



Legislation Text

File #: 24-1917, **Version:** 1

Resolution to Approve a Professional Services Agreement with Arbor Consultants, P.C. for Sustainable Energy Utility Advisory Services (\$200,000.00)

Attached for review and consideration is a Professional Services Agreement with Arbor Consultants, P.C. to provide a series of operational, technical, economic, and engagement-related advisory services related to launching the Ann Arbor Sustainable Energy Utility.

Authorized by the voters on November 5, 2024, the proposed Ann Arbor Sustainable Energy Utility (SEU) will be a supplemental, 100% renewable energy powered municipal energy utility focused on deploying clean, resilient, reliable power in our community. Launching the SEU will require significant time and attention - time and attention which is not currently available with existing staffing resources. Recognizing this, in August 2024, staff released a Request for Information (RFI# 24-49) (see attached) for firms with skills that could help the City launch an SEU should the voters authorize its creation. Eight (8) firms submitted responses to this Request for Information, of which two firms, Arbor Consultants, P.C. and Baker Tilly Advisory Group, LP, were selected for interviews to further discern their interest and qualifications related to the proposed SEU.

After the interviews, a panel of staff from the City met to discuss the applicants. In this review, a unanimous recommendation was made to move forward with hiring Arbor Consultants, P.C. under a Professional Services Agreement to help support staff in undertaking a significant portion of the work required to bring the SEU to fruition. The specific scope of services, along with estimated delivery dates, is provided in Exhibit A to the Professional Services Agreement (attached).

Arbor Consultants, P.C. is compliant with the City's non-discrimination, living wage, and conflict of interest policies.

Budget/Fiscal Impact: Funding for this work is available in the Office of Sustainability and Innovations FY25 and FY26 budget. Explicitly, the Office of Sustainability and Innovations has decided to place the hiring of 1.5 FTEs on hold to cover the costs of this contract work.

Prepared by: Missy Stults, Sustainability and Innovations Director

Reviewed by: Kim Hoenerhoff, Acting Chief Financial Officer
Valerie Jackson, Assistant City Attorney

Approved by: Milton Dohoney Jr., City Administrator

Whereas, For nearly three years, the City has been exploring the potential of creating a Sustainable Energy Utility;

Whereas, In May 2024, Ann Arbor City Council voted to place the formation of a Sustainable Energy Utility before the voters on the November 5, 2024 ballot;

Whereas, In August 2024, staff released a Request for Information (RFI# 24-49) for Sustainable Energy Utility Consulting Services to identify firms with the qualifications and expertise to assist the City with the creation of the Sustainable Energy Utility, should it be authorized by the voters;

Whereas, Eight responses were received to this Request for Information, with Arbor Consultants, P.C. being unanimously recommended by staff as the chosen contractor to support creation of the Sustainable Energy Utility if authorized by the voters;

Whereas, Arbor Consultants, P.C. was identified through this Request for Information as a firm with strong experience, expertise, and qualifications that would provide immediate benefit to the Sustainable Energy Utility's formation;

Whereas, On November 5, 2024, Ann Arbor voters voted overwhelmingly to authorize the creation of a Sustainable Energy Utility within the City of Ann Arbor; and

Whereas, Staff recognize the importance of thoughtful and holistic foundational work before officially launching the Sustainable Energy Utility;

RESOLVED, That City Council approve a Professional Services Agreement with Arbor Consultants, P.C. for a not-to-exceed amount of \$200,000.00 to assist in advancing the technical, economic, operational, and engagement tasks related to creation of the Sustainable Energy Utility;

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

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute this Professional Services Agreement 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 all necessary administrative actions to implement this resolution.