

FINANCIAL GRADE AUDIT AGREEMENT NO. 112-013

THIS FINANCIAL GRADE AUDIT AGREEMENT (the "Audit Agreement") is entered into as of the ____ day of _____, 2012 (the "Effective Date") by and between _____, whose principal offices are located at _____ (the "Owner") and Ameresco, Inc., with the office of its Southwest division located at 60 East Rio Salado Parkway, Suite 1001, Tempe, Arizona 85281 ("Ameresco"). Ameresco and Owner are also referred to individually as "Party" and collectively as the "Parties".

Whereas, the Owner desires that Ameresco perform a Financial Grade Audit (as hereinafter defined) at the Truckee Meadows Water Reclamation Facility in Sparks, Nevada (the "Premises");

Whereas, performance of the Financial Grade Audit constitutes the first phase ("Phase 1") of an energy conservation project (the "Project").

Whereas, if Ameresco is directed by the Owner to proceed with the implementation of the recommendations following the Financial Grade Audit, the second phase of the Project ("Phase 2") will consist of the design and installation of energy conservation measures described and recommended in the Financial Grade Audit Report (defined below).

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Owner and Ameresco agree as follows.

**ARTICLE 1
PHASES OF PROJECT**

1.1 Phase I – Financial Grade Audit.

(a) After execution of this Audit Agreement, Ameresco will conduct a Financial Grade Audit at the Premises. As used in this Audit Agreement, "Financial Grade Audit" means a process including (i) the collection of data related to Owner's use and operation of the Premises, observations of the Premises, determination of base year energy consumption, financial analysis of the cost and benefit of energy and water conservation measures and renewable energy projects that are recommended to be installed at the Premises, and (ii) the preparation of a detailed Financial Grade Audit Report, which analyzes current energy consumption at the Premises, recommendations for energy efficient equipment upgrades, energy conservation measures and a detailed analysis of implementation costs, anticipated energy savings resulting from such improvements and assumptions upon which the projected savings are based. The Financial Grade Audit Report is intended to provide the Owner with the information necessary for the evaluation of the costs and benefits of proceeding with the second phase of the Project.

(b) Should Ameresco determine, in its sole discretion, at any time before the completion of the Financial Grade Audit Report that the anticipated energy and water conservation savings cannot be achieved at the Premises in compliance with the financial criteria mandated by federal or state laws pertaining to energy conservation programs, Ameresco will provide written notice to Owner and cease all further Financial Grade Audit activities, in which case Owner will not be charged for any Financial Grade Audit activities performed by Ameresco.

1.2 Financial Grade Audit Price.

(a) Owner shall compensate Ameresco for the Financial Grade Audit by paying Ameresco a fee of One Hundred Forty-Nine Thousand Eight Hundred Thirty-Five 00/100 Dollars (\$149,835.00) the ("Audit Price").

The Audit Price shall be fully-earned, due and payable to Ameresco no later than forty-five days after the date Ameresco submits the Financial Grade Audit Report to Owner, unless the Parties proceed to Phase 2, as described in section 1.3 below.

1.3 Phase 2 – Implementation.

(a) If the Owner decides to proceed with the design and implementation of the energy and water conservation measures described in the Financial Grade Audit Report, the Parties shall execute a mutually-acceptable energy services agreement (the “ESA”). If the Parties enter into an ESA which includes the scope of work in the Financial Grade Audit Report, Ameresco will not bill Owner for the Audit Price, but will include such Audit Price in the cost of the work to be performed under the ESA.

(b) In the event Owner decides not to proceed with the implementation of the energy conservation measures or Owner has not executed an ESA with Ameresco within sixty (60) days after receiving the Financial Grade Audit Report, Owner shall pay Ameresco the Audit Price within thirty (30) calendar days from receipt of a proper invoice.

(c) Owner acknowledges that the price for the Project is based on the market cost as of the date of the Financial Grade Audit Report, for steel, copper and similar raw materials incorporated into equipment and material used for the Project. Price increases for such equipment and materials after the Financial Grade Audit Report was issued may either result in a project price increase or a corresponding decrease in the project size.

1.4 Other Terms and Conditions.

(a) Ameresco’s receipt of an executed copy of this Audit Agreement shall serve as notification to Ameresco to proceed with the Financial Grade Audit. Ameresco will thereafter promptly initiate the Financial Grade Audit.

(b) Ameresco does not assume responsibility to Owner for the anticipated energy savings projected in the Financial Grade Audit Report if Owner selects another firm for the design and implementation of the energy conservation measures or chooses to implement the energy conservation with its own forces.

(c) Owner hereby agrees to provide timely and complete access to all necessary property and energy consumption cost records for the three years preceding the commencement of Ameresco’s services.

1.5 Miscellaneous Terms and Conditions.

(a) This Audit Agreement is hereby executed as of the Effective Date, written above.

(b) The signatories hereto represent that they have been duly authorized to enter into to this Audit Agreement on behalf of the Party for whom they sign.

(c) The laws of the State of Nevada shall govern the interpretation and enforcement of the terms and conditions stated herein.

(d) This Audit Agreement may not be amended unless in writing signed by authorized representatives of both Parties.

(e) Neither Party may assign this Audit Agreement to another party without the prior written consent of the non-assigning Party, which will not be unreasonably withheld, delayed or

conditioned. No un-consented-to assignment will be legally binding upon the non-assigning Party.

CITY OF RENO

ATTEST:

By: _____

By: _____

Robert A. Cashell, Sr., Mayor

Reno City Clerk

Date: _____

AMERESCO, INC.

By: _____

Title: _____

Date: _____