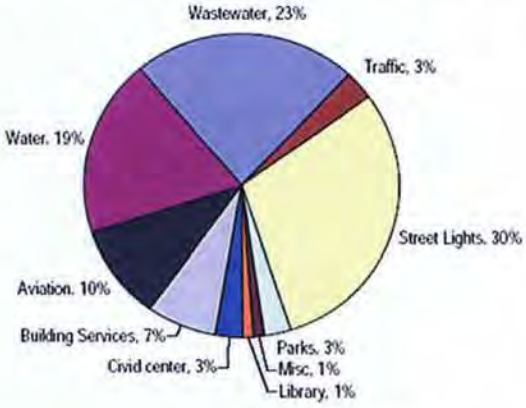
1. Water Meter Replacement

The fundamental principle behind the water meter retrofits is the fact that observable decline in measurement efficiency of a water meter is predictable over time. Also, factors affecting this decline are measurable and repeatable.

The major factors influencing decline in meter measurement accuracy are cumulative quantity of water measured through the meter over its service life, and the quality of the metered water. Meter age is also a factor contributing to meter accuracy decline, but it is a secondary factor to the two factors mentioned above. Subsequently, age is typically not considered a primary factor in determining expected meter efficiency. Based on initial investigation this appears to be the greatest opportunity for the City Gautier through this program.

2. Water/Wastewater Treatment

Historically, a typical municipality's energy consumption is distributed throughout the city departments with primary energy uses for street lighting and utilities services. The chart (right) highlights the major energy uses and illustrates that street lights, water distribution, and wastewater operations account for over 70% of the energy use in any typical City. Moreover, water and wastewater operations typically account for over 40% (and as high as 60% in certain municipalities) of a city's energy usage.



With the rapid rise in the cost of energy, cities are facing an ever-increasing burden on operating and maintenance (O&M) budgets to provide the same services as previous years without major increases to the O&M budget. To that end, McNeil Rhoads has focused its expertise in water and wastewater to implement energy reduction strategies at water and wastewater facilities. These solutions consistently assist our clients in managing their overall electrical costs and water usage.

3. SCADA Improvements

An increase in SCADA monitoring and control at each facility to allow remote control of each facility, in addition to the current remote monitoring capability would result in a number of benefits to the City of Gautier. These benefits would include energy cost savings, reduced operation and maintenance costs, and more accurate process control.

Energy cost savings would result from more efficient operation of pumps, valves, and chemical feed equipment. SCADA systems provide the ability to start and stop equipment remotely, and improve responsiveness to changes in the wastewater collection and treatment system. In implementation of process video in addition to SCADA system upgrades further allows remote operators to view the system operation and respond to changes in the treatment system.

SCADA systems can also monitor and provide trending analysis of equipment operation, and run-time; facilitating the scheduling of routine and preventive maintenance. This data may allow a more proactive approach to equipment maintenance, resulting in reduced operation and maintenance costs.

Custom Project Development

McNeil Rhoads offers several options for project implementation and financing services. We work to customize every project with our clients to meet their individual needs. By partnering with us, we take concepts and audits into financeable project.

DESIGN/BUILD METHOD

TRADITIONAL METHOD

1. Design-Build and Integrated Project Delivery
2. Project and construction management
3. Energy Savings Performance Contracts (ESPC)
4. Financial Modeling
5. Grants and State subsidized financing programs
6. Third-Party Financing

We are thankful to now have the opportunity to support and partner with the City of Gautier. It would be our privilege to help you provide your constituents and employees with facilities that are efficient, healthy, comfortable, safe, secure, and technologically advanced as well as a water metering system that is accurate and operationally efficient.

Personnel

McNeil Rhoads has the right local team to manage the project. Our executive staff is experienced in delivering energy cost saving projects that meet and exceed customers' expectations.

They have managed tens of millions of dollars in projects including everything from government facilities to K-12 schools, from water meter projects to chilled water plant additions, and so on. As is evident in reviewing their qualifications and experience, our project team have learned from hands on experience in a wide range of facilities.

Dusty Rhoads
Chief Executive Officer(Co-Founder)

Mr. Rhoads is CEO and co-founder of McNeil Rhoads. His responsibilities include setting long term vision for the company. He is also responsible to ensure the Company is appropriately organized and staffed to achieve the company vision.

Mr. Rhoads has close to a decade of experience in the construction and energy project development industry. Dusty began his career working for a privately held general construction firm as Regional Director of Business Development. During this time, the company doubled in size and grew to the largest in Southeast. During this growth period, he developed some the largest program and construction management contracts in the state of Mississippi.

In 2010, Mr. Rhoads began working for a global Fortune 100 engineering conglomerate as a Business Development Manager to assist the company in obtaining energy performance contracts with government entities. During his employment, he helped the company generate over $140M in contracts in the state of

Dusty Rhoads - Continued

Mississippi which equated to a 97% market share in the municipal government market. Mr. Rhoads also led all initiatives on legislation that relates to the energy conservation contracting field.

While Mr. Rhoads has spent a significant amount of time growing companies, he is also very passionate about affecting change in the communities in which he is engaged with. He is involved in many activism and non-profit groups to affect awareness on issues affecting public entities on energy & environmental policies. He also is serving his 3rd term as Alderman for the City of Flowood. He is very involved in Mississippi Municipal League in which he brings awareness and solutions to fixing environmental and infrastructure issues to municipal clients in Mississippi.

Mr. Rhoads earned a B.S. degree from Belhaven University. He was also a 4 year starter and All-Academic All American performer on the university football team. He still maintains an active role in the Alumni Association.

Chris McNeil
Sr. Vice President of Operations (Co-Founder)

Mr. McNeil is Sr. Vice President of Operations and co-founder of McNeil Rhoads and will serve as the point for person for the City of Gautier throughout the entire project. His responsibilities include management of the operational functions of the organization which include full P&L management, project risk analysis, project development, energy market research, expansion and acquisition review, as well as setting long term strategic growth plans for the company.

Mr. McNeil has close to a decade of experience in the construction and energy project development industry. Chris began his career working for a privately held mechanical construction firm as Director of Business Development. During this time, the company doubled in size and successfully opened a new branch operating office. He also successfully set a strategic growth plan for the company to take advantage of the energy crisis which included participation in performance contract projects and focus on government contract acquisition.

In 2009, Mr. McNeil began working for a global Fortune 100 engineering conglomerate as a Business Development Manager to assist the company in obtaining energy performance contracts with government entities. He successfully negotiated over $140 million in contracts which created over $11M per year in energy & operational savings to his clients and created 100's of jobs for people in the local community. During this same time, Mr. McNeil managed many aspects of the operations of an energy company to include: subcontractor management, procurement policies, legal negotiation, financial modeling, utility rate analysis, sales strategy, and government relations work.

While Mr. McNeil has put much focus into the technical side of his work, he is is very passionate about affecting change in the communities in which he is engaged with. He is involved in many activism and non-profit groups to affect awareness on issues affecting the nation on energy & environmental policies. He also works diligently to provide opportunities to small and disadvantaged businesses. Due to his efforts, Mr. McNeil was given the Chairman's Award by the Foundation for Eduction & Economic Development which was due to the his efforts in providing business opportunities minority business enterprises in the state of Mississippi.

Mr. McNeil earned a B.S. degree from Mississippi State University. He was also a 4 year starter and All-SEC performer on the university football team. He still maintains an active role in the M-Club and Alumni Association.

Emily McCoy
Chief Financial Officer

Ms. McCoy is the CFO and brings over 8 years of financial management experience and expertise to the organization. In this role, Emily directs all financial aspects of the business including accounting practices, budgeting, financial planning, interface with the financial community, financial analysis, acquisitions and ventures, and monitoring of financial performance.

Prior to joining the organization, Emily held various challenging positions at public accounting firms as well as corporate tax positions. Following graduating college, Ms. McCoy began her career as a tax accountant with a Big 4 global accounting firm focusing on tax compliance and consulting. This included leading several projects with Global Fortune 100 companies for record and SEC filing compliance.

After gaining several years of experience in public accounting, Ms. McCoy took her expertise to the commercial real estate market working as a tax manager for one of the largest publicly held real estate investment firms in the southeastern U.S. During her time she participated in several merger and acquisition projects as well as corporate efficiency programs.

Emily holds an MTX degree and a BA degree from Mississippi State University. Emily is a licensed CPA in the state of Mississippi as well as a member of the AICPA and MSCPA.

Lacy Walker
Project Coordinator

Ms. Walker main duty is to lead the administration side of project implementation for our infield project management team to ensure they are delivered on time, on budget, and to agreed quality standards for Mcneil Rhoads. Ms. Walker manages standards, procedures and practices of record-keeping of all the agreements and contracts of the company.

Ms. Walker also coordinates the construction efforts through in-house and contract labor for new construction and rebuilding projects. She is also responsible for construction personnel safety training and OSHA compliance. Ms. Walker acts as a medium between contractors, workers and senior leadership. She keeps a tab on the documentation of project controls, generates and updates the project files and reports, and presents key performance indicators to senior management along with the project management team. Ms. Walker also supervises and controls all the financial aspects, contracts and agreements relating to the multiple construction activities.

Ms. Walker earned a B.S. degree in accounting from Delta State University and Master in Taxation from University of Mississippi. Ms. Walker graduated Magna Cum Luade. She was also a named Accounting Student of the Year in 2004 at DeltaState University. In addition to her current responsibilities she is also pursuing a MBA at the University of Mississippi.

Corky Smith
Legal Counsel

Mr. Smith services a lead legal counsel for all external contracts as well as advisor for all merger, acquisition, and partnership agreements entered into by McNeil Rhoads. Mr. Smith is considered apart of the executive management team and provides support in developing the long term vision and growth strategies of the firm.

Corky Smith - Continued

In addition to serving as lead counsel for McNeil Rhoads, Mr. Smith is a partner in Sims & Sims law firm with a focus on corporate intellectual property litigation and environmental legal proceedings. He also has extensive knowledge of ethics policies and governmental contract compliance.

Mr. Smith earned a B.A in History as well as a M.B.A from Mississippi State University. He completed law school at Mississippi College School of Law graduating as a Dean's List Scholar with a Doctor of Jurisprudence. He is an active member of both the Mississippi and Alabama Bar Association.

Nathan Mothershead,EIT, EMIT, LEED AP
Project Developer

Nathan is an experienced professional of the energy engineering trade. Nathan has been in the been in the mechanical engineering arena his entire life since his family owns one of the largest mechanical construction firms in the southeast.

Prior to partnering with us as a Project Developer, Nathan worked for a global Fortune 100 engineering firm developing performance based contracts in the southeastern US. His experiences included the design of a very complex chilled water distribution plant as well as several automated metering projects that included over 100,000 points total. He is considered a well rounded expert in the project development field.

Nathan graduated with a B.S. in Mechanical Engineering with a minor in Mathematics and Statistics from Mississippi State University. He is a member of the Association of Energy Engineers and ASHRAE.

References

As previously mentioned, the founding members of McNeil Rhoads were personally responsible for the development of close to $150M in energy service projects in the state of Mississippi over the last 5 years. It is important when the City of Gautier reviews reference projects that references be of work that was performed by the members that will support the City of Gautier project because the people are the most important aspect of any project. McNeil Rhoads would encourage you to reach out to any of the below clients to hear about the results they had from work with Chris and Dusty.

Client	Project Amount	Improvements	Year	Estimated Annual Savings	Contact	Telephone
City of Jackson	$3,992,047	Traffic Lights, Lighting, Energy Management System, Water Conservation, Mechanical Upgrades	2012	$345,234	Jerriot Smash Energy Coordinator	601-960-2367
DeSoto County Board of Supervisors	$6,215,556	Lighting, Water Conservation, Energy Management System, New Chilled Water Plant	2012	$437,326	Tony Martin Facilities Director	662-404-3859

Client	Project Amount	Improvements	Year	Estimated Annual Savings	Contact	Telephone
DeSoto County Convention & Visitor's Bureau	$1,379,279	Interior Lighting, Water Conservation, Energy Mangement System, Sports lighting, Chilled Water Optimization	2012	$97,403	Todd Mastry General Manager	901-301-4565
Hollandale School District	$1,309,038	Lighting, Energy Management Systems, HVAC Upgrade	2012	$118,080	James Johnson Superintendant	662-827-2276
City of Southaven	$2,549,181	Lighting, Water Conservation, Energy Management System, Chiller Replacements	2013	$197,748	Chris Wilson CAO	901-246-0896
City of West Point	$5,873,336	Water & Electric Meter Replacement, Lighting, Energy Management System	2013	$448,998	Randy Jones CAO	662-524-0039
City of Fulton	$3,211,039	Water & Gas Meter Replacement, Lighting	2013	$249,843	Andy Graham PW Director	662-862-4929
City of Vicksburg	$7,642,827	Water & Gas Meter Replacement, Lighting, Energy Management System, Street Lighting	2013	$181,790	Walter Osborne City Clerk	601-634-4553
Washington County BOS	$940,492	Lighting, Water Conservation, Energy Management System, HVAC Replacement	2013	$95,059	Mark Hooker County Engineer	662-334-1865
City of Crystal Springs	$1,922,740	Water Meter Replacement	2014	$64,814	Sally Garland Mayor	601-892-1210
City of Jackson (Water Meter Project)	$90,983,106	Water Meter Replacement, Sewer Line Repairs, Water Treatment Plant Upgrades, Billing System Improvements	2015	$7,190,541	Jerriot Smash Energy Coordinator	601-960-2367
City of Columbus	$418,544	Lighting, Energy Management System	2013	$74,587	Todd Gale General Manager	662-243-7410
Columbus Light & Water	$3,060,190	Water Meter Replacement, Lighting, Energy Management System	2013	$287,387	Todd Gale General Manager	662-243-7410

SECTION 2

General Approach

1. General Approach

1.1 Project Summary (not to exceed 5 pages)

Summarize the Scope of Services (design, financial, operations, maintenance, training, etc.) that would be offered by your firm for this project. Please include a brief description of your firm's Approach to Project Management and the Specific Benefits to the City of Gautier.

McNeil Rhoads provides a full range of energy services for our clients. Our Cycle of Services is a continuum of facility offerings that commences with system design and development and continues through to facility management. Our integrated delivery of services is designed to offer the best solutions for our clients. This approach to projects is truly the essence of energy services. McNeil Rhoads's range of energy and utility management services that are available to our clients include the following:

Facility Auditing: Facility auditing consists of several steps designed to strategically focus on initiatives that have a high probability of energy savings success; minimizing audit costs, maximizing energy savings, and maximizing outside funding for our clients. McNeil Rhoads can provide these services with our in-house and local team.

Project and Plan Design Development: McNeil Rhoads is committed to providing the highest level of service to our clients and to creating innovative and cost efficient solutions to the design challenges throughout the plan and design development stage. McNeil Rhoads can provide these services with our in-house and local team.

Construction Expertise: McNeil Rhoads's experience enables our energy service teams to successfully complete projects for our clients. Our construction managers all have multi-discipline construction experience in all trades. McNeil Rhoads can provide these services with our in-house and local team.

Monitoring and Performance Assurance: McNeil Rhoads has a Measurement and Verification team that uses the latest remote monitoring technologies and web-based services to enable the flow of data and information from and to our clients. Dependent on our client needs, we provide the equipment and training as part of our energy service projects to the owner and staff so that they can carry out an ongoing program with their own resources. McNeil Rhoads can provide these services with our in-house and local team.

Operations and Maintenance: McNeil Rhoads has positioned its service and maintenance capability as one of its key components in its integrated delivery platform. Our team ensures that our client's facilities are well maintained and that the systems operate efficiently. McNeil Rhoads offers a wide range of services including 24-hour emergency service, maintenance and operation programs, remote monitoring and site engineering options. We are capable of supporting owners O&M needs at all levels. McNeil Rhoads can provide these services with our in-house and local team.

Commissioning: One of the most critical areas of focus for installed measures falls into the area of start up and commissioning. The best of installations and construction processes can often fall short of meeting

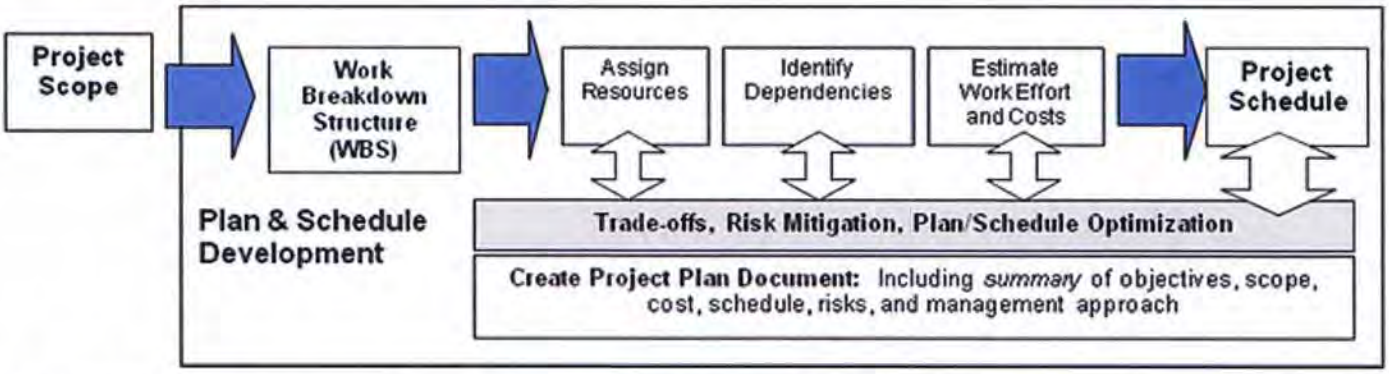
the clients' objectives unless a thorough and well-managed commissioning process is implemented. McNeil Rhoads can provide these services with our in-house and local team.

Owner Training: Well-trained facilities staff has a direct correlation on insuring that annual savings are achieved, occupant comfort is maintained, and equipment life extended. We provide full training capabilities to help accentuate your staff's knowledge. McNeil Rhoads employs highly skilled tradesmen with successful and established track records of providing training services throughout the state. McNeil Rhoads can provide these services with our in-house and local team.

Financing: For our clients, McNeil Rhoads can fully fund all of the resulting energy and utility measures to be installed by tailoring the best financing options. McNeil Rhoads has the experience, expertise, and resources to secure these funds better than any other entity in Mississippi. Securing low interest funding through the State of Mississippi, requires significant financial knowledge and an extensive application process. We will bring this knowledge and dedication to find the best source of funding support for our clients. Because of our knowledge of the Mississippi energy marketplace, we know the programs at the state level to bring to our clients not the local level. We will include ALL fees that the client will encounter in our cash flows. We strive to never over promise, but rather use slightly conservative assumptions and deliver more on what is included in our analysis.

Approach to Management: McNeil Rhoads is not owned by a national concern which allows us to remain vendor and product neutral. This approach gives us the ability to truly seek out the best solutions for our clients without corporate pressure to sell a product or service like some of our competitors. Our organizational structure and management approach is simply committed to ensuring that the most successful development and installation of projects deliver high system performance, improved operations, enhanced standards of comfort, on-going performance assurance, and guaranteed occupant satisfaction.

Project Management Approach: The principal executives at McNeil Rhoads has managed the development and installation of over $143 million worth of building systems and water infrastructure in the state of Mississippi alone. This experience is a tremendous asset to developing and delivering projects on time, within scope, and on budget. McNeil Rhoads uses a combination of people and processes to manage every project. Our first priority is to have the right people assigned to the project. These include tenured and experienced staff that can use their experience to minimize any impacts to the key performance indicators of the project. McNeil Rhoads strongly believes that a successful project requires specific skills and that not every Project Manager can successfully manage this process. The roles and responsibilities of our staff are designed to match the flow of the integrated delivery project process.



All of our project development and construction management staff utilizes industry-standard scheduling tools (i.e., Microsoft Project) to formulate schedules. McNeil Rhoads will develop a construction work plan that details all of the major tasks associated with construction and includes information such as: the required completion date for each task, the status of each task, the responsible party, potential risks, and proactive measures taken to mitigate and minimize possible risks. Updates to the construction schedule and budget are done weekly and reviewed with the client to ensure the project is tracking to the planned path. Any deviations are noted and a plan is devised to minimize project impact. Every energy project we have worked on in Mississippi has incorporated this process and all have come in under budget, without major scope changes. The vast majority of energy projects McNeil Rhoads executive staff has completed are performed in occupied buildings, often in congested urban areas. Work on projects of this nature requires special consideration when construction begins. Prior to mobilization to site, we have a pre-construction meeting to discuss safety, mobilization, construction staging, site access, vehicular circulation, pedestrian circulation, noise, and other similar concerns. The results of this meeting are then incorporated into our construction work plans and site-specific safety plans. Our construction process for typical energy measures often requires little to no lay down area and is designed around a simple goal of minimizing impact to the ultimate end user, the building occupant.

Risk Mitigation: McNeil Rhoads starts every project with a kick-off meeting that outlines the process steps, the deliverables, and the risks that are associated with energy program development. Areas that will be addressed thoroughly with our customers include: energy savings calculations using a holistic approach that recognizes the interactive effect of measures being installed, utility rebates and outside funding sources, the GMAX pricing structure, McNeil Rhoads's open book pricing format, financing the project, maintenance recommendations, labor cost concerns of facilities, use of contingency funds,, and commissioning of the project. Ensuring that all of the client's requirements with the above items are addressed up front minimizes risk for the remainder of the project.

Engineering Design: Our effort during design is focused on providing the necessary evaluation and information needed for the staff to make timely and correct decisions around sustainable and energy efficient scenarios. McNeil Rhoads provides significant engineering knowledge related to designing utility and energy conservation measures. This knowledge can be leveraged to lead the integrated design team and is powered by our depth of highly skilled staff and by our unique position in the energy services industry in Mississippi. The following outlines basic elements of the design services McNeil Rhoads incorporates throughout our internal process: