

Highland®



VENDOR: HEF-P Canutillo, LLC (a limited liability company to be formed by Highland Electric Fleets, Inc.) (also, "Highland" or "Provider")
ADDRESS: 200 Cummings Center, Suite 273D
 Beverly, MA 01916
CONTACT: Dominic Ricotta
EMAIL: Dominic@highlandfleets.com

All quoted Services are Guaranteed Best Government Value, and have been Competitively Awarded for purchase using:

Sourcewell Contract
051123-HEF
Valid: 07/20/2023 – 07/19/2027

CUSTOMER:		QUOTE NUMBER:	QUOTE DATE:
CUSTOMER:	Canutillo Independent School District	TX-CANUTILLO-0001	September 13, 2024
ADDRESS:		Freight Terms	<i>Prepaid</i>
	7965 Artcraft, El Paso, TX 79932	Payment Terms	<i>Annual beginning Operational Date (see attached contract)</i>
CONTACT (name & title):	Dr. Oscar Rico, Technology Executive Director	Est. Project Timeline	<i>18 months after Contract execution</i>
EMAIL:	orico@canutillo-isd.org	Quote Effective Through:	October 15, 2024

SKU	PRODUCT DESCRIPTION	QTY	LIST PRICE	CONTRACT PRICE**	TOTAL*
SBS-50-30KW-16	School Bus & Shuttles - 10 years w/ 8,001-10,000 miles – 20-40kW Charger (Net VAC \$50-100k)	8	\$55,060.00	\$26,801.00	\$214,408.00
Discount	Add'l District Discount	8	(\$8,601.00)		(\$68,808.00)
Four (4) Electric School Buses with EPA Clean School Bus Grant Incentive Program @ \$395,000.00/School Bus applied Four (4) Electric School Buses with EPA Clean School Bus Rebate Incentive Program @ \$345,000.00/School Bus applied Canutillo Independent School District is Sourcewell Member No.71666; https://www.sourcewell-mn.gov/participating-agency/71666				SUBTOTAL:	\$145,600.00
				SALES TAX: (if applicable)	N/A
				TOTAL CONTRACT PRICE, CONTRACT YEAR 1:	\$145,600.00

**This Quotation is subject to the Terms and Conditions of Sourcewell Contract 051123-HEF, as noted on the following pages.*

****Noted Contract Price includes any Sourcewell Volume Discounts
 PRICING IS FOR CONTRACT YEAR 1 UNLESS OTHERWISE STATED.**

SCOPE OF SERVICES

This **Transportation Equipment Services Scope of Services** (“**Scope of Services**”) is incorporated into and made part of the foregoing quote (“**Quote**” or, when executed, “**Purchase Order**”) for Products or “**Services**” (as further described in this Scope of Services) provided to the Customer (also, “**District**”) by the Vendor (also “**Provider**”), as set forth on Page 1. Upon countersignature of this Quote by the District, the District will acknowledge and accept this Quote, including this Scope of Services, whereupon this Quote shall become a binding Purchase Order and Provider and Customer will execute and deliver the Sourcewell Contract, Contract #051123-HEF (a “**TESA**”) that incorporates this Purchase Order, including this Scope of Services as Part 1, the Highland General Terms and Conditions (“**Terms and Conditions**”) as Part 2, and all Exhibits (each a “**TESA Exhibit**”) referred to in the Scope of Services or such Terms and Conditions.

This Scope of Services provides, in summary format, descriptions of the Services and Products to be provided by Provider to Customer. This Scope of Services is modified by the Terms and Conditions and by the TESA Exhibits described in this Scope of Services and in the Terms and Conditions.

<p>1. Parties:</p>	<p>The Parties and their respective notice addresses are as set forth on Page 1.</p>
<p>2. Services:</p>	<p>Customer retains Provider to provide, and Provider will provide the following “Services” for the Contract Price (defined in the Terms and Conditions), for the period identified below:</p> <ul style="list-style-type: none"> (a) Consulting Services: Assist in planning for fleet electrification, including identifying incentives for future deployments; (b) Procurement Services: From the date the TESA is executed (“Effective Date”) through the Operational Date (defined below), and thereafter in Provider’s judgment, specify and procure the System (defined below), selecting components that optimize System performance and efficiency in light of Customer requirements; (c) Installation Services: Beginning the Effective Date, design, obtain required Approvals (defined in the Terms and Conditions) for, install, interconnect, and start-up, Chargers, Infrastructure, and related improvements at the Premises (defined below), consistent with the final System Site Plan (defined below); (d) Training Services: Before the Operational Date, at mutually agreed time(s), coordinate original equipment manufacturer (“OEM”) training and provide training in use of the System to Customer personnel; (e) Charge Management Services: From the Operational Date through the remainder of the Term (defined below) charge Vehicles (defined below) and pay for related electricity; and license the Platform (defined below) to Customer as provided in the TESA; and (f) Operations Services: From the Operational Date through the remainder of the Term provide Vehicles for use during the agreed Vehicle Operation Period or VOP (defined below); provide access for Vehicles to, and operate and maintain, Chargers and Infrastructure; and reimburse Customer for Vehicle maintenance and repairs performed by Customer in accordance with the Terms and Conditions.
<p>3. Vehicles; Chargers; System; Platform:</p>	<p>Provider’s Services will be based on the operation and use of:</p> <ul style="list-style-type: none"> (a) Eight (8) Type C electric school buses, as further described on TESA Exhibit 1A (each, a “Vehicle”); (b) Electric vehicle charging stations installed at the Premises, as further described on the preliminary System Site Plan attached as TESA Exhibit 1B (each, a “Charger”); (c) Related equipment and infrastructure installed at the Premises, consistent with TESA Exhibit 1B (collectively, “Infrastructure;” the Vehicles, Chargers, and Infrastructure, collectively, the “System”); and (d) The license to the Customer of Provider’s intellectual property rights in the fleet management software platform that supports the System (the “Platform”), subject to the license terms set forth in the Terms and Conditions.
<p>4. Premises:</p>	<p>The Chargers and Infrastructure will be installed and operated at, and the Vehicles will be stored at, the real property and improvements thereon (the “Premises”) owned and occupied by Customer and having a street address of: 7710 Cap Carter Rd, Vinton, TX 79821.</p>

	<p>TESA Exhibit 1B includes a preliminary plan (“System Site Plan”) reflecting the layout of the System on the Premises. The preliminary System Site Plan is subject to revision as provided in the Terms and Conditions.</p>
<p>5. Operational Date; Anticipated Operational Date:</p>	<p>The date the Parties agree that the System is capable of being operated in accordance with the TESA is the “Operational Date,” as further described in the Terms and Conditions.</p> <p>The System, including all Vehicles, will be operational, as contemplated by the Terms and Conditions, on the date (“Anticipated Operational Date”) that is Eighteen (18) months after the Effective Date.</p>
<p>6. Term:</p>	<p>(a) “Initial Term”: The period beginning the Operational Date, and ending on the last day of the tenth (10th) Contract Year (defined below).</p> <p>(b) “Extension Term”: None unless otherwise agreed by Customer.</p> <p>(c) “Term” means the period beginning the Effective Date and ending on the last day of the Initial Term or of the last Extension Term, as applicable, subject to earlier termination as provided in the TESA.</p> <p>(d) “Contract Year” means the 12-month period in the Term beginning the Operational Date or anniversary of the Operational Date.</p>
<p>7. Performance Assurances:</p>	<p>Subject to and as further detailed in the Terms and Conditions, Provider’s Services are supported by the following performance assurances:</p> <p>Charger Uptime Guarantee. Provider guarantees that the Charger ports will be Available (defined in the Terms and Conditions) to charge the Vehicles, measured each Contract Year based on a minimum Availability percentage, subject to agreed exclusions.</p> <p>Route Readiness Guarantee: Provider guarantees that each Vehicle will be sufficiently charged for its first, regular Designated Route (defined in the Terms and Conditions) on each day in the VOP (defined below), subject to agreed exclusions.</p> <p>Service Promise: Provider agrees to promptly respond to Customer requests regarding System issues, to escalate Vehicle repair issues to appropriate parties, and to regularly evaluate System for performance matters.</p>
<p>8. Operating Parameters:</p>	<p>(a) “Annual Mileage Allowance”: 9,001 miles/Vehicle/Contract Year</p> <p>(b) “Vehicle Operating Period” or “VOP” includes the following:</p> <p>(i) 6:00 am to 9:00 am and 2:00 pm to 5:00 pm (“Regular Operating Session”) on any day in Customer’s published school year during the Term on which Customer’s educational activities are in regular session;</p> <p>(ii) The period outside of the Regular Operating Session that Customer operates a Vehicle for “Planned Excursion,” in accordance with the Terms and Conditions.</p> <p>(c) “Distance Limitation:” 250 miles away from the Premises in any direction.</p>
<p>9. Provider Use of System:</p>	<p>As detailed in the Terms and Conditions, Provider has the right to use the System outside the VOP, including to deploy the System to provide grid services (demand response and similar), charging (including charging-for-a-fee), or building electricity, so long as this Provider use does not interfere with the Services.</p>
<p>10. Contract Price; Performance-Based Adjustments:</p>	<p>(a) “Base Service Fee”: \$18,200.00 per Vehicle per Contract Year, as provided in the Terms and Conditions, subject to escalation beginning the second Contract Year at a rate (“Annual Escalator”) equal to 3%/year, subject to adjustment as provided in the Terms and Conditions.</p> <p>(b) Performance-Based Fees and Credits:</p> <p>(i) “Excess Mileage Fee”: \$3.00 per mile per Vehicle per Contract Year above Annual Mileage Allowance</p> <p>(ii) “Time of Use Fee”: \$50.00 per hour outside of VOP per Vehicle.</p> <p>(c) If the Charger Uptime Guarantee is not satisfied in a Contract Year, then, for each 1% below 97% that System Chargers are not “Available” (defined in the Terms and Conditions) in that Contract Year, Provider will provide “Availability Credits” to Customer equal to 1% of the aggregate Base Service Fee paid for the Contract Year.</p> <p>(d) If the Route Readiness Guarantee is not satisfied for a Vehicle on any day in the VOP during the Term, Provider will provide a “Downtime Credit” to Customer equal to \$100.00 per day</p>

	<p>per Vehicle.</p> <p>(e) The total amount of Availability Credits and Downtime Credits that accrue in a Contract Year are capped at 10% of the aggregate Base Service Fee paid for that Contract Year.</p>
11. Regular Maintenance Credit and Reimbursement Rates:	<p>Provider will reimburse Customer for Repair Work (defined in the Terms and Conditions), including the “Annual Vehicle Work” detailed on TESA Exhibit 1A, and Vehicle towing, all in accordance with the Terms and Conditions based on the following:</p> <p>(a) Reimbursable Labor Rate: \$55.00 per hour for Vehicle Repair;</p> <p>(b) Towing Cap: \$650.00 per Vehicle per tow;</p> <p>(c) Parts – reimbursement at cost, subject to coordination with Provider.</p>
12. Existing Incentives:	<p>An “Existing Incentive” means any of the following:</p> <p>(a) EPA Clean School Bus Joint Application Grant for \$395,000.00 per Vehicle for four (4) Vehicles, \$1,580,000.00 total (“EPA CSB Grant”);</p> <p>(b) EPA Clean School Bus Joint Application Rebate for \$345,000.00 per Vehicle for four (4) Vehicles, \$1,380,000.00 total (“EPA CSB Rebate” and, together with the EPA Grant Incentive, “EPA CSB Incentive”);</p> <p>(c) Incentive Tax Credits equal to \$40,000.00/Vehicle under Section 45W of the Inflation Reduction Act of 2022 (“IRA”) and 30% of the eligible costs of Chargers and Infrastructure under IRA Section 30C; and</p> <p>(d) Accelerated depreciation for Vehicles and Chargers.</p> <p>Existing Incentives shall be paid or credited to Provider. Each Party will comply with the Existing Incentive compliance requirements applicable to such Party set forth on TESA Exhibit 1C.</p>
13. Interconnection Limit:	<p>\$93,000.00, which covers the “Interconnection Costs” (defined in the Terms and Conditions), to connect the System to an on-Premises connection point and to interconnect from that point to the local electric utility system.</p>
14. Governing Law; Venue:	<p>This Purchase Order and the TESA shall be governed by and construed in accordance with the domestic laws of Texas, without reference to any choice of law principles. The state courts of Massachusetts and the state courts of Texas and the federal courts sitting in El Paso, Texas, shall have exclusive jurisdiction over any action or proceeding arising under the TESA, with venue lying in El Paso, Texas.</p>
15. Future Electrification:	<p>As detailed in the Terms and Conditions, Customer and Provider will collaborate to secure Incentives for Customer’s future fleet electrifications, and Customer will consider working with Provider to on such future fleet electrifications, subject to applicable law, including procurement law.</p>
16. Customer-Specific Provisions:	<p>TESA Exhibit 2C includes provisions that are specific to the Customer.</p>

<<<End of Highland Scope of Services. Signature Page follows.>>>



To place your order using this Quotation, please fill in the following required information and sign where indicated below.

BILLING INFORMATION

SHIPPING INFORMATION

Same as Billing

Name: Canutillo ISD
Address: 7965 Artcraft
El Paso, TX 79932
Contact: Dr. Oscar Rico
Phone: 915-877-7474
Email: orico@canutillo-isd.org

Name: c/o Canutillo ISD
Address: 7710 Cap Carter Rd,
Vinton, TX 79821
Contact: Dr. Oscar Rico
Phone: 915-877-7474
Email: orico@canutillo-isd.org

Canutillo Independent School District

Authorized Signatory Name (PRINT)

Title

Phone

Authorized Signatory's Signature

Date

Email

Remit signed Quotation/Orders to:

**HEF-P CANUTILLO, LLC
c/o HIGHLAND ELECTRIC FLEETS, INC.
200 Cummings Center, Suite 273D, Beverly, MA 01915
SOURCEWELLORDERS@HIGHLANDFLEETS.COM**

THANK YOU FOR YOUR BUSINESS!