

CAPITAL RECOVERY SERVICE™ (CRS)

Options to Quickly Recover Funds Spent on Essential Infrastructure

Using GASB 60, you can retain complete ownership, or GASB 87 as a non-collateralized service that SP owns. This is a clear liquidity option for municipalities, authorities, healthcare, and schools. SP is a **public benefit company** that invests in infrastructure with a mandate to keep it reliable, safe, and improving in a manner that protects taxpayers and the institutions that serve them.

OPTION 1: INFRASTRUCTURE UTILITY SERVICE®

SP pays to convert currently owned infrastructure assets into a utility service. Customers recapture their funds to use on other mission critical initiatives while SP takes ownership of assets and then charges a monthly usage fee.



Select infrastructure for collaboration



SP underwrites, delivering economic and execution options for approval



SP funds and facilitates project + ongoing maintenance and modernization



Customer receives monthly utility bill for usage



SP partners with you to keep infrastructure reliable, safe, and performing

- SP entity owned assets
- Asset use entirely in your control
- Customer may choose on or off balance sheet
- Month to month contract based on usage
- Focus on maintenance and upgrades

OPTION 2: REVENUE SHARE REPAYMENT

SP provides a cash rights fee to customers, for use at their discretion, which is paid back over time from a percentage of a revenue stream without impacting the balance sheet. Customers maintain ownership of assets while recuperating much needed funds.

1

Identify your infrastructure; its value and remaining useful life are determined

2

Identify a long-term revenue source to share as the support for cash provided

3

Determine capital needed. SP provides lumpsum amount to customer

4

Customer makes monthly payment based upon revenue share and the amount of capital provided

- Customer owned assets
- Asset use entirely in your control
- Off balance sheet per GASB 60
- Capital provided for use at your discretion
- Monthly payment based on revenue share

Without impacting your use or control, we assume many of the ownership responsibilities of essential infrastructure. When assets are in a state of good repair or modernized, significant cost savings are achieved as old, unreliable and costly situations are efficiently eliminated.

SP is a clear alternative to traditional purchase or public works procurement with Financing, Bonding, Contracting, PPPs, Leases, EPCs, and Shared Savings agreements.

UNIQUE KEY FEATURES

- Quickly return the cash trapped inside your infrastructure
- Simple, public agency friendly agreements
- Flexibility to terminate at any time; no penalties; month-to-month agreement
- Additional funds as needed to cover maintenance, upgrades, or modernization
- Customized – base usage on a measurable attribute that varies with your revenue
- Underwriting uses single digit cost of capital for rate structuring



ELIGIBLE INSTITUTIONS

- Airports, Ports, Train, Rail Stations
- Arenas & Stadiums
- Convention Centers
- Correctional Facilities
- Defense Housing & Facilities
- Federal Agencies
- Large HOAs
- Hospitals (Public & Private)
- Hotels & Resorts
- Judicial Buildings
- K-12 Schools, Colleges, Universities
- Large Multi-Family Complexes
- Municipalities, Parishes, Counties, Towns
- Parks, Libraries & Museums
- Parking Garages
- Police & Fire Stations
- State Agencies
- Utilities (MOU & IOU)
- Wastewater & Water Treatment

ELIGIBLE INFRASTRUCTURE



Buildings, Terminals, Government Housing



Water Distribution Systems, Smart Meters



Water Storage; Water/Wastewater Treatment Systems



Boilers, Chillers, Cooling Towers, Air Handlers



HVAC; Building Envelope; Energy Efficiency



Plumbing – Controls, Conditioners, Pumps, Manifolds, Fixtures



Electrical Distribution, Storage, Optimization & Generation



Bridges, Roads, Tunnels, Docks, Overpasses



Charging Stations, Parking Facilities, Fuel Tanks/Pumps



Rolling Stock (EVs, AVs, subway, buses), Charging Stations, Fuel Depots, Maintenance Facilities



Inter-modals, Rail, Switching Stations, Runways, & Taxiways



Roofs, Windows, Elevators, Escalators, People Movers, Kitchens



Field Turf & Lighting