

**PROFESSIONAL SERVICES  
AGREEMENT BETWEEN  
ELEVATE ENERGY  
AND THE CITY OF ANN ARBOR FOR  
RESIDENTIAL REBATE ADMINISTRATOR**

This agreement ("Agreement") is between the CITY OF ANN ARBOR, a Michigan municipal corporation, 301 E. Huron St. Ann Arbor, Michigan 48104 ("City"), and ELEVATE ENERGY, a(n) Illinois nonprofit corporation, 322 S. Green Street, Suite 300, Chicago, IL 60607 ("Contractor"). City and Contractor agree as follows:

**1. DEFINITIONS**

**Administering Service Area** means **Administration**.

**Contract Administrator** means Missy Stults, acting personally or through any assistants authorized by the Administrator/Manager of the Administering Service Area/Unit.

**Deliverables** means all documents, plans, specifications, reports, recommendations, and other materials developed for and delivered to City by Contractor under this Agreement.

**Effective Date** means the date this Agreement is signed by the last party to sign it.

**Services** means Residential Rebate Administrator as further described in Exhibit A.

**2. DURATION**

- A. The obligations of this Agreement shall apply beginning on the Effective Date and this Agreement shall remain in effect for 3 Year(s) unless terminated as provided for in this Agreement.
- B. The Parties agree that this agreement may be extended, at the sole option of the City, for up to two additional one-year terms, under the same term and conditions.

**3. SERVICES**

- A. Contractor shall perform all Services in compliance with this Agreement. The City retains the right to make changes to the quantities of Services within the general scope of the Agreement at any time by a written order. If the changes add to or deduct from the extent of the Services, the compensation shall be adjusted accordingly. All such changes shall be executed under the conditions of the original Agreement.
- B. Quality of Services under this Agreement shall be of the level of quality performed by persons regularly rendering this type of service. Determination of acceptable quality shall be made solely by the Contract Administrator.
- C. Contractor shall perform Services in compliance with all applicable statutory,

regulatory, and contractual requirements now or hereafter in effect. Contractor shall also comply with and be subject to City policies applicable to independent contractors.

- D. Contractor may rely upon the accuracy of reports and surveys provided by the City, except when a defect should have been apparent to a reasonably competent professional or when Contractor has actual notice of a defect.

#### **4. INDEPENDENT CONTRACTOR**

- A. The parties agree that at all times and for all purposes under the terms of this Agreement each party's relationship to any other party shall be that of an independent contractor. Each party is solely responsible for the acts of its own employees, agents, and servants. No liability, right, or benefit arising out of any employer-employee relationship, either express or implied, shall arise or accrue to any party as a result of this Agreement.
- B. Contractor does not have any authority to execute any contract or agreement on behalf of the City, and is not granted any authority to assume or create any obligation or liability on the City's behalf, or to bind the City in any way.

#### **5. COMPENSATION OF CONTRACTOR**

- A. The total amount of compensation paid to Contractor under this Agreement shall not exceed \$600,000.00, which shall be paid upon invoice by Contractor to the City for services rendered according to the schedule in Exhibit B. Compensation of Contractor includes all reimbursable expenses unless a schedule of reimbursable expenses is included in an attached Exhibit B. Expenses outside those identified in the attached schedule must be approved in advance by the Contract Administrator.
- B. Payment shall be made monthly following receipt of invoices submitted by Contractor and approved by the Contract Administrator, unless a different payment schedule is specified in Exhibit B.
- C. Contractor shall be compensated for additional work or Services beyond those specified in this Agreement only when the scope of and compensation for the additional work or Services have received prior written approval of the Contract Administrator.
- D. Contractor shall keep complete records of work performed (e.g. tasks performed, hours allocated, etc.) so that the City may verify invoices submitted by Contractor. Such records shall be made available to the City upon request and submitted in summary form with each invoice.

#### **6. INSURANCE/INDEMNIFICATION**

- A. Contractor shall procure and maintain from the Effective Date or Commencement Date of this Agreement (whichever is earlier) through the conclusion of this Agreement, such insurance policies, including those required by this Agreement, as will protect itself and the City from all claims for bodily injury, death, or property damage that may arise

under this Agreement; whether the act(s) or omission(s) giving rise to the claim were made by Contractor, Contractor's subcontractor, or anyone employed by Contractor or Contractor's subcontractor directly or indirectly. Prior to commencement of work under this Agreement, Contractor shall provide documentation to the City demonstrating Contractor has obtained the policies and endorsements required by this Agreement. Contractor shall provide such documentation in a form and manner satisfactory to the City. Currently, the City requires insurance to be submitted through its contractor, myCOI. Contractor shall add registration@mycoitracking.com to its safe sender's list so that it will receive necessary communication from myCOI. When requested, Contractor shall provide the same documentation for its subcontractors.

B. All insurance providers of Contractor shall be authorized to do business in the State of Michigan and shall carry and maintain a minimum rating assigned by A.M. Best & Company's Key Rating Guide of "A-" Overall and a minimum Financial Size Category of "V". Insurance policies and certificates issued by non-authorized insurance companies are not acceptable unless approved in writing by the City.

C. To the fullest extent permitted by law, Contractor shall indemnify, defend, and hold the City and its officers, employees, and agents harmless from all suits, claims, judgments, and expenses, including attorney's fees, resulting or alleged to result, from an act or omission by Contractor or Contractor's employees or agents occurring in the performance or breach of this Agreement, except to the extent that any suit, claim, judgment, or expense are finally judicially determined to have resulted from the City's negligence, willful misconduct, or failure to comply with a material obligation of this Agreement. The obligations of this paragraph shall survive the expiration or termination of this Agreement.

D. Contractor is required to have the following minimum insurance coverage:

1. Professional Liability Insurance or Errors and Omissions Insurance protecting Contractor and its employees - \$1,000,000.
2. Commercial General Liability Insurance equivalent to, as a minimum, Insurance Services Office form CG 00 01 04 13 or current equivalent. The City of Ann Arbor shall be an additional insured. There shall be no added exclusions or limiting endorsements that diminish the City's protections as an additional insured under the policy.

\$1,000,000	Each occurrence as respects Bodily Injury Liability or Property Damage Liability, or both combined
\$2,000,000	Per project General Aggregate
\$1,000,000	Personal and Advertising Injury

Bodily Injury by Accident - \$500,000 each accident  
Bodily Injury by Disease - \$500,000 each employee  
Bodily Injury by Disease - \$500,000 each policy limit

E. Commercial General Liability Insurance and Motor Vehicle Liability Insurance (if required by this Agreement) shall be considered primary as respects any other valid

or collectible insurance that the City may possess, including any self-insured retentions the City may have; and any other insurance the City does possess shall be considered excess insurance only and shall not be required to contribute with this insurance. Contractor agrees to waive any right of recovery by its insurer against the City for any insurance listed herein.

- F. Insurance companies and policy forms are subject to approval of the City Attorney, which approval shall not be unreasonably withheld. Documentation must provide and demonstrate an unconditional and unqualified 30-day written notice of cancellation in favor of the City of Ann Arbor. Further, the documentation must explicitly state the following: (a) the policy number(s); name of insurance company; name(s), email address(es), and address(es) of the agent or authorized representative; name and address of insured; project name; policy expiration date; and specific coverage amounts; (b) any deductibles or self-insured retentions, which may be approved by the City in its sole discretion; (c) that the policy conforms to the requirements specified. Contractor shall furnish the City with satisfactory certificates of insurance and endorsements prior to commencement of any work. If any of the above coverages expire by their terms during the term of this Agreement, Contractor shall deliver proof of renewal and/or new policies and endorsements to the Administering Service Area/Unit at least ten days prior to the expiration date.

## **7. WAGE AND NONDISCRIMINATION REQUIREMENTS**

- A. Nondiscrimination. Contractor shall comply, and require its subcontractors to comply, with the nondiscrimination provisions of MCL 37.2209. Contractor shall comply with the provisions of Section 9:158 of Chapter 112 of Ann Arbor City Code and assure that Contractor's applicants for employment and employees are treated in a manner which provides equal employment opportunity.
- B. Living Wage. If Contractor is a "covered employer" as defined in Chapter 23 of Ann Arbor City Code, Contractor must comply with the living wage provisions of Chapter 23 of Ann Arbor City Code, which requires Contractor to pay those employees providing Services to the City under this Agreement a "living wage," as defined in Section 1:815 of the Ann Arbor City Code, as adjusted in accordance with Section 1:815(3); to post a notice approved by the City of the applicability of Chapter 23 in every location in which regular or contract employees providing services under this Agreement are working; to maintain records of compliance; if requested by the City, to provide documentation to verify compliance; to take no action that would reduce the compensation, wages, fringe benefits, or leave available to any employee or person contracted for employment in order to pay the living wage required by Section 1:815; and otherwise to comply with the requirements of Chapter 23.

## **8. REPRESENTATIONS AND WARRANTIES BY CONTRACTOR**

- A. Contractor warrants that the quality of Services shall conform to the level of quality performed by persons regularly rendering this type of service.
- B. Contractor warrants that it has all the skills, experience, and professional and other

licenses necessary to perform the Services.

- C. Contractor warrants that it has available, or will engage at its own expense, sufficient trained employees to provide the Services.
- D. Contractor warrants that it has no personal or financial interest in this Agreement other than the fee it is to receive under this Agreement. Contractor certifies that it will not acquire any such interest, direct or indirect, which would conflict in any manner with the performance of the Services. Contractor certifies that it does not and will not employ or engage any person with a personal or financial interest in this Agreement.
- E. Contractor warrants that it is not, and shall not become overdue or in default to the City for any contract, debt, or any other obligation to the City, including real and personal property taxes. Further Contractor agrees that the City shall have the right to set off any such debt against compensation awarded for Services under this Agreement.
- F. Contractor warrants that its bid or proposal for services under this Agreement was made in good faith, that it arrived at the costs of its proposal independently, without consultation, communication, or agreement for the purpose of restricting competition as to any matter relating to such costs with any competitor for these services; and no attempt has been made or will be made by Contractor to induce any other person or entity to submit or not to submit a bid or proposal for the purpose of restricting competition.
- G. The person signing this Agreement on behalf of Contractor represents and warrants that they have express authority to sign this Agreement for Contractor and agrees to hold the City harmless for any costs or consequences of the absence of actual authority to sign.
- H. The obligations, representations, and warranties of this section 8 shall survive the expiration or termination of this Agreement.

## **9. OBLIGATIONS OF THE CITY**

- A. The City shall give Contractor access to City properties and project areas as required to perform the Services.
- B. The City shall notify Contractor of any defect in the Services of which the Contract Administrator has actual notice.

## **10. ASSIGNMENT**

- A. Contractor shall not subcontract or assign any portion of any right or obligation under this Agreement without prior written consent from the City. Notwithstanding any consent by the City to any assignment, Contractor shall at all times remain bound to all warranties, certifications, indemnifications, promises, and performances required of Contractor under the Agreement unless specifically released from the requirement in writing by the City.

- B. Contractor shall retain the right to pledge payments due and payable under this Agreement to third parties.

## **11. TERMINATION OF AGREEMENT**

- A. If either party is in breach of this Agreement for a period of 15 days following receipt of notice from the non-breaching party with respect to the breach, the non-breaching party may pursue any remedies available against the breaching party under applicable law, including the right to terminate this Agreement without further notice. The waiver of any breach by any party to this Agreement shall not waive any subsequent breach by any party.
- B. The City may terminate this Agreement, on at least 30 days' advance notice, for any reason, including convenience, without incurring any penalty, expense, or liability to Contractor, except the obligation to pay for Services actually performed under the Agreement before the termination date.
- C. Contractor acknowledges that if this Agreement extends for several fiscal years, continuation of this Agreement is subject to appropriation of funds through the City budget process. If funds are not appropriated or otherwise made available, the City shall have the right to terminate this Agreement without penalty at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to Contractor. The Contract Administrator shall give Contractor written notice of such non-appropriation within 30 days after the Contract Administrator has received notice of such non-appropriation.
- D. The expiration or termination of this Agreement shall not release either party from any obligation or liability to the other party that has accrued at the time of expiration or termination, including a payment obligation that has already accrued and Contractor's obligation to deliver all Deliverables due as of the date of termination of the Agreement.

## **12. REMEDIES**

- A. This Agreement does not, and is not intended to, impair, divest, delegate, or contravene any constitutional, statutory, or other legal right, privilege, power, obligation, duty, or immunity of the parties.
- B. All rights and remedies provided in this Agreement are cumulative and not exclusive, and the exercise by either party of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently be available at law, in equity, by statute, in any other agreement between the parties, or otherwise.
- C. Absent a written waiver, no act, failure, or delay by a party to pursue or enforce any right or remedy under this Agreement shall constitute a waiver of that right with regard to any existing or subsequent breach of this Agreement. No waiver of any term, condition, or provision of this Agreement, whether by conduct or otherwise, shall be deemed or construed as a continuing waiver of any term, condition, or provision of this Agreement. No waiver by either party shall subsequently affect the waiving party's right to require strict performance of this Agreement.

### **13. NOTICE**

All notices and submissions required under this Agreement shall be delivered to the respective party in the manner described herein to the address stated below or such other address as either party may designate by prior written notice to the other. Notices given under this Agreement shall be in writing and shall be personally delivered, sent by next day express delivery service, certified mail, or first class U.S. mail postage prepaid, and addressed to the person listed below. Notice will be deemed given on the date when one of the following first occur: (1) the date of actual receipt; (2) the next business day when notice is sent next day express delivery service or personal delivery; or (3) three days after mailing first class or certified U.S. mail.

If Notice is sent to Contractor:

ELEVATE ENERGY  
ATTN: Abigail Corso  
322 S. Green Street, Suite 300  
Chicago, IL 60607

If Notice is sent to the City:

City of Ann Arbor  
ATTN: Missy Stults  
301 E. Huron St.  
Ann Arbor, Michigan 48104

With a copy to: The City of Ann Arbor  
ATTN: Office of the City Attorney  
301 East Huron Street, 3<sup>rd</sup> Floor  
Ann Arbor, Michigan 48104

### **14. CHOICE OF LAW AND FORUM**

This Agreement will be governed and controlled in all respects by the laws of the State of Michigan, including interpretation, enforceability, validity and construction, excepting the principles of conflicts of law. The parties submit to the jurisdiction and venue of the Circuit Court for Washtenaw County, State of Michigan, or, if original jurisdiction can be established, the United States District Court for the Eastern District of Michigan, Southern Division, with respect to any action arising, directly or indirectly, out of this Agreement or the performance or breach of this Agreement. The parties stipulate that the venues referenced in this Agreement are convenient and waive any claim of non-convenience.

### **15. OWNERSHIP OF DOCUMENTS**

Upon completion or termination of this Agreement, all Deliverables prepared by or obtained by Contractor as provided under the terms of this Agreement shall be delivered to and become the property of the City. Original basic survey notes, sketches, charts, drawings, partially completed drawings, computations, quantities, and other data shall remain in the possession of Contractor as instruments of service unless specifically incorporated in a Deliverable, but shall be made available, upon request, to the City without restriction or limitation on their use. The City

acknowledges that the documents are prepared only for the Services. Prior to completion of the Services the City shall have a recognized proprietary interest in the work product of Contractor.

## **16. CONFLICTS OF INTEREST OR REPRESENTATION**

Contractor certifies it has no financial interest in the Services to be provided under this Agreement other than the compensation specified herein. Contractor further certifies that it presently has no personal or financial interest, and shall not acquire any such interest, direct or indirect, which would conflict in any manner with its performance of the Services under this Agreement.

Contractor agrees to advise the City if Contractor has been or is retained to handle any matter in which its representation is adverse to the City and to obtain the City's consent therefor. The City's prospective consent to Contractor's representation of a client in matters adverse to the City, as identified above, will not apply in any instance where, as the result of Contractor's representation, Contractor has obtained sensitive, proprietary, or otherwise confidential information of a non-public nature that, if known to another client of Contractor, could be used in any such other matter by the other client to the material disadvantage of the City. Each matter will be reviewed on a case by case basis.

## **17. SEVERABILITY OF PROVISIONS**

Whenever possible, each provision of this Agreement will be interpreted in a manner as to be effective and valid under applicable law. However, if any provision of this Agreement or the application of any provision to any party or circumstance is prohibited by or invalid under applicable law, that provision will be ineffective to the extent of the prohibition or invalidity without invalidating the remainder of the provisions of this Agreement or the application of the provision to other parties and circumstances.

## **18. EXTENT OF AGREEMENT**

This Agreement, together with all Exhibits constitutes the entire understanding between the City and Contractor with respect to the subject matter of the Agreement and it supersedes, unless otherwise incorporated by reference herein, all prior representations, negotiations, agreements, or understandings, whether written or oral. Neither party has relied on any prior representations in entering into this Agreement. No terms or conditions of either party's invoice, purchase order, or other administrative document shall modify the terms and conditions of this Agreement, regardless of the other party's failure to object to such terms or conditions. This Agreement shall be binding on and shall inure to the benefit of the parties to this Agreement and their permitted successors and permitted assigns and nothing in this Agreement, express or implied, is intended to or shall confer on any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement. This Agreement may only be altered, amended, or modified by written amendment signed by Contractor and the City. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement.

## **19. ELECTRONIC TRANSACTION**

The parties agree that signatures on this Agreement may be delivered electronically or by



facsimile in lieu of a physical signature and agree to treat electronic or facsimile signatures as binding.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; SIGNATURE PAGES FOLLOW]**

**ELEVATE ENERGY**

By: DocuSigned by:  
Abigail Corso  
97770E7314264ED...

Name: Abigail Corso

Title: Chief Strategy Officer

Date: 1/24/2024

**CITY OF ANN ARBOR**

By: DocuSigned by:  
Milton Dohoney Jr.  
82ADAD5DD386491...

Name: Milton Dohoney Jr.

Title: City Administrator

Date: 1/24/2024

**Approved as to form:**

By: DocuSigned by:  
Atleen Kaur  
627306896F804DD...

Name: Atleen Kaur

Title: City Attorney

Date: 1/24/2024

*(Signatures continue on following page)*

**CITY OF ANN ARBOR**

DocuSigned by:  
By: Christopher Taylor  
9E354955DB164DA...

Name: christopher Taylor

Title: Mayor

Date: 1/24/2024

DocuSigned by:  
By: Jacqueline Beaudry  
5CFB24F59BD041E...

Name: Jacqueline Beaudry

Title: City Clerk

Date: 1/26/2024

## A<sup>2</sup>ZERO Rebate Administrator: Revised Scope of Service

### Objective

The City is seeking a firm to serve as a Rebate Program Administrator (Administrator). Activities under this role include documenting program guidelines, rebate application processing, verification, rebate distribution, and program evaluation. The City is seeking these services for a period of 36 months, with the City reserving the option to extend the contract term for two, one-year extensions. The Administrator will work closely with City staff to establish the rebate program. The OSI Director (or their designee) will oversee the direction and quality of work of this vendor. The design of the Rebate Program will be done in coordination with the OSI and must meet the goals of the City and OSI.

The following are a summary of the objectives of the Rebate Program, including considerations and ways to evaluate progress. This list is not exhaustive:

**A. Equity** The Rebate Program will be targeted to progress equity goals through income qualified rebates and eligible projects. The Rebate Program will be evaluated on equity metrics, including participant data on demographics, tenure type (owned or rented), current energy bills and projected energy savings, geographical location, and health and safety impacts.

**B. Greenhouse Gas Emission Reductions** The Rebate Program will be targeted to significantly impact the greenhouse gas emissions of participants and of the community. In order to maximize the impact of rebate funds, the Rebate Program may require some participants to engage with the A<sup>2</sup>ZERO Home Energy Advisor (HEA) Program. The Rebate Administrator will work with OSI and the HEA Administrator to design guidelines and requirements for when participation in the HEA is required before an applicant is eligible for a rebate. Effectiveness of the Rebate Program will be evaluated by estimated emissions impact of approved projects and real-world utility data provided by participants.

**C. Progress Towards Established A<sup>2</sup>ZERO Targets** The Rebate Program will be tailored to further targets established in the A<sup>2</sup>ZERO Plan, especially those that currently face significant barriers to deployment such as building electrification. The Rebate Program will be evaluated on its impact on the number of all-electric equipment installations, composition of HVAC equipment installations, impact of efficiency upgrades, the number of eligible contractors offering all-electric equipment installations, and the number of jobs created and apprentices trained.

Other A<sup>2</sup>ZERO targets that the Rebate Program must address include:

- i. Increasing renewable energy deployment through incentivization of distributed energy resources
- ii. Increasing resiliency through energy storage deployment

- iii. Decreasing energy consumption through energy efficient technology adoption and deep energy retrofits
- iv. Decreasing vehicle miles traveled and trips in automobiles through bike and electric bike adoption

**D. Customer Service** Navigating building decarbonization improvements as a homeowner can be complex and daunting. The Rebate Program aims to provide clear information on available rebates, streamlined and clear processes to apply for rebates, and short timelines for participants to receive their rebates. The Rebate Program administration will be evaluated based on participant feedback surveys, vendor feedback surveys, number of days to receive rebate funds, and number of days to respond to participant questions and complaints.

### Requirements

The Administrator will administer the Rebate Program on behalf of the City. The Administrator shall perform the following tasks, including but not limited to:

**A. Program Establishment.** The Administrator shall submit a recommended program design and supporting documentation within 60 calendar days following execution of a Professional Services Agreement. The Administrator shall work with City representatives throughout the design process to co-design the program. The final program design/structure must be approved by City staff. Following implementation of the Rebate Program, the Administrator and City staff shall meet at least monthly to review the program design and ensure program goals are being met.

The program design must include but is not limited to:

1. Approved Vendor Requirements and Registration, including:
  - i. A process for approving vendors as qualified to receive rebates, and
  - ii. A process for auditing and expelling vendors that do not meet program requirements.
2. Project and Participant Eligibility criterion, including:
  - i. Procedures to ensure coordination with the HEA Program, including identifying efficiencies.
  - ii. A process for accepting and reviewing applications for rebates.
  - iii. An estimate of the number of eligible rebates in each category of appliance or service (e.g., rebates for heat pumps versus number of rebates available for e-bikes).
3. Project and Participant Verification, including:

- i. A process for verifying income-qualified participants.
  - ii. A process for verifying applications.
  - iii. A waitlist process with associated notification protocols.
  - iv. Marketing and Consumer Protection Requirements.
4. Project Submission, Review, and Approval Process, including:
  - i. Applications for rebates.
  - ii. Application online and an operational web portal as well as information on how to apply by phone or mail for those with limited internet access.
  - iii. An application review process and notification (of award or decline) process.
5. Rebate Invoice and Payment Process, including:
  - i. Working with City representatives to design process for rebate distribution and invoicing.
  - ii. Procedure to ensure that rebates are issued within 14 days, at a minimum, of a successful application and/or proof of payment.
6. Rebate Tracking, Verification, and Reporting Procedures, including:
  - i. Creation of a methodology for tracking, verifying, and reporting rebates.
  - ii. Identification and activation of a dashboard or other public facing platform to denote the number of rebates still available as well as the impact of rebates administered.
7. Complaint Management Protocol, with specifics about resolution timelines and processes.
8. Web-based resources providing program information about and access to rebates, including an easy to complete application form, public dashboard, FAQs, and other pertinent information about the program. This dashboard may be hosted on a City website or by the Rebate Administrator but the City must approve all content posted on the site regardless of who the host is.
9. Lessons learned and best practices from similar rebate programs and innovative new approaches to meet the needs of the people of Ann Arbor.
10. Recommendations on equipment, project, vendor, and participant eligibility requirements. The OSI will provide initial eligibility requirements. The eligible equipment, projects, and participant requirements and rebate amounts may be adjusted

at the discretion of OSI but the Administrator will be expected to present well-reasoned suggestions on program structure and availability.

**B. Rebate Application Development.** This task includes development of the formal applications for receiving rebates, including development of application materials for:

- i. Residential customers
- ii. Low-income households
- iii. Vendors that want to work with the City and agree to receive vouchers

**C. Rebate Application Processing.** Process rebates in accordance with the Program Design approved by the City, which may include but is not limited to:

- i. Create public dashboard with supporting information about the rebates, including how to apply, how many rebates are available, participating vendors, etc.
- ii. Coordinate with Ann Arbor's Home Energy Advisor Program Administrator to align requirements for rebates.
- iii. Soft launch rebate portal with select applicants (in partnership with the City).
- iv. Open application portal and start receiving rebate applications.
- v. Pre-qualify residents for rebates as applicable.
- vi. Verify eligibility of contractor, product, service, and energy equipment recipient.
- vii. Verify eligibility of residential applicants.
- viii. Transparently track number of applications and number of remaining rebates in each category.
- ix. Log rebates delivered and estimated impacts from rebates.

**D. Rebate Distribution.** Distribute rebate payments in accordance with the Program Design approved by the City. This task includes tracking the number of rebates distributed and the number remaining and sharing this information in real-time, with the public.

- 1. Reporting. The Administrator will be responsible for tracking and regularly reporting on the administration of rebates and their impact. The Administrator shall work with the City to establish an internal, online accessible database and report template to track program progress. This information will be owned by the city and should include, but is not limited to:

- i. Date of rebate
- ii. Name of customer
- iii. Address of customer
- iv. Rebate received
- v. Amount of rebate received
- vi. Electric service upgrade performed (if relevant)
- vii. Equipment type received
- viii. Equipment manufacturer
- ix. Equipment seller or distributor
- x. Equipment size/capacity
- xi. Equipment replaced
- xii. Installation contractor(s)
- xiii. Apprentices trained (Y/N)
- xiv. Total installed cost
- xv. Service upgrade cost
- xvi. Annual greenhouse gas emissions reduced
- xvii. Estimated cost savings (or increase)
- xviii. Payment type and payment terms
- xix. A "DTE: Customer Consent Release Form" (see Attachment A) and/or third-party utility data link (optional)

2. The Administrator shall work with the City to establish, track, and report to the City on metrics such as:

- i. Participant demographics
- ii. Participant feedback surveys
- iii. Vendor feedback surveys
- iv. Greenhouse gas emissions reduced
- v. Energy savings achieved



3. The Administrator shall provide the City with access to real-time reports on rebates processed via the online portal.

4. The Administrator will provide a public dashboard that includes information on the number of rebates administered, the impact of the rebates in terms of greenhouse gas emissions reduced and costs saved, and the number of remaining rebates available.

5. The Administrator will regularly communicate with the City's designated representative to report on the status of the program and to identify and address any issues or concerns as soon as they arise. This may include biannual presentations to the City's Energy Commission and annually presenting to Ann Arbor City Council on the efficacy and impact of the program.

**E. Additional Services as Needed.** The Administrator shall provide time and material rates for additional services as directed and approved by OSI on an as needed basis. If OSI identifies additional 16 services are needed, a request will be made in writing to the Administrator from OSI and the Administrator will provide a quote for the work. OSI will give approval to proceed in writing before the Administrator begins work, should the OSI agree to the cost and scope.

**F. Timeline and Deliverables.** The frequency of recurring meetings mentioned in this section may be adjusted based on the current needs of the project.

i. Initial Kick-Off Meeting with City representatives.

ii. Meetings with specific departments to provide guidance on the program design, including: Finance, IT, Customer Service, and the HEA Liaison.

iii. Weekly meetings with OSI representatives to provide updates and receive feedback and input on the program design.

i. Deliverable: Program design and supporting documentation delivered to OSI 60 days after contract execution.

iv. OSI review, feedback, and adoption of program design. This will likely include multiple iterations on program design.

i. Deliverable: Rebate application processing system, rebate applications, rebate distribution system, and reporting system, and any other component of the adopted program design operable 60 days after program design adoption.

ii. Deliverable: At minimum, quarterly status reports. OSI may authorize changes to the Rebate Program in alignment with the goals of the City and OSI.

v. The Administrator and the City's representative will have a monthly call on program status, as needed. Program status calls may be more frequent if necessary.

- i. Deliverable: The Administrator shall prepare an annual report, beginning 12 months after the rebates become available, summarizing the impact of the program, inclusive of the impact on the Objectives listed in section 2.0 of this RFP.



**ELEVATE**

Equity through climate action

# Fee Proposal: Community Climate Action Residential Rebate Administrator

RFP #23-48

**SEPTEMBER 2<sup>ND</sup>, 2023**



# Elevate Fee Proposal

Our fee proposal is based on processing approximately 2,500 rebates per year through the Residential Rebate Program with a combination of Elevate and Michigan Energy Options staff. We believe this is a reasonable scale to start the program, with dedicated staff and a balance of fixed costs of development and management with variable costs of processing rebates. We have the ability to ramp up to meet demand, with our combined team, but the time and expenses to serve beyond 2,500 rebates would be in excess of the budget we are presenting here. It is important to note that scaling up to meet demand would only increase the line item for rebate Processing Support. These variable cost estimates are built on assumptions of the expected mix of acceptable rebates and those that will require follow-up with applicants to get all the necessary requirements to accept their application. Costs may vary depending on the participant's needs.

The fees include costs for the startup phase and implementation across the first 3 years of the program. This fee proposal is inclusive of all the services requested by OSI in the RFP, with considerations for scaling down some administrative systems, simplifying website, and focusing marketing on events, contractor and retailer engagement, and utilizing the City's existing marketing channels to keep costs at or below \$200K per year. We are committed to a partnership that aligns the desired scope and scale the City wants to see, with a focus on decreasing the cost per rebate through process improvement. We are also committed to identifying other sources of funding, such as federal or state grants, that could help further fund the program at a reasonable scale. There are nearly 50,000 households in the City of Ann Arbor, so providing 2,500 rebates per year is roughly equivalent to serving 5% of the potential market per year.

## Budget

Budget		Year 1	Year 2	Year 3	Total
	<b>Startup</b>				
	Program Planning	\$ 65,000			\$ 65,000
	CRM Development	\$ 12,500			\$ 12,500
	Website and Creative Design	\$ 5,000			\$ 5,000
	<b>Startup Total</b>	<b>\$ 82,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 82,500</b>
	<b>Implementation</b>				
	Administration and Reporting	\$ 30,000	\$ 45,000	\$ 45,000	\$120,000
	Marketing, Promotion, and Technology Manangement	\$ 27,500	\$ 55,000	\$ 55,000	\$137,500
	Rebate Processing and Support	\$ 60,000	\$100,000	\$100,000	\$260,000
	<b>Implementation Total</b>	<b>\$117,500</b>	<b>\$200,000</b>	<b>\$200,000</b>	<b>\$517,500</b>
	<b>Total Budget</b>	<b>\$200,000</b>	<b>\$200,000</b>	<b>\$200,000</b>	<b>\$600,000</b>

## Fee Proposal: Community Climate Action Residential Rebate Administrator

## Rates

Elevate and MEO's rates are included below. Overhead and fringe rates are a percentage of the total bill rate. MEO is our subcontractor, and can provide overhead factors if needed.

Elevate Rates		Name	Year 1 Rate	Year 2 Rate	Year 3 Rate
Vice President, Strategy		Henry Love	\$ 225.00	\$ 236.00	\$ 248.00
Associate Director, Community Programs		Elizabeth Wallace	\$ 155.00	\$ 163.00	\$ 171.00
Senior Program Manager, Community Programs		Jamie Simmons	\$ 135.00	\$ 142.00	\$ 149.00
Program Manager, Community Programs		TBD	\$ 120.00	\$ 126.00	\$ 132.00
Senior Art Director		Alexander Helbach	\$ 190.00	\$ 200.00	\$ 210.00
Senior Associate, Graphic Design		Barry Harmon	\$ 110.00	\$ 116.00	\$ 122.00
<b>Fringe</b>					
			13%	13%	13%
<b>Overhead</b>					
			32%	32%	32%
<b>Subcontractor Rates</b>					
MEO Executive Director		John Kinch	\$ 150	\$ 158	\$ 166
MEO Assistant Director		Michael Larson	\$ 125	\$ 131	\$ 137
MEO Sr. Program Manager		Brandon Kawalec	\$ 100	\$ 106	\$ 112
MEO Program Manager		Angela Marez	\$ 75	\$ 79	\$ 83
MEO Program Coordinator		Lauren Chapman	\$ 65	\$ 68	\$ 71

## Assumptions on Service Mix

To arrive at our budget, we estimated a mix of services that constitute the variable expenses in the budget, specifically Rebate Processing and Support. We expect that efficiency will increase and we will have more predictive data on the expected mix of services.

Service Benchmarks	Hours	Frequency	Rate	Occurrences	Per Workday
Application Processing	0.25	100%	Program Support	2500	10.99
Customer Support	0.75	30%	Program Support	750	3.30
Rebate Printing/Stuffing/Mailing	0.06	100%	Program Manager	2500	10.99

Appendix