Sunflower Community

Solar Project

Community Presentation August 2026

Updated – 8\7, 8\12, 8\19, 8\23

Agenda – Sunflower Solar

- Introductions
- Why Solar / Why Now
- Our Partner: TFS
- Solar Site Map
- Project Plan
- Financials & Payback
- Direct Payback to Sunflower
- Timeline
- Questions & Discussion

Why Solar / Why Now

- Rising utility rates
- Solar technology has improved
- Higher efficiencies
- Lower cost per KWH
- Strong warranties
- Environmental benefits
- Increased property value
- Government incentives

Our Partner: TFS

- Unanimously recommended by Sunflower Taskforce
- Local Tucson company
- 20+ years of experience
- HOA & commercial specialists
- Excellent safety record
- Full engineering & permitting
- Strong warranty support

What’s Included

- Engineering
- Permits
- Inspections
- Monitoring
- Installation
- Coordination with TEP & Marana
- Data monitoring for 10 years

Solar Site Map

Solar Panel Placement

- Frontage: Sunflower Parkway
- Bocce courts

Shaded Parking

- Frontage - 19
- Bocce - 7

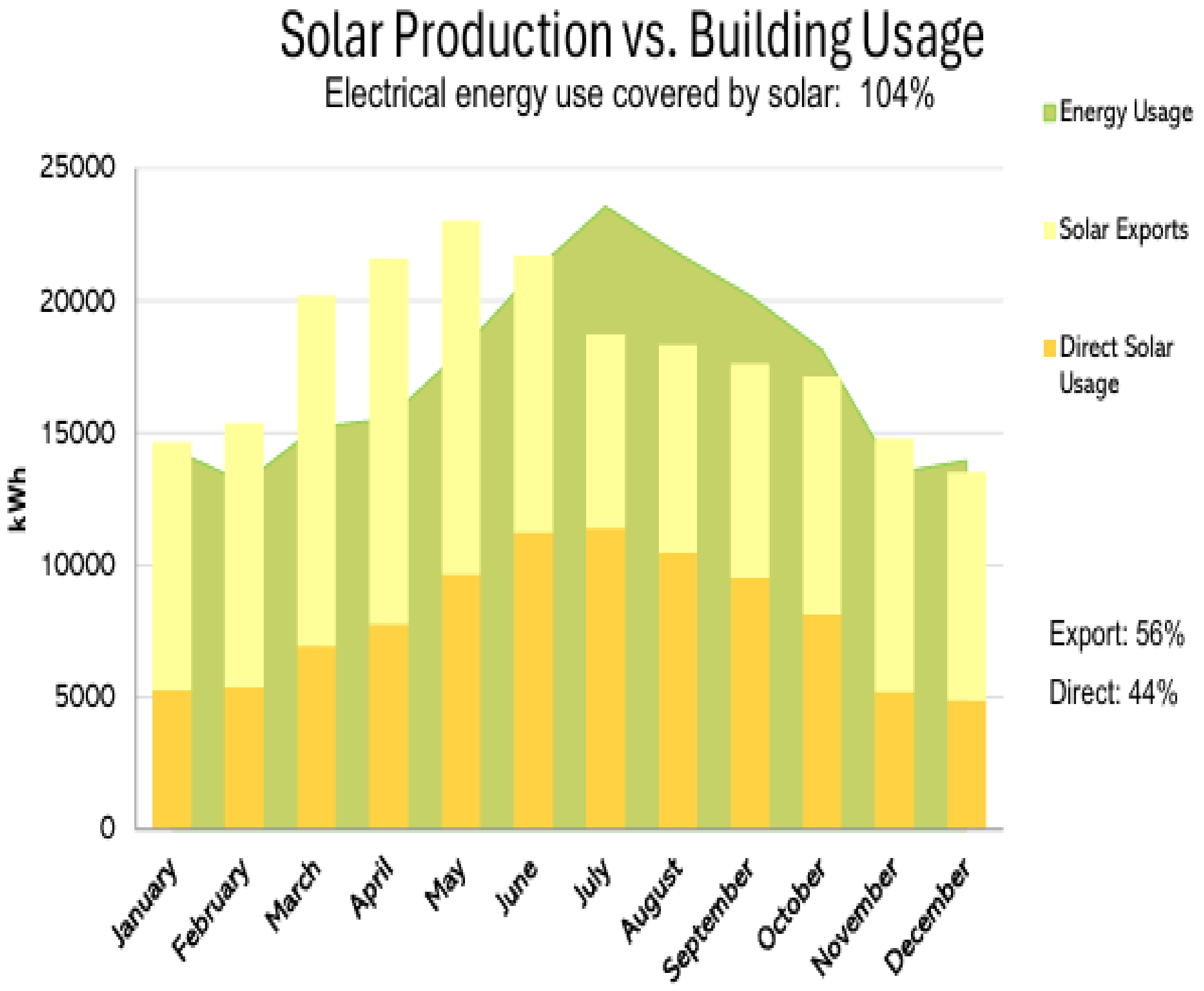
LED Lighting

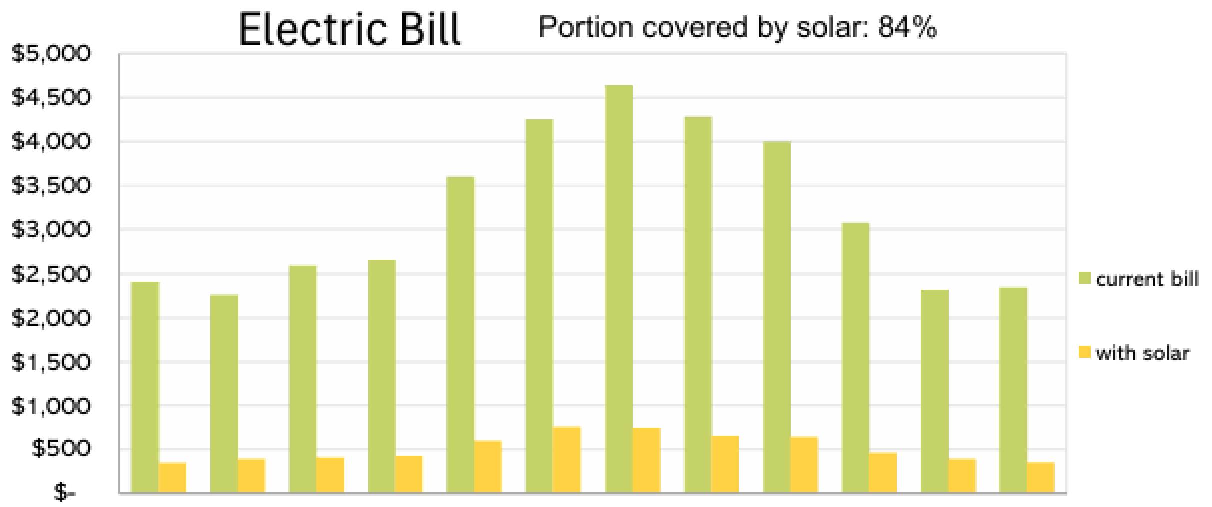
- Adjustable
- Can be placed on a timer

# of trees to be removed \ replaced = 2

System Overview

- 118.32 kW solar parking structure
- 204 Heliene modules
- SolarEdge inverters & optimizers
- Steel structure + LED lighting
- Covers 104% of building usage
- Covers 84% of electric bill





CIF Funding

CIF Balance as of 6/30/26:
- **$375,708**

Year-to-Date (9 months) Income:
- **$66,033** (including interest)

Estimated CIF Income Through 7/31/27:
Total Estimated Income: $97,000
Breakdown:
- **Current FY (3 months, 13 sales):**
  - $20,000 + $2,400 interest – $600 tax = **$21,800**
- **Next FY (10 months, 43 sales):**
  - $70,000 + $8,000 interest – $2,000 tax = **$76,000**

TFS Payment Schedule
- **$10,000** at signing
- **$135,000** to start
- **$135,000** when steel structure is complete
- **$135,000** at project completion

Impact of First Three Payments
- After the first three payments totaling **$282,000**, the CIF balance will be approximately **$94,708**.

CIF Balance at Time of Final Payment
- With CIF income through July 27, 2027, the CIF balance when the final payment is due will be approximately **$192,000**.

After Final Payment
- Final payment amount: **$135,000**
- Remaining CIF balance: **$56,000**
  - This serves as a contingency buffer.

If CIF Income Falls Short
- If home sales decline and CIF income is lower than expected, Sunflower may take an **emergency loan from Reserves at market rate**.
- This is allowed under HOA rules and regulations. (Policy 4:06, section III H)
- The loan would be repaid as CIF income is received.

Benefits of Solar Funded by the CIF

- This is the only CIF project that *creates* savings instead of new costs.
- Most of the expense is one-time and fully covered by the CIF.
- Homeowners don’t pay anything directly — the only “cost” is the opportunity cost of using CIF funds now instead of later.
- Savings begin immediately once the system is turned on.
- Any other CIF project would add ongoing Operating and Reserve costs, which means future pressure on assessments.
- Solar does the opposite — its savings more than offset its future costs.
- We must pay the full project cost before receiving federal rebates.
- Those rebates go straight back into the CIF, restoring funds for a future project.
- That refund becomes a windfall — effectively giving Sunflower a second CIF project down the road.

Direct Pay to Sunflower – How it works

- The Sunflower solar project qualifies for three separate rebate payments from the Federal government
  - Federal Tax Credit of 30% {$124,922}
  - Domestic Content Bonus Credit of 10% {$41,641}
  - Energy Community Bonus Credit of 10 % {$41,641}
    - Cumulative value = 50%
- Each credit to be applied for separately, to be filed in Sunflower fiscal year 26\27 with anticipated return in fiscal year 27\28
- Payments to be made directly to Sunflower and amounts **DEPOSITED BACK INTO COMMUNITY IMPROVEMENT FUND – TOTAL AMOUNT = $208,204**

Savings

- 6-year simple payback
- 25-year savings: **$781,693**
- MIRR: 7.4%
- NPV: $319,899

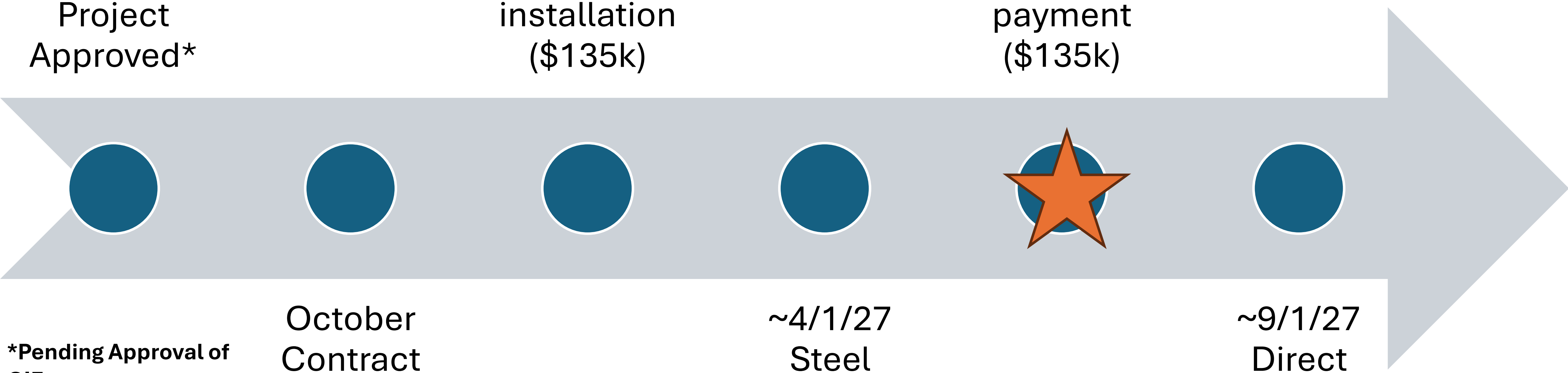
- Year 1 Savings
- $31,744 – $33,067
- Monthly savings: ~$2,756
- Solar cost/kWh: $0.0555
- TEP cost/kWh: $0.1853

Sunflower Solar Projected Timeline

September Project Approved*

~12/15/26 1st payment - 1 mth prior to installation ($135k)

~8/1/27 System activation, final payment ($135k)



October Contract Signed – initial payment ($10k)**

~4/1/27 Steel structure completed, 2nd payment

($135k)

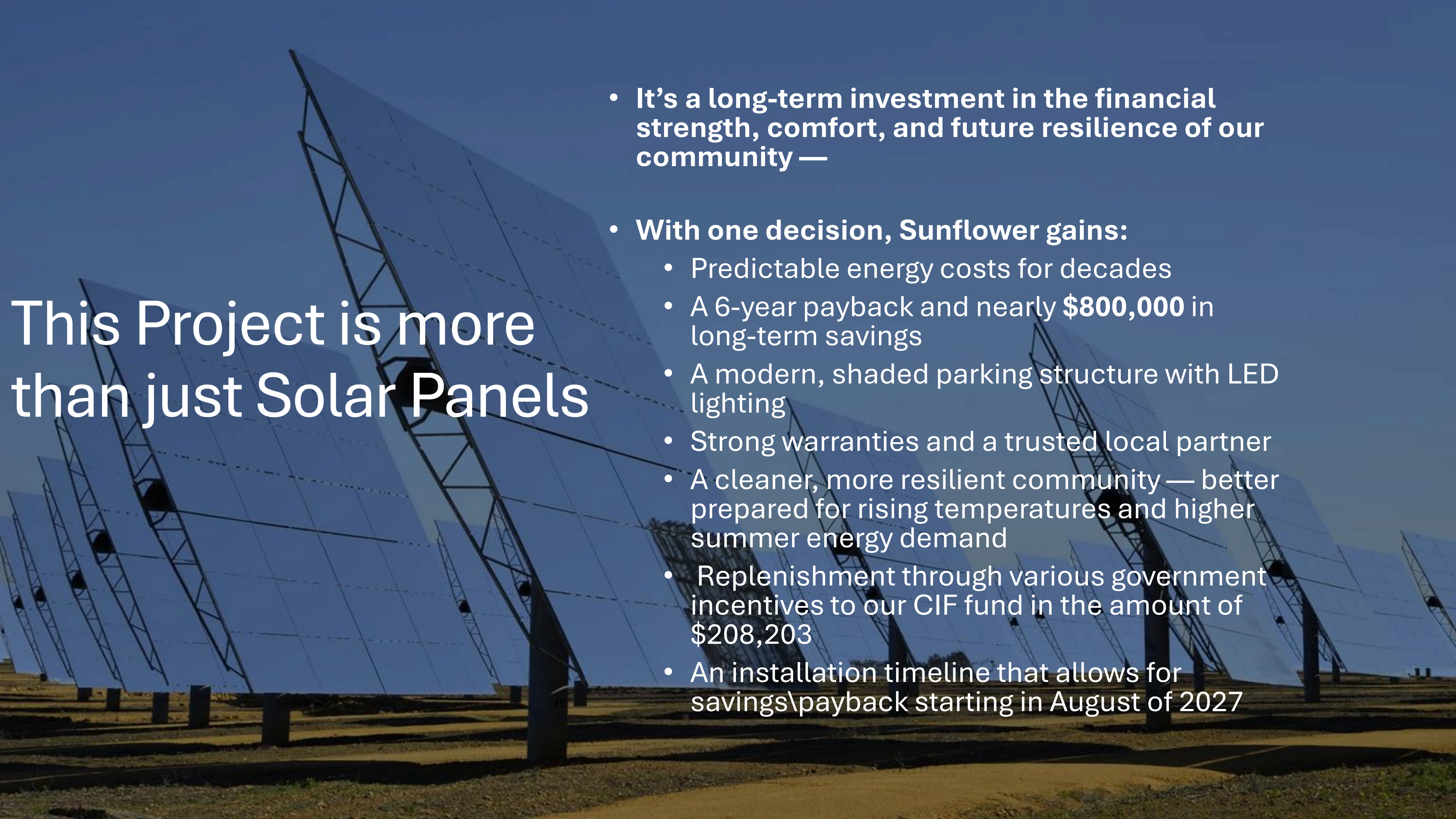
~9/1/27 Direct payment request submitted

***Pending Approval of CIF vote**

Proposal submitted to ARC

Why Solar Energy Matters

- Solar energy is one of the fastest-growing renewable energy sources
- Reduces dependence on fossil fuels
- Helps stabilize long-term energy costs
- Supports sustainability goals for businesses and communities



This Project is more than just Solar Panels

- **It’s a long-term investment in the financial strength, comfort, and future resilience of our community —**

- **With one decision, Sunflower gains:**
  - Predictable energy costs for decades
  - A 6-year payback and nearly **$800,000** in long-term savings
  - A modern, shaded parking structure with LED lighting
  - Strong warranties and a trusted local partner
  - A cleaner, more resilient community — better prepared for rising temperatures and higher summer energy demand
  - Replenishment through various government incentives to our CIF fund in the amount of $208,203
  - An installation timeline that allows for savings\payback starting in August of 2027

Appendix

- TFS – Background - Permitting & Regulations
- TFS recent projects
  - Beyond Bread
  - Sun City Vistoso HOA
  - Hacienda del Sol
  - Gospel Rescue Mission
- Conservative savings and payback

About Us

Founded in 2003, Technicians for Sustainability (TFS) is a worker-owned cooperative delivering solar energy systems across Southern Arizona. With over 4,500 installations and deep experience in local commercial projects, we ensure quality and long-term performance.

Based just east of downtown Tucson, TFS became employee-owned in 2017. Today, 30 of our 71 staff are co-owners. We are a certified B Corp and Public Benefit Corporation, committed to community-focused clean energy. View our 2024 Annual Report.

Permitting & Regulations

Our commercial drafter specializes in Tucson-area solar regulations. All plans comply with currently adopted local codes and amendments, including the 2018 International Building Code for Marana and the NFPA National Electrical Code. Prior to permitting, plans are reviewed, approved, and sealed by PEs at Phasor Energy (electrical) and Schneider Engineering (structural). Plans are also submitted to TEP for utility regulation compliance. TFS begins construction only after full permitting and TEP approval.

Safety is top priority. All crew members undergo onboarding based on our 59-page safety manual aligned with OSHA and local standards. Crew leads are certified in OSHA, CPR, First Aid, AED, and equipment operation. Daily site safety briefings and weekly all-crew meetings are conducted to maintain a safe work environment.

Beyond Bread

Installed 2024

As a returning client, Beyond Bread partnered with TFS to install a 204.2kW solar energy system. The project featured three parking structures, a ramada over the loading dock, and a small rooftop array. TFS worked closely with Beyond Bread and their contractor to integrate the solar installation seamlessly alongside ongoing construction efforts.

Sun City Vistoso HOA

Installed 2016 & 2025

Sun City Vistoso partnered with TFS to install a 354.33kW solar system across rooftops and parking structures. TFS ensured the safety of residents and arranged minimal disruption during the process. SCOV later expanded the project, adding two more parking structures totaling an additional 106kW. The system is currently nearing completion, furthering SCOV's sustainability goals.

Hacienda del Sol

Installed 2024/2025

Hacienda del Sol tapped TFS as its trusted partner for a 350kW solar installation, spanning multiple parking areas. Throughout the project, TFS worked hand-in-hand with Hacienda del Sol to ensure daily operations ran smoothly and guests remained undisturbed. Despite the demanding landscape, marked by extended conduit runs and rugged mountain terrain, TFS successfully completed six solar structures with minimal impact to the resort’s experience.

Gospel Rescue Mission

Installed 2024

Gospel Rescue Mission selected TFS to design and install a 160kW solar energy system, featuring two parking structures. TFS navigated the complexities of the underground conduit installation, overcoming utility conflicts and site hazards to ensure a successful execution with minimal disruption to the daily operations of Gospel Rescue Mission.

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Pay-Back

- Estimated savings and payback are conservative.
  - TEP is asking for a 12% rate increase, which we are not modeling since the rate case is still pending.
  - Even if 10% is approved then the HOA will save even more than we are estimating due to higher electricity costs.
  - Payback will be less than 6 years once rates increase.
  - Insulates from other future increases since TEP solar rate is valid for 20 years.

Warranty Information

Labor Warranty	10 years	Technicians For Sustainability provides a 10-year guarantee on all parts (excluding the solar equipment) and labor.
Production Guarantee	5 years	Technicians For Sustainability provides a 5-year power-production guarantee. TFS will pay you for any system underproduction on an annual basis. If your system produces under 194,823 kWh/yr TFS will pay you $0.10 per kWh short.
Solar Equipment Warranties	15 years (modules)	Heliene provides a 15-yr manufacturer's warranty as well as a 25-yr linear power guarantee.
	12 years (inverters)	Solar Edge provides a 12-year (inverter) & 25-year (optimizers) warranty.

Additional Benefits Summary

Miles Not Driven	493,314 mi.	The average American drives 14,000 miles annually, that's the same as taking 35 drivers off the road each year.
Water Conserved	108,235 gal.	The average home swimming pool is 16,000 gallons, that's the equivalent of 7 swimming pools each year.
Annual CO_2 Offset	458,077 lbs.	A mature tree can absorb approximately 45 lbs of carbon dioxide annually, that's the same as planting 10,179 trees each year.

TFS
Technicians For Sustainability

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Proposal Notes

- This estimate is valid until August 31, 2026. After that date please confirm pricing.
- Installation approximately 9 - 11 months from contract signing & deposit paid, subject to current leadtimes.
- Total cost reflects a cash/check discount. If customer prefers to pay by credit card, cost will increase by 3%.
- Savings projections are based on a 50% direct payment from the federal government. Final direct payment amount could be lower or non-existent, which would alter the financials in this proposal. Contact a tax preparer for more details.
- Customer is responsible for supplying a high speed internet connection and supporting infrastructure for installation of data monitoring systems.
- Customer is required to disclose to Technicians for Sustainability any condition existing on the property that could cause damage or injury to equipment or personnel prior to the commencement of the work.
- This chart represents anticipated cumulative savings if utility energy rates ($/kWh) change by 0%/yr, -5%/yr, or 5%/yr. TFS cannot predict future utility rates, and these graphs are for informational purposes only. Actual savings over time may vary.

Financials with **NO** Federal Direct Pay

Upfront Cost	$458,000
Federal Direct Pay	$0
After Direct Pay	$458,000

Financial Statistics (no federal direct pay)	
NPV	$80,017
MIRR (Rate of Return)	5.7%
Years to Approx Simple Payback	12.4
Approx. Monthly Savings (Pre-tax)	$2,756
Savings at Year 25 (Non Discounted)	$531,897

- *Upfront cost of $458,000 = Production cost of $416,407 + contingency cost of $41,649
- **Assumes NO ($0) Federal Direct Pay incentives
- ***Assumes we spend all of the 10% contingency
- ****Assumes a 2% ongoing TEP rate increase

Financials **with 50%** Federal Direct Pay

Upfront Cost	Financial Statistics	
$458,000		
Federal Direct Pay	NPV	$278,306
$208,203	MIRR (Rate of Return)	7.0%
After Direct Pay	Years to Approx Simple Payback	7.2
$249,797	Approx. Monthly Savings (Pre-tax)	$2,756
	Savings at Year 25 (Non Discounted)	$740,100

- *Upfront cost of $458,000 = Production cost of $416,407 + contingency cost of $41,649
- **Assumes 50% of Federal Direct Pay incentives of $208,203
- ***Assumes we spend all of the 10% contingency
- ****Assumes a 2% ongoing TEP rate increase

Solar CIF Project: Financial Overview

- **Installation Costs (One-Time)**
  - **$416,000** – Base installation (TFS)
  - **$41,600** – 10% contingency
    - Tree removal (2)
    - Possible light post removal (4)
    - Misc. repairs (asphalt, repainting)
  - **Total Project Cost (Not To Exceed): $458,000**, funded *from CIF*
- **Federal Tax Credit**
  - **50% of base installation** qualifies
  - Additional accounting fee (filings for energy tax credits): **~$2,000** (Operating Expense)

8\23\26

Long-Term Maintenance & Reserve Planning

- **Reserve-Funded Replacement Costs**
  - **Solar Panels**
    - 204 panels @ $600 = **$122,400**
    - 25-year lifespan → **$4,896/yr**
  - **Inverters**
    - 3 units @ $4,800 = **$14,400**
    - 12-year lifespan → **$1,200/yr**
  - **Steel Structure Painting**
    - Estimated **$18,000**
    - 7-year lifespan → **$2,571/yr**
- **Total Annual Reserve Contribution: $8,667**
- **Additional Notes**
  - Minor maintenance covered by **Operating Budget**
  - **10-year TFS warranty** → minimal early-period costs
  - Reserve contribution more than offset by electricity savings

Questions?

- Questions and open discussion