

## Lake State Labs LLC - Ann Arbor VPP Pilot

Fee Proposal

9/15/2025

Lake State Labs LLC is pleased to submit this fee proposal to the City of Ann Arbor to support the development of the first Virtual Power Plant (VPP) in Ann Arbor. This proposal outlines the comprehensive costs associated with each of the five required tasks, as per the project's Scope of Work. All five tasks are included as separate line items in this proposal.

This fee structure is based on a discounted hourly rate of \$120/hr. This represents a significant reduction from our standard rate, provided to the Sustainable Energy Utility due to the nature and sole-sourcing of this contract.

### Fee Schedule

The total budgeted cost for the project is based on the following line-item breakdown:

Task	Individual	Hours	Rate	Total
1	Richard Boehnke	60	\$120.00	\$7,200.00
2	Richard Boehnke	500	\$120.00	\$60,000.00
3	Richard Boehnke	375	\$120.00	\$45,000.00
4	Richard Boehnke	110	\$120.00	\$13,200.00
5	Richard Boehnke	90	\$120.00	\$12,000.00
Administrative Budget	Richard Boehnke	40	\$120.00	\$4,800.00
Total		1220	\$120.00	\$142,200.00

This budget reflects a detailed assessment of the resources required to meet the project's objectives in a timely and efficient manner.

### Terms and Conditions

- This fee proposal is valid for 30 days from the date of submission.
- Invoices will be based on hours worked, not to exceed the total proposed budget, without prior written approval from the client.

We are confident in our ability to deliver exceptional results and look forward to the opportunity to partner with you on this important initiative.

Lake State Labs LLC confirms the firm is aware of and certifies that it will meet the minimum insurance requirements of the City of Ann Arbor upon contract signature.

Sincerely,

Richard Boehnke  
Lake State Labs LLC