



## Legislation Details (With Text)

<b>File #:</b>	23-2019	<b>Version:</b>	1	<b>Name:</b>	12/18/23 Resolution To Approve a 3-Year Professional Services Agreement with Elevate Energy for Administration of the Residential Rebate Program
<b>Type:</b>	Resolution	<b>Status:</b>			Passed
<b>File created:</b>	12/18/2023	<b>In control:</b>			City Council
<b>On agenda:</b>	12/18/2023	<b>Final action:</b>			12/18/2023
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**Title:** Resolution to Approve a Professional Services Agreement with Elevate Energy for Administration of the Residential Rebate Program (\$600,000.00)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. RFP\_23-48\_Document.pdf, 2. Rebate Fee Proposal V2.pdf, 3. PROPOSAL\_Elevate.pdf, 4. Rebate Administrator Revised Scope of Service.pdf, 5. ELEVATE ENERGY - Professional Services Agreement Low Risk (PSA).pdf

Date	Ver.	Action By	Action	Result
12/18/2023	1	City Council	Approved	Pass

Resolution to Approve a Professional Services Agreement with Elevate Energy for Administration of the Residential Rebate Program (\$600,000.00)

On November 8, 2022, the people of the City of Ann Arbor voted in favor of an Ann Arbor City Charter Amendment to create a Tax for Community Climate Action. This vote authorized a tax of up to 1 mill to fund community climate action for 2023 through 2043, with a first year of estimated revenue of \$6,800,000.00 (the "millage"). Authorized uses of the millage include items such as: community and rooftop solar programs; rental and low-income household energy programs; bicycle, pedestrian and transit infrastructure; neighborhood resource centers; electric vehicle infrastructure; bulk buy programs; and sustainability-related rebate/incentive programs.

To achieve the climate action goals established by the City of Ann Arbor as outlined in the A<sup>2</sup>ZERO plan and reaffirmed in the millage, OSI released an RFP in mid-2023 for a third-party Rebate Administrator to support the City's intention of providing funding to incentivize residential adoption of energy efficiency, high-efficiency all-electric energy equipment, electric modes of transportation, and distributed energy resources. The RFP was released in August of 2023 with responses due on October 3<sup>rd</sup>. In total, four firms bid on this RFP.

A review committee of City staff from across the municipal organization reviewed all proposals and selected two firms that met all qualifications. The pricing proposals from those firms were then opened and each firm was invited to interview with the City. Upon conclusion of the interviews, City staff made the recommendation to move forward with hiring Elevate as the City's Rebate Administrator.

In this role, Elevate will undertake the Scope of Services, as outlined in the attachment document, for

a 3-year period, with two possible 1-year extensions. The City retains the right to terminate the contract at any point if the Rebate Administrator fails to meet the terms and conditions outlined in the Professional Services Agreement and the associated scope of services.

The resolution before Council seeks authorization to engage in a 3-year professional services agreement with Elevate serving as the City's first residential rebate administrator. In this role, Elevate will document program guidelines, process rebate applications, conduct verifications, distribute rebates, and provide program evaluation and impact analysis.

Elevate Energy is compliant with all insurance and procurement policies.

Budget/Fiscal Impact: Budget to support this work is budgeted in the Office of Sustainability and Innovations Community Climate Action Millage budget.

Prepared by: Missy Stults, Sustainability and Innovations Director

Reviewed by: Jennifer Richards, Assistant City Attorney

Reviewed by: Marti Praschan, Chief Financial Officer

Approved by: Milton Dohoney Jr., City Administrator

Whereas, In 2022 Ann Arbor residents voted to pass the Community Climate Action Millage;

Whereas; A portion of Community Climate Action Millage funds were intended to support residents with making sustainability-related improvements;

Whereas, The Office of Sustainability and Innovations has allocated funds in their Fiscal Year 24 and Fiscal Year 25 Community Climate Action Millage budgets to support a residential rebate program;

Whereas, The Office of Sustainability and Innovations released RFP 23-48 to secure bids from firms interested in serving as the City's Residential Rebate Administrator;

Whereas, Upon review of all received bids, a panel of staff determined that Elevate Energy was best suited to serve as the City's Residential Rebate Administrator; and

Whereas, Elevate Energy is compliant with the City's non-discrimination, living wage, and conflict of interest policies;

RESOLVED, That Council approves a Professional Services Agreement with Elevate Energy in the amount of \$600,000.00 to serve as the City's Residential Rebate Administrator;

RESOLVED, That a contract contingency amount of \$60,000.00 be established that the City Administrator be authorized to approve change orders to satisfactorily complete the project;

RESOLVED, That all amounts approved and appropriated herein are without regard to fiscal year;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute a Professional Services Agreement with Elevate for a period of three years, with the option to administratively extend the Professional Services Agreement for two additional one year periods, after approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That the City Administrator be authorized to take the necessary administrative actions to

implement this resolution.