



County of Humboldt
Letter to Proceed

Trane U.S. Inc.
Pacific-Southwest Region
4145 Delmar Ave
Rocklin, Calif. 95677

20 Dec 2022

Subject: Letter to Proceed

Rob Wax,

Please accept our thanks to you and the rest of the Staff of the County of Humboldt for your interest in considering an Advanced Energy Development Project with Trane. As discussed, we are entering this project without preconceived ideas about what is best for you, and we look forward to the process where data, collaboration, and analysis will give us a set of options to consider. Your choice to team with Trane U.S. Inc., hereby known as “Trane”, allows us to accomplish the initial evaluation work of these options together within our existing Energy Services Performance Contracting (ESPC) process, and to do so at no first cost to the County. The commitment of County staff to working with Trane as we accomplish the necessary analysis steps together is essential in order to get to a Preliminary Report in a timely manner.

Letter to Proceed/Preliminary Analysis. After executing this Letter to Proceed, the Trane team will move into a Preliminary Analysis phase. During the Preliminary Analysis phase Trane will examine the major options available to the County to meet your near and long-term needs. Working with staff we will develop a first look at scope, costs, revenue, and savings as applicable to any projects that emerge from the analysis.

The output of this effort will be a Preliminary Report. This report will be a presentation of preliminary findings for each options along with description of a path forward applicable to each. Because the different technical options typically are best served by different project development structures, the “path forward” options will be appropriate to each. Should the County elect to move forward into Detailed Design on an option presented, a separate agreement appropriate to that will need to be executed; by signing this Letter to Proceed, both the County of Humboldt and Trane understand and warrant that they do not have any financial obligation or commitments at this time beyond the work described herein.

This Letter to Proceed has been generated to show both parties’ commitment to the preliminary stage of the facility analysis and to recognize responsibilities for completing the analysis.

County of Humboldt agrees to the following during the Preliminary Analysis phase:

- 1) Provide Trane access to the people, data, and drawings as needed to complete the Preliminary Analysis. Examples include
 - a) Current and future anticipated land uses of County owned parcels
 - b) Timelines for known loads being added in critically underserved areas
- 2) Desired macro level outcomes, including, but not limited to
 - a) Cash flow
 - b) Economic development
 - c) Electrical capacity

- d) Fire resilience
 - e) Electrical resilience
 - f) Solid waste/food waste issues
 - g) Forest waste issues
- 3) Any existing or planned renewable generation agreements

The Trane team agrees to the following:

- 1) Commit resources to conduct a Preliminary Analysis of energy options available to the County
- 2) In accordance with an executed Confidential Disclosure Agreement, securely maintain and protect any and all data delivered from the County for the analysis of this project as confidential, and destroy the data at the termination of this process.
 - a) Trane and the County will hold in confidence all information disclosed to or obtained by Trane or the County which relates to activities under this agreement and/or to Trane or the County's plans or activities.
 - b) Trane shall retain all of its own records regarding this agreement and the services provided hereunder for a period of not less than four (4) years, and shall make them available to the County for audit and discovery purposes
- 3) Deliver a preliminary cost, revenue, operational, and savings analysis for any investor funded energy projects developed, including (as appropriate)
 - a) Engineering,
 - b) Equipment,
 - c) Materials and installation costs
 - d) Grants
 - e) Anticipated cash flows
 - f) Tax equity
 - g) Anticipated proforma
- 4) Submit applications on behalf of the project for any grants, credits, or other subsidy Trane deems would be helpful to the financial viability of the project and that Trane further believes has a reasonable chance of award, whether the source is
 - a) Federal
 - b) State
 - c) Utility
 - d) Or some other program
- 5) Keep County staff informed in a timely manner of progress in the development of the project, and to present updates to the Board of Supervisors upon request
- 6) Maintain at least the minimum State-required worker's compensation for those employees who will perform the work or any part of it
- 7) Maintain, as required by law, unemployment insurance, disability insurance, and liability insurance in an amount that is reasonable to compensate any person, firm or corporation who may be injured or damaged by Trane or any of its subcontractors in performing the work or any part of it.
- 8) Trane agrees to comply with State and Federal laws, rules and regulations that pertain to construction, health and safety, labor, fair employment practices, environmental protection, equal opportunity, and all other matters related to this agreement.
- 9) This agreement constitutes the entire agreement of the parties, and no other agreements or representations, oral or written, have been made or relied upon by either party. This agreement may only be amended in writing signed by both parties. This agreement shall be subject to disclosure pursuant to the California Public Records Act.

A Preliminary Analysis on a project of this scale typically takes approximately 90-120 days, but final time to delivery will be heavily dependent upon the response time in terms of getting information to Trane once requested.

County of Humboldt.	Trane U.S., Inc.
By: Elishia Hayes	By Rob Wax
Signature: 	Signature 
Title: County Administrative Officer	Title: Comprehensive Solutions Sales Leader