



## Legislation Details (With Text)

<b>File #:</b>	23-2021	<b>Version:</b>	1	<b>Name:</b>	12/18/23 Resolution To Approve a 3-Year Professional Services Agreement with Walker Miller for Administration of the Home Energy Advisor Program (\$900,000).
<b>Type:</b>	Resolution	<b>Status:</b>			Passed
<b>File created:</b>	12/18/2023	<b>In control:</b>			City Council
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<b>Title:</b>	Resolution To Approve a Professional Services Agreement with Walker-Miller Energy Services, LLC for Administration of the Home Energy Advisor Program (\$900,000.00)				
<b>Sponsors:</b>					
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<b>Code sections:</b>					
<b>Attachments:</b>	1. PROPOSAL_WalkerMiller.pdf, 2. RFP_23-49_Document.pdf, 3. Walker-Miller Final Budget (Revised 2023.12.01) - AA RFP 23-49.pdf, 4. HEA scope of service, final.pdf, 5. Walker-Miller Energy Services LLC - Professional Services Agreement (PSA) (1).pdf				

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

Resolution To Approve a Professional Services Agreement with Walker-Miller Energy Services, LLC for Administration of the Home Energy Advisor Program (\$900,000.00)

In 2019, the Ann Arbor City Council declared a climate emergency and established a goal of a just transition to community-wide carbon neutrality by 2030. City Council directed the Office of Sustainability and Innovations (OSI) to prepare a plan to achieve this goal and in June of 2020, the living A2ZERO Carbon Neutrality Plan was adopted. The A2ZERO Plan includes seven overarching strategies and 44 individual actions that collectively achieve the community's climate goals. The first three strategies of A2ZERO call for powering the entire community with 100% renewable energy; electrifying appliances, buildings, and vehicles; and achieving a significant reduction in energy usage (deep energy efficiency investments). Given that roughly 23% of local greenhouse gas emissions come from the residential sector, staff in the City's OSI are acutely aware of the need for customized programs to help this market segment decarbonize.

OSI realizes, however, that residents of Ann Arbor face numerous challenges to home decarbonization, including our old building stock, a cold climate, high electricity costs, ubiquitous use of fossil gas for heating, lack of local control over building codes, limited contractor experience with electrification, inequitable access to rebates and incentives in our most marginalized communities, and the overall complexity of the needed retrofits.

The OSI has been working to address these barriers through a variety of initiatives, including:

1. A Solarize program that educates and motivates hundreds of residents a year on renewable energy, electrification and efficiency, helping deploy over 560 individual residential solar systems in 3 years.
2. A contractor Electrification Badge that OSI developed with Michigan Saves, the State's green

- bank, to educate contractors and help residents locate skilled tradespeople to assist them with their electrification projects.
3. The State of Michigan's first energy and water benchmarking ordinance to protect and educate renters and tenants about the energy performance of a given building.
  4. An emerging Green Rental Housing program to significantly improve the efficiency, health, safety, and comfort of rentals in the City.
  5. A Home Energy Rating Disclosure program to disclose a Home Energy Score (HES) at time of listing to ensure consumer protection.
  6. Work towards creation of the nation's first carbon neutral existing low-income neighborhood (in Bryant neighborhood).
  7. The creation of local energy rebates and incentives to support residential (and soon, commercial) building decarbonization, including energy efficiency improvements, installation of efficient all-electric equipment, electrical upgrades, renewable energy installations, and energy storage deployments. To maximize the impact of the rebates on energy use and emissions, rebate applicants will be encouraged to receive information on decarbonizing their building through the Home Energy Advisor Program.

The City's engagement with these initiatives and associated stakeholders has been (and continues to be) robust, and the feedback received around barriers is what has informed the creation of the City's Home Energy Advisor (HEA) Program.

The complexity of building decarbonization can be overwhelming, especially for historically underserved individuals where remediation (both buildings and relationships) is needed prior to considering decarbonization, as well as for those with more means who are highly motivated to make change but have no idea where to start or who to trust. The City of Ann Arbor aims to reduce these complexities through the administration of the HEA Program. In the summer of 2023, Ann Arbor designed and completed a pilot of a HEA that serves as a one-stop-shop where residents (homeowners, renters and landlords) can get: home energy assessments; assistance with project selection; connections to contractors; identification of available rebates, incentives, financing and income-qualified programs; bid reviews; and customized home decarbonization support. In the pilot, Ann Arbor and its collaborators also developed a template "Path to Zero" which is delivered to every individual engaging with the HEA. The Path to Zero details the specific steps, timelines, and opportunities available for that individual to fully decarbonize their home. The City of Ann Arbor strives to make the HEA free of charge to as many residents as possible.

The pilot HEA was completed in August 2023, assisting 14 residents representing various building stock, ownership models, demographics, and needs. As part of the pilot, an Operations Guide was developed, as well as Deliverables including a Path to Zero, and an Energy Assessment report. Project collaborators delivered a post-pilot Report, with lessons learned and recommendations for improvements moving forward. The City of Ann Arbor revised these documents and used the lessons learned from the pilot to launch a Request for Proposals to hire a full-time Home Energy Advisor Program Administrator for a three-year period (with two optional 1-year extensions) to formalize the program, launch it, and administer the initiative.

The HEA Program Administrator will be responsible for maintaining and sharing information on residential building decarbonization, coordinating and completing building assessments, assisting residents with identifying rebates and incentives for residential building decarbonization, and responding to resident requests for building-related decarbonization assistance. This work also includes coordinating with other City programs related to building decarbonization to ensure a

seamless customer experience.

To identify an HEA Program Administrator, the City released RFP 23-49 in late summer of 2023. 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 Walker-Miller Energy Services, LLC as the City's Home Energy Advisor Administrator.

In this role, Walker-Miller Energy Services, LLC 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 Home Energy Advisor 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 Walker-Miller Energy Services, LLC serving as the City's first Home Energy Advisor Administrator.

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 receiving strategic guidance and advice to inform their sustainability-related actions;

Whereas; The A2ZERO plan explicitly calls for the creation of an Energy Concierge, which staff have named the Home Energy Advisor;

Whereas; In spring of 2023, the Office of Sustainability and Innovations and Elevate Energy piloted the Home Energy Advisor Services and determined there was a need and strong interest in launching a formal Home Energy Advisor program;

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 Home Energy Advisor program;

Whereas, The Office of Sustainability and Innovations released RFP 23-49 to secure bids from firms interested in serving as the City's Home Energy Advisor Administrator;

Whereas, Upon review all received bids, a panel of staff determined that Walker-Miller Energy Services, LLC was best suited to serve as the City's Home Energy Advisor Administrator; and

Whereas, Walker-Miller Energy Services, LLC is compliant with the City's non-discrimination, living

wage, and conflict of interest policies;

RESOLVED, That Ann Arbor City Council approve a Professional Services Agreement with Walker-Miller Energy Services, LLC in the amount of \$300,000.00 per year, \$900,000.00 total, to serve as the City's Home Energy Advisor Administrator;

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 Walker-Miller Energy Services, LLC 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.