that PRISM will be the Project Administrator throughout the streetlight purchase and conversion process and for streetlight management during the term of this agreement. PRISM agrees to ensure that each Participant is treated fairly and equitably, and to ensure that all projects are carried out as efficiently and cost-effectively as possible.

Article 2: Governance, Oversight, and Management

PRISM is a program-related entity founded by WCRPC. WCRPC is a Rhode Island nonprofit corporation recognized by the IRS under Section 501(c)(3) as a charitable organization. WCRPC's governing board of directors consists of elected town councilors from member towns. WCRPC is authorized by the RI Secretary of State to do business as the Partnership for Rhode Island Streetlights Management (PRISM).

PRISM shall be overseen by a PRISM Executive Board composed of one member appointed by each municipality participating in PRISM, an elected executive committee, and an executive director who shall be the executive director of the WCRPC. The PRISM Executive Board shall meet annually, in the month of March, when it shall elect a four-member executive committee. The executive committee shall have policy-making authority over the operation of the program, and shall approve all major contracts. The executive director shall have day-to-day financial and operational authority over the program. The executive committee shall meet with the executive director no less frequently than once every quarter.

Article 3. PRISM as Agent

Participant authorizes PRISM to act as its agent in requesting and securing data from the electric distribution company on all of its streetlight-related accounts, performing analyses and preparing the plans and related work. If Participant and PRISM agree that the streetlights purchase should be pursued, PRISM will negotiate a streetlight purchase on behalf of Participant subject to Participant's approval. PRISM may delegate to an energy consultant hired by PRISM some of its rights, obligations and responsibilities under this Agreement.

Article 4. Services Provided by PRISM

This Participation Agreement outlines the core services PRISM will provide for Participant. Specific scopes of services and budgets (the "Statements of Work") will be presented separately for Participant approval as Exhibit A(1) for maintenance, A(2) for LED conversion, and further Statements of Work for other services once developed and approved by Participant according to the Three Phase Plan below.

PRISM will prepare for Participant a Preliminary Streetlighting Plan (Phase 1), a Final Streetlighting Plan (Phase 2), and then will implement the plans once approved by Participant (Phase 3).

4.1 Three Phase Plan

4.1.1 Phase One - Preliminary Plan and Estimation of Threshold Savings

PRISM will make a data request to the electric distribution company for the complete, final, and updated inventory of all streetlight equipment billed to the municipality, including its location, characteristics, condition, account(s), etc. PRISM will also acquire an updated pricing calculation pursuant to the PUC process that meets the requirements of the Act and is based on the equipment's original cost, date put into service, and depreciation schedule. PRISM will help Participant verify/audit/accept the inventory of its streetlight system with the utility and ensure a price that is consistent with the intent of the Act.

PRISM will then prepare for each Participant a Preliminary Streetlighting Plan that provides estimates of all costs, savings, rebates, and options associated with the acquisition of the streetlighting system from National Grid and its operation using PRISM management. The Preliminary Streetlighting Plan will satisfy the requirements of the cost/benefit analysis noted in RIGL 39-30, and provide information for a preliminary determination of whether Participant will achieve Threshold Savings.

Threshold Savings is a comparison of "Current Costs" and "PRISM costs" and is achieved if a 25% savings is indicated. The Current Costs are all billed expenses for the streetlight system as

owned and operated by National Grid, including all kWh charges (including but not limited to delivery, transmission, distribution, systems benefit, and power charges) and all facility or fixture charges, corrected for any adjustments like Temporarily Turned-off lights. Threshold Savings calculations shall not include the one-time costs of purchasing the system from National Grid or capital improvements like LED conversion or control systems, although these are included in the Preliminary Streetlighting Plan.

If the Preliminary Streetlighting Plan does not demonstrate a Threshold Savings, Participant may terminate the work at no expense beyond the Initiation Fee explained in section 8. If the Preliminary Streetlighting Plan shows a Threshold Savings, PRISM will give Participant a fixed budget and work program for completing Phase Two and Participant will decide whether to proceed with Phase Two.

4.1.2 Phase Two - Preparation of the Final Plan and Final Determination of Threshold Savings

In Phase Two, PRISM negotiates the acquisition of NGRID's streetlighting system by Participant, finalizes the cost estimates for such acquisition, and prepares a final report detailing the costs and savings associated with the recommended course of action as set forth in a final plan ("Final Streetlighting Plan"). When PRISM has completed and submitted the Final Streetlighting Plan, it will have in place all contracts and contractors so that it is ready to implement the plan in Phase Three, if Participant chooses to proceed.

If the Final Streetlighting Plan fails to demonstrate a Threshold Savings, Participant shall have no further obligations and will not be required to pay for any costs associated with Phase Two. If at the end of Phase Two there continues to be a projected Threshold Savings, then Participant will authorize PRISM to proceed with Phase 3 or Participant will pay PRISM the budget established for Phase Two as approved by Participant.

4.1.3 Phase Three - Implementation.

Once Participant accepts the Final Plan crafted in Phase Two, PRISM will coordinate the closing for the acquisition of the streetlights, in accordance with the process required by the Rhode Island Public Utilities Commission. Then, PRISM will implement all Statements of Work approved by Participant and added as the appendices to this Agreement at Exhibit A.

4.3 Project Financing

PRISM will help any participant identify and obtain financing through any practical source (including grant funding) to the best of its ability, but cannot guarantee financing and will not take responsibility for lease payments or for the repayment of any loans, bonds, or the like. Participant has the sole responsibility to secure financing for the streetlight purchase and any subsequent improvement projects. This financing can be in whatever form is best for Participant, and may or may not be done collectively with other Participants.

PRISM will offer municipalities a lease/purchase option whereby the municipality can lease to own their streetlight system, paying for it out of savings within their current streetlight budgets.

4.4 Streetlight Operations and Maintenance

Once a Participant acquires its streetlight system, PRISM will provide the following services individually or by procuring qualified private contractors, as also expanded and specified in Exhibit A(1):

- Turn-key management of Participant's streetlight system, including, but not limited to, emergency repairs, routine repairs and maintenance, telephone and web citizen support, response to requests for service changes (adding new lights, removing lights, changing wattages, changing operations like part-night on/off) and all other aspects of managing the streetlight system.
- Compliance with the National Grid Agreements attached as Exhibit B and all other applicable requirements.
- Reduction of annual operating costs to the maximum extent possible/reasonable.
- Help with the design and implementation of public safety measures achievable through the streetlight system such as emergency egress lighting.
- Advocate to simplify streetlight billing, enhance accuracy and transparency and facilitate Participants' understanding.
- Deploying bright, natural-color LED lighting for safer urban and rural streets, if chosen by Participant.
- Installing controls to dim or turn off lights late at night, where desired and appropriate, if chosen by Participant.
- Install streetlight controls that have metering capabilities and integrate them with the electric distribution company, if chosen by Participant and approved by the RI Public Utility Commission.

In all cases of contemplated upgrade investments, PRISM will provide written cost estimates to Participant so that Participant can fully evaluate and approve the work before incurring such cost. Each Statement of Work will be developed based on the Final Plan and will include, but not be limited to, a summary and detailed work descriptions, who will perform all work, cost and payment mechanism/schedule of the work, what expenses will be incurred on behalf of

Participant that would be subject to reimbursement in the event of termination, projected frequency and amounts to be billed to Participant for ongoing maintenance services, and the expected schedule of the work.

PRISM and/or its consultants will procure a contract or contracts for streetlight maintenance from commercial electrical contractor(s) pursuant to Title 45, Chapter 55 of the RI General Laws, "Award of Municipal Contracts," providing a uniform system of purchasing of all services to and equipment acquired by a municipality. The Maintenance Contract will provide more effective and less expensive emergency and routine streetlight maintenance. The streetlights maintenance contractor will be responsible for procuring and maintaining an inventory of equipment and spare parts sufficient to handle the maintenance requirements of the systems under contract.

PRISM plans to use economies of scale to reduce the cost to municipalities by combining municipal contracts into aggregation groups. These larger groups will have a single contractor that will provide inventory of spare parts, web and telephone citizen input, reporting, routine maintenance, emergency maintenance, and regular inspections of the system. Choosing the proper contractor is critical to the success of a municipality's system, and the PRISM program is designed to do just that.

The construction of new infrastructure and existing infrastructure maintenance is subject to prevailing wage provisions required by the Department of Labor and Training. The prevailing wage requirements are generally set forth in RIGL 37-13-1 *et seq.* These requirements mandate the prevailing rate of pay for any mechanic, utility technician or other type of worker performing work on municipal public works projects when state or municipal funds exceed one thousand dollars (\$1,000). These state regulations and laws, and the local ordinances that also apply, ensure a fair and cost-effective process of contract procurement. Whether done by the municipal purchasing department or coordinated through PRISM, the laws and regulations will be followed precisely.

4.5 Reporting

PRISM will help Participant establish the following reporting procedures:

- Cumulative net savings from the project(s)
- Streetlight outage reporting via web, mobile app, and phone calls
- Inventory management and reporting
- Measurement and verification of the impacts of implemented streetlight improvements
- All reporting required by RIGL §39-30 and/or any Orders of the RI Public Utilities Commission

PRISM will also keep Participant informed of the latest technologies and strategies to reduce costs and/or improve effective streetlighting.

4.6 Policy Advocacy

PRISM will represent Participants in legislative initiatives and Public Utility Commission dockets that may affect streetlight management or system upgrades.

PRISM will maintain its membership in the US Department of Energy's Municipal Solid State Streetlighting Consortium to ensure access to current information and streetlight initiatives.

PRISM will continue to liaison with the Department of Energy's Office of Solid State Lighting, Rhode Island's Office of Energy Resources and the RI Energy Efficiency and Resource Management Council to help provide for appropriate streetlight policies.

PRISM will continue to work and collaborate with the League on streetlighting matters.

Article 5. Schedule

Upon entering into this Participation Agreement, Participant and PRISM will develop an implementation schedule that will be included in the Statements of Work and attached hereto as part of Exhibits A(1) and A(2).

Article 6. Energy Savings

Any energy savings and/or maintenance savings realized as a result of this project will be to the benefit of the Participants owning the streetlights.

Article 7. Participant Cooperation

In order to allow PRISM to negotiate and assist Participant effectively, Participant will cooperate with PRISM and its consultant(s) providing information and other support as reasonably requested. Participant may be required to give PRISM documentation and information including but not limited to inventory, invoices, load and usage data and any other information helpful to PRISM. Participant authorizes PRISM to obtain such information from the utility or any other source and will assist with that effort. Participant authorizes PRISM's disclosure of any such information to PRISM's consultant(s) as necessary or appropriate to assist with the implementation of the PRISM services.

Participant shall provide contact information for the individual authorized to work with PRISM on implementation of this streetlight program.

Article 8. Compensation

To assist PRISM with its funding needs for the launch of the municipal streetlights program, Participant will pay PRISM a non-refundable Initiation Fee of \$1.00 per streetlight upon execution of this agreement which will, in part, reimburse PRISM for its investment to create the municipal savings delineated in this agreement and made possible by the Municipal Streetlights Investment Act and its advocacy in the RI PUC proceeding.

8.1 Phase Three Compensation

Compensation in this section applies only if Participant proceeds to Phase Three – Implementation.

Participants agree to compensate PRISM with a Project Administration fee of \$3.60 per streetlight per year beginning on the closing for Participant's streetlight purchase. This fee will be included in the Preliminary Plan and the Final Plan in the calculation of whether Threshold Savings are achieved. The fee will be included in regular monthly or quarterly billings for all streetlight maintenance as specified in the appropriate Statement of Work.

Participants agree to pay PRISM a 2% project administration fee on any materials procured for Participant in association with execution of the scope of work outlined in Article 4i, including but not limited to LED or other new lighting, control systems, and meters.

8.2 Other work and associated fees

PRISM may, from time to time, be authorized by Participant to perform work that is outside the Scope of Services described in Section 4 of this agreement and the Statements of Work, and if so, shall be reimbursed for reasonable labor and non-overhead related out-of-pocket costs and expenses at one hundred percent (100%) of actual cost (and/or Standard Mileage Rates established by IRS for automobile transportation) incurred in fulfilling its duties and obligations under the terms of this Agreement. All expenses will be clearly outlined on each monthly payment invoice.

8.3 Invoicing

PRISM will send Participant invoices for these fees each month until this Agreement is terminated, which invoices shall be due and payable thirty (30) days from date of invoice.

Article 9. Term

This Participation Agreement will begin upon execution and will have a minimum three-year term that ends upon notification of termination by either party or renews and continues until either party terminates the agreement. If any work provided under this agreement is covered by a specific warranty, the terms of any such warranty may survive this agreement.

Article 10. Other Contracts

If Participant elects to acquire its streetlights, Participant will contract with the electric distribution company regarding the terms of any streetlight purchase and the license to connect to and occupy the electric distribution company's (or other owner) poles and distribution system. The forms of those contracts are attached as Exhibit B, as approved by the RI Public Utilities Commission after thorough advocacy by the Rhode Island League of Cities and Towns and WCRPC. Electricity will be distributed to the municipally-owned streetlights pursuant to National Grid's S-05 tariff, also approved by RIPUC after thorough advocacy by the Rhode Island League of Cities and Towns and WCRPC.

Article 11. Insurance and Personnel Qualifications

Only licensed electricians will perform wiring tasks and all personnel servicing the poles will conform to the terms and conditions of all pole users. Contractors employing these service workers shall ensure and provide evidence that all workers are qualified electrical workers and conform with the requirements on the Municipal Streetlights Investment Act, the electric distribution company's policies, and any and all local, state, or federal requirements.

PRISM and any private subcontractor implementing PRISM's scope of work will provide evidence of insurance for the cost of any accidents during any such work, naming Participants as secondary beneficiaries to the insurance policies.

Article 12. Termination

Participant or PRISM may terminate this Agreement for cause, including material breach by the other party, upon thirty (30) days prior written notice, if the breach is not cured, or a cure has not commenced within the notice period and is not then diligently pursued to resolution.

Article 13. Entire Agreement; Amendment

This Agreement constitutes the complete understanding between the Parties. No modification or amendment of this Agreement shall be binding upon any Party unless in writing and signed by the Parties.

Article 14. Notice

All notices and other communications hereunder shall be in writing and shall be deemed duly given when personally delivered or mailed (by registered or certified mail, return receipt requested, postage prepaid), faxed or e-mailed as follows:

- (a) If to PRISM:
344 Main Street - Suite 202,
Wakefield RI 02879
Att. Jeff Broadhead

(401) 792-9900
jb@wcrpc.org

with a copy to:

Seth H. Handy
Handy Law, LLC
42 Weybosset Street
Providence, RI 02903
seth@handylawllc.com

(b) If to Participant:

Attn: _____
Phone: _____
E-mail: _____

Article 15. Governing Law

This Agreement shall be governed, construed and enforced in accordance with the laws of the State of Rhode Island.

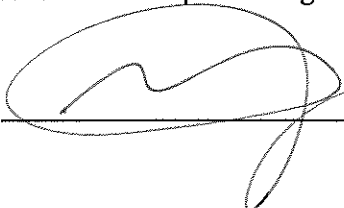
Article 16. Dispute resolution.

The parties will resolve any dispute arising under this Agreement as efficiently and equitably as possible while continuing to comply with the terms of this Agreement pending dispute resolution wherever possible in order to fulfill the purposes of this Agreement.

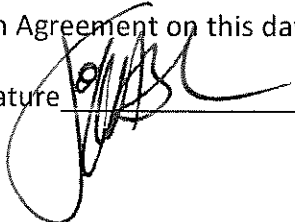
Article 17. Severability

If any provision of this agreement shall be held invalid or unenforceable, the rest of the agreement shall not be affected thereby and each other provision shall be valid and enforceable to the full extent of the law.

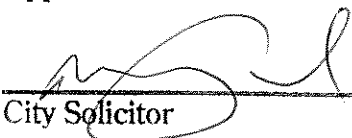
I, James Diossa, as an authorized representative of Central Falls, hereby enter into this Participation Agreement, on this day 12th of May, in the year 2015.

Signature , Title Mayor Date May 12, 2015

I, Jeffrey A. Broadhead, as an authorized representative of PRISM, hereby enter into this Participation Agreement on this day 2 of May, in the year 2015.

Signature , Title Executive Director, Date 5/12/2015

Approved as to form and correctness


City Solicitor

Reviewed per F.S.A.

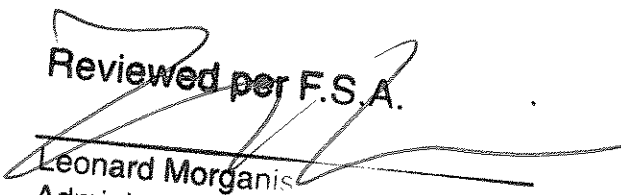

Leonard Morganis
Administration & Finance Officer

EXHIBIT A(1)
Streetlighting Operation and Maintenance
Scope of Services, Budget and Schedule

Summary of Work:

Detailed Description of Work, including who is responsible to carry it out and who will oversee the work

Schedule of work:

PRISM will facilitate the implementation schedule to the extent possible but will not be held responsible for any breach of the project schedule.

Cost and savings related to the work:

Approved by Town Council on _____

Town Clerk: _____

**EXHIBIT A(2)
LED Conversion Scope of Services, Budget and Schedule**

Summary of Work:

Detailed Description of Work, including who is responsible to carry it out and who will oversee the work

Schedule of work:

PRISM will facilitate the implementation schedule to the extent possible but will not be held responsible for any breach of the project schedule.

Cost and savings related to the work:

Expenses and fees related to the work that would be subject to reimbursement pursuant to Article 4:

Approved by Town Council on _____

Town Clerk: _____

Exhibit B
National Grid Agreements