

## AMENDATORY AGREEMENT

This **AMENDATORY AGREEMENT** is made between the **CITY AND COUNTY OF DENVER**, a home rule and municipal corporation of the State of Colorado, (the “City”) and **MICHAELS ENERGY, INC.**, a Wisconsin corporation, registered to conduct business in Colorado, whose address is 400 Main Street, Suite 200, La Crosse, Wisconsin 54601 (the “Consultant”), jointly (“the Parties”).

### RECITALS:

**A.** The Parties entered into an Agreement dated July 15, 2022, (the “Agreement”) to perform and complete all of the services and produce all the deliverables set forth on Exhibit A, Scope of Work, to the City’s satisfaction.

**B.** The Parties wish to amend the Agreement to extend the term, update paragraph 7-Examination of Records, update paragraph 18-Notices, update paragraph 19-No Employment of Workers without Authorization, add paragraph 35-Compliance with Denver Wage Laws, update Exhibit A, Scope of Work, and Exhibit B, Budget.

**NOW THEREFORE**, in consideration of the premises and the Parties’ mutual covenants and obligations, the Parties agree as follows:

1. Section 3 of the Agreement entitled “**TERM:**” is hereby deleted in its entirety and replaced with:

“**3. TERM:** The Agreement will commence on **July 1, 2022** and will expire on **June 30, 2026** (the “Term”). The term of this Agreement may be extended by the City under the same terms and conditions by a written amendment to this Agreement. Subject to the Executive Director’s prior written authorization, the Consultant shall complete any work in progress as of the expiration date and the Term of the Agreement will extend until the work is completed or earlier terminated by the Executive Director.”

2. Section 7 of the Agreement entitled “**EXAMINATION OF RECORDS:**” is hereby deleted in its entirety and replaced with:

“**7. EXAMINATION OF RECORDS AND AUDITS:** Any authorized agent of the City, including the City Auditor or his or her representative, has the right to access, and the right to examine, copy and retain copies, at City’s election

in paper or electronic form, any pertinent books, documents, papers and records related to Consultant's performance pursuant to this Agreement, provision of any goods or services to the City, and any other transactions related to this Agreement. Consultant shall cooperate with City representatives and City representatives shall be granted access to the foregoing documents and information during reasonable business hours and until the latter of three (3) years after the final payment under the Agreement or expiration of the applicable statute of limitations. When conducting an audit of this Agreement, the City Auditor shall be subject to government auditing standards issued by the United States Government Accountability Office by the Comptroller General of the United States, including with respect to disclosure of information acquired during the course of an audit. No examination of records and audits pursuant to this paragraph shall require Consultant to make disclosures in violation of state or federal privacy laws. Consultant shall at all times comply with D.R.M.C. 20-276."

3. Section 18 of the Agreement entitled "**NOTICES:**" is hereby deleted in its entirety and replaced with:

**"18. NOTICES:** All notices required by the terms of the Agreement must be hand delivered, sent by overnight courier service, mailed by certified mail, return receipt requested, or mailed via United States mail, postage prepaid, if to Consultant at the address first above written, with a copy of any such notice to:

Michaels Energy, Inc.  
P.O. Box 2377  
La Crosse, Wisconsin 54602-2377

and if to the City at:

Executive Director of Climate Action, Sustainability and Resiliency or Designee  
201 W. Colfax Avenue, Suite 708  
Denver, Colorado 80202

With a copy of any such notice to:

Denver City Attorney's Office  
1437 Bannock St., Room 353  
Denver, Colorado 80202

Notices hand delivered or sent by overnight courier are effective upon delivery. Notices sent by certified mail are effective upon receipt. Notices sent by mail are effective upon deposit with the U.S. Postal Service. The Parties may designate substitute addresses where or persons to whom notices are to be mailed or delivered. However, these substitutions will not become effective until actual receipt of written notification.”

4. Section 19 of the Agreement entitled “**NO EMPLOYMENT OF WORKERS WITHOUT AUTHORIZATION TO PERFORM WORK UNDER THE AGREEMENT:**” is hereby deleted in its entirety and replaced with:

**“19. [RESCINDED.]”**

5. Section 35 of the Agreement entitled “**COMPLIANCE WITH DENVER WAGE LAWS:**” is hereby added to the Agreement as follows:

**“35. COMPLIANCE WITH DENVER WAGE LAWS:** To the extent applicable to the Consultant’s provision of Services hereunder, the Consultant shall comply with, and agrees to be bound by, all rules, regulations, requirements, conditions, and City determinations regarding the City’s Minimum Wage and Civil Wage Theft Ordinances, Sections 58-1 through 58-26 D.R.M.C., including, but not limited to, the requirement that every covered worker shall be paid all earned wages under applicable state, federal, and city law in accordance with the foregoing D.R.M.C. Sections. By executing this Agreement, the Consultant expressly acknowledges that the Consultant is aware of the requirements of the City’s Minimum Wage and Civil Wage Theft Ordinances and that any failure by the Consultant, or any other individual or entity acting subject to this Agreement, to strictly comply with the foregoing D.R.M.C. Sections shall result in the penalties and other remedies authorized therein.”

6. **Exhibit A** is hereby deleted in its entirety and replaced with **Exhibit A-1, Scope of Work**, attached and incorporated by reference herein. All references in the original Agreement to **Exhibit A** are changed to **Exhibit A-1**.

7. **Exhibit B** is hereby deleted in its entirety and replaced with **Exhibit B-1, Budget**, attached and incorporated by reference herein. All references in the original Agreement to **Exhibit B** are changed to **Exhibit B-1**.

8. As herein amended, the Agreement is affirmed and ratified in each and every particular.

9. This Amendatory Agreement will not be effective or binding on the City until it has been fully executed by all required signatories of the City and County of Denver, and if required by Charter, approved by the City Council.

**[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]**

**Contract Control Number:** CASR-202477214-01\_202263525-01  
**Contractor Name:** MICHAELS ENERGY, INC.

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at  
Denver, Colorado as of:

**SEAL** **CITY AND COUNTY OF DENVER:**

**ATTEST:** By: \_\_\_\_\_  
\_\_\_\_\_

**APPROVED AS TO FORM:** **REGISTERED AND COUNTERSIGNED:**

Attorney for the City and County of Denver

By: \_\_\_\_\_ By: \_\_\_\_\_  
By: \_\_\_\_\_

**Contract Control Number:** CASR-202477214-01\_202263525-01  
**Contractor Name:** MICHAELS ENERGY, INC.

By: 

DocuSigned by:

Bryce Dvorak

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Name: Bryce Dvorak  
(please print)

Title: Vice President of Operations  
(please print)

ATTEST: [if required]

By:

Name:   
(please print)

Title:   
(please print)

# **EXHIBIT A-1**

## **SCOPE OF WORK**

## SCOPE OF WORK

### Commercial and Multifamily Building Electrification Program Administrator Summary

CASR has selected a third-party firm to administer incentives and provide services for commercial and multifamily building electrification and decarbonization needed to prepare the market for policy requirements and to prepare affected buildings for a warming future. The goal of the program is to reduce greenhouse gas emissions in commercial and multifamily buildings and shift the larger market toward electrification, energy efficient building practices, and material conscious building designs.

The funds will be used to support Denver's communities through subsidizing electrification and decarbonization readiness through trainings, assessments, audits, and assisting with partial and full electrification and energy efficiency to reduce long-term energy burden, provide cooling, and improve indoor air quality, with a focus on Equity Priority Buildings.

The Administrator will manage the Program on behalf of the city. Administration includes documenting program guidelines, program registration and oversight, training guidelines, rebate application processing, verification, rebate distribution, customer service, project facilitation and more in accordance with initial program guidance provided by the City, as particularly set forth in the tasks below, and as may be modified with written direction from the city.

Over the past two years managing the programs we have learned that increased attention and funding is needed to decarbonize, and electrification of buildings is only possible in many buildings when energy efficiency is achieved. These decarbonization and electrification strategies include but are not limited to increased attention on weatherization, building control systems, lighting upgrades, and trainings for implementors, HVAC technicians, engineers and architects. These strategies reduce demands on the electric systems, increase building efficiencies and allow for holistic building retrofits done in an incremental approach.

A useful definition from the Environmental Protection Agency (EPA) states "building decarbonization is the process of reducing GHG emissions from buildings, including reduction of GHG emissions from the materials and products used in buildings (embodied carbon) as well as from building operations (operational carbon)." Electrification is a critical pillar of decarbonization and replacing existing gas fired equipment with electric sourced appliances works best (lower operation costs, reduced first costs and increased comfort) in conjunction with energy efficiency and holistic designs. We have learned through pilots and early rebate programs that adding heat pumps is best paired with energy efficiency and trainings on installation and maintenance is needed to gauge project feasibility.



## SCOPE OF WORK

### Task 1. Project initiation and Feasibility assessments and trainings

1.0 Project initiation meeting(s) for scopes and schedules for new projects or new efforts inside Tasks 1, 2 or 3.	Deliverables
<p>Michaels and Denver will set up a kickoff meeting with the City staff, Michaels’ staff, and all sub-contractors to ensure a common understanding of all project goals, expectations, and communication protocol. This is an ongoing portion of the SOW to cover.</p> <p>Michaels and CASR staff will develop a draft kickoff meeting agenda prior to the scheduled meeting date. Agenda will include:</p> <ul style="list-style-type: none"> <li>• Walk through the project workplan(s)</li> <li>• Solicit feedback and questions from full team</li> <li>• Refine timeline and deliverables by tasks and products</li> <li>• Adjustments to the workplan, if needed</li> <li>• Discussing the project branding</li> <li>• Cadence for regular check-in meetings with the City staff</li> <li>• Communication protocols, including website architecture, mailbox needs, messaging needs, development of creative assets, media relations, and primary point of contact</li> </ul> <p><b>Billable Method:</b></p> <ol style="list-style-type: none"> <li>a. Hourly time for staff preparing agenda, slides/workplan, documenting outcomes, finalizing the workplan, and conducting any other necessary follow-up</li> <li>b. As allowed in Exhibit B-1 Budget</li> </ol>	<ol style="list-style-type: none"> <li>1. Draft meeting agenda</li> <li>2. Plan and run meetings</li> <li>3. Draft and final workplan document(s)</li> <li>4. Minutes from meeting with next steps</li> <li>5. Scheduling regular check-in meetings with the city staff</li> <li>6. Invoice for staff time with hours called out by sub-task 1.0</li> </ol>

## SCOPE OF WORK

1.1. Feasibility Studies, Reports and Assessment	Deliverables
<p>Continuously improve existing feasibility reports, studies and assessment for existing systems and buildings with input from stakeholders. Review other methods to create new feasibility assessment tools for new construction and buildings with boilers/chillers to increase industry / trade's ability to implement electrification and decarbonization in a cost-effective manner. This effort is connected to Denver Code requirements and may be updated or modified in future code cycles.</p> <ol style="list-style-type: none"> <li>Design electrification feasibility report templates or industry recognized selected alternative to be ready for use in 2025. Review ASHRAE Level I, II or III audits, and other industry audits and templates that at a minimum provide building level analysis, recommendations for decarbonization and electrification</li> <li>Develop criteria to cover current and likely future code and policy requirements to assess electrification and decarbonization through ad hoc engineering studies, Energy Use Intensity reductions and more options based on research and industry best practices</li> <li>Design criteria for requirements for electrification and decarbonization using industry best practices and at a minimum include Passive House certifications and designs</li> <li>Develop criteria for decarbonization project work for new building construction, additions, and renovations for consideration of low carbon material criteria, thresholds, selection, design, testing, and measurement</li> </ol> <p><b>CASR will provide</b> current program documentation, current policies for each building type and regular updates on future policy and codes including:</p> <ul style="list-style-type: none"> <li>List of assumptions and unknowns including data and studies performed.</li> <li>Feedback from building owners, energy efficiency practitioners and HVAC industry already documented and gathered through ongoing engagement</li> <li>Economic Hardship Exemption definitions</li> <li>Timelines for adoption of city codes and code committee recommendations relevant to this work</li> </ul> <p><b>Michaels will</b> review feasibility documents (EFR, Ad-hoc and other designs) provided, incorporate feedback from stakeholders, and depending on requirements provide the following:</p> <ul style="list-style-type: none"> <li>Final draft templates or adopted industry best practice by building type and measure</li> <li>Template designs or approach will vary based on building type, policy being addressed and other factors</li> </ul> <p><b>Billable Method:</b></p> <ol style="list-style-type: none"> <li>Hourly time of staff to prepare templates, attend meetings, and create calculators / other requirements</li> <li>Direct cost of purchased licenses or industry/ trades</li> <li>As allowed in Exhibit B-1 Budget</li> </ol>	<ol style="list-style-type: none"> <li>EFR and templates report(s) concepts for CASR review</li> <li>Final Draft Feasibility report templates</li> <li>Invoice for staff time with hours called out by sub-task 1.1 and program or rebate</li> </ol>

## SCOPE OF WORK

1.2 Design Feasibility incentive methodology	Deliverables
<p>Incentives for selected alternatives are designed to reduce or eliminate the cost burden on participant, contractor. Incentive design will require understanding expected costs and require outreach to effected industry and owner/operators.</p> <p><b>Michaels will:</b></p> <ul style="list-style-type: none"> <li>• Gather expected costs for completing these feasibility reports through direct outreach, surveys, or other means</li> <li>• Findings and recommendations are to be documented and shared with CASR at completion</li> <li>• Create first drafts of Feasibility reports and/or incentive application and program process documents, which should include process guide, eligibility requirements, contractor eligibility, and support available (especially for Equity Priority Buildings)</li> <li>• Create web site content reflecting process and all documents</li> </ul> <p><b>Billable Method:</b></p> <ol style="list-style-type: none"> <li>a. Hourly time of staff for outreach, research, preparing documents, creating web content, and documenting findings.</li> <li>b. As allowed in Exhibit B-1 Budget</li> </ol>	<ol style="list-style-type: none"> <li>1. Memo on feasibility report or assessment costs and other considerations</li> <li>2. Feasibility report or assessment incentive application</li> <li>3. Feasibility incentive program process guide – including eligibility, processing, contractor management, and call center processes</li> <li>4. Website content</li> <li>5. Invoice for staff time with hours called out by sub-task 1.2</li> </ol>
1.3 Produce educational materials for feasibility reports/assessments and incentives/rebates.	Deliverables
<p>Based on information gathered and documented during the initial design and outreach for Feasibility templates education materials will address major concerns, how to successfully complete a feasibility report, training needed, additional incentive or rebate information and guidance, apply for incentives or rebates and, if needed, to apply for an Economic Hardship Exemption.</p> <p><b>Michaels will provide:</b></p> <ul style="list-style-type: none"> <li>• Draft versions of training materials including handouts, web material and slide decks provided a minimum of 2 weeks prior to final versions of training materials delivery</li> <li>• Method to continue to gather and report input on materials, incentives, rebates, and web information from those attending trainings</li> </ul> <p><b>CASR will provide:</b></p> <ul style="list-style-type: none"> <li>• Review of materials with in one business week after submission</li> </ul> <p><b>Billable Method upon approval of project manager:</b></p> <ol style="list-style-type: none"> <li>a. Hourly time of staff for preparing documents, web design and documenting progress.</li> <li>b. As allowed in Exhibit B-1 Budget</li> </ol>	<ol style="list-style-type: none"> <li>1. Draft and final versions of all live training materials</li> <li>2. Draft and final versions of all training and informational materials for the program website</li> <li>3. Reporting method for feedback</li> <li>4. Invoice for staff time with hours called out by sub-task 1.3</li> </ol>

## SCOPE OF WORK

1.4 Host trainings / administer trainings.	Deliverables
<p>In person, virtual and other industry trainings are needed to educate many different sectors affecting electrification and decarbonization including but not limited to: HVAC professionals, general contractors, Engineers, commercial building managers, commercial kitchen operators, plan reviewers, architects, contractors, energy modelers and other tradespeople. These professionals learning decarbonization and electrification feasibility need financial incentives and/or low-cost training options connected to programs and ensure buildings can feasibly electrify and decarbonize cost effectively.</p> <p>This is also an opportunity for the city and vendors to grow professional networks and gather input on templates and incentive designs. It is expected that an iterative approach will be needed as we engage. This will also require targeting outreach to those most needing the information and aiding those with barriers to participating such as childcare, transportation, or translation services.</p> <p><b>Michaels will provide:</b></p> <ul style="list-style-type: none"> <li>• Outreach to contractors and tradespeople</li> <li>• Intake and tracking of industry professionals and building owners receiving electrification and decarbonization trainings and/or certifications. These lists may be used to promote or as criteria for rebates</li> <li>• Training opportunities and/or rebates for attending trainings based on timing of ordinance requirements and needed trainings for contractors (and tradespeople to participate or assist building owners attain rebates</li> <li>• Training plan to include website, outreach methods, sign up methods and rules for rebates or reimbursements if applicable</li> <li>• Ongoing reporting of attendance and metrics to include, but not limited to, attendance, number of MBE certified firms or EPB representatives and feedback on templates and incentives</li> <li>• Recordings of web-based trainings with the ability to be posted on the city website when available</li> <li>• Updated training materials based on feedback from outreach and program goals as requested</li> <li>• Host trainings or rebate for trainings for decarbonization efforts, buildings systems management, incentives, and rebates</li> </ul> <p><b>Billable Method:</b></p> <ol style="list-style-type: none"> <li>a. Hourly time of staff for outreach, preparing documents, meetings and research</li> <li>b. As allowed in Exhibit B-1 Budget</li> </ol>	<ol style="list-style-type: none"> <li>1. Initial outreach list for trainings</li> <li>2. Trainings plan and outreach plans</li> <li>3. Design training content or direct to preexisting industry materials.</li> <li>4. After-training recap report (for hosted trainings only)</li> <li>5. List management of attendees and/or certifications.</li> <li>6. Recording(s) of presentations to post to the program website.</li> <li>7. Update training and informational materials based on feedback from attendees, as necessary</li> <li>8. Invoice for staff time with hours called out by sub-task</li> <li>9. Invoice for services cost called out by sub-task 1.4</li> <li>10. Invoice for costs incurred for training as allowed in Exhibit B.</li> </ol>

## SCOPE OF WORK

1.5 Administer Incentives	Deliverables
<p>Electrification and decarbonization feasibility reports/assessments add benefits and cost to projects. Administering a financial incentive to cover some or all the cost of these reports, studies and additional services are needed.</p> <p><b>Michaels will provide:</b></p> <ul style="list-style-type: none"> <li>• Verification of eligibility of person or entity participating in trainings, reimbursables, and/or rebates</li> <li>• Distribution of payments in accordance with the program design approved by the city within 10 business days of project completion verification</li> <li>• Documentation verifying project completion</li> <li>• An accessible database and report template as part of the Data Management Plan tracking participant attributes and spending</li> </ul> <p><b>CASR will provide:</b></p> <ul style="list-style-type: none"> <li>• Regular updates on building codes, permitting policies and other city rules relating to requirements related to commercial and multifamily buildings</li> </ul> <p><b>Billable Method:</b></p> <ol style="list-style-type: none"> <li>a. Michaels to invoice for projected incentives and place funds in escrow or separate account</li> <li>b. Michaels to invoice monthly for forecasted funds needed for the following month</li> <li>c. Michaels to reimburse CASR at the end of Task 1 for any unused incentive funds</li> <li>d. Direct costs of staff time required for setting up call centers, databases, verifying participant eligibility, or other processes</li> <li>e. Time and materials costs for direct labor and pass-through expenses for staffing and managing the call center, processing and reviewing feasibility report and audit rebate applications, and issuing related payments</li> <li>f. As allowed in Exhibit B-1 Budget</li> </ol>	<ol style="list-style-type: none"> <li>1. Incentive payments to participants</li> <li>2. Project tracking database including lists of participants</li> <li>3. Budget status reports to CASR tracking rebate funds used</li> <li>4. Monthly invoicing called out by sub-task 1.5</li> <li>5. Invoicing as needed requesting funds for future rebates based on anticipated needs billed to task 1</li> </ol>
1.6 Review feasibility reports/assessment submissions and economic hardship exemption requests	Deliverables
<p>CASR estimates around 1,800 buildings per year will participate in feasibility studies. There is a need for administrative review and/or technical support for reviewing the feasibility reports, passive house feasibility / designs and Economic Hardship Exemptions Requests and a need to continuously improve the process of identifying the most economical ways to electrify and decarbonize.</p> <p><b>CASR along with Community Planning and Development staff will provide:</b></p> <ul style="list-style-type: none"> <li>• Current data on permitting (# of buildings, types of buildings, building sf,) on an ongoing basis</li> <li>• Current number of buildings in/ out of compliance with Building Performance Standards and square footage</li> </ul>	<ol style="list-style-type: none"> <li>1. Guidance document for reviewing and approving feasibility reports/assessments and economic hardship exemption submissions</li> <li>2. Approved or verified feasibility reports and designs.</li> <li>3. Recommendations</li> </ol>

## SCOPE OF WORK

<p><b>Michaels will provide:</b></p> <ul style="list-style-type: none"> <li>• Technical and administrative support to the city by intaking, reviewing and approving Electrification Feasibility, Audit reports, ad hoc engineering studies and related reports a submissions</li> <li>• Technical support to the city by intaking, reviewing and providing recommendations to CPD and CASR for Economic Hardship Exemptions Requests once needed</li> <li>• The ability to accept up to 1,800 feasibility reports per year with about half needing technical review</li> <li>• Review for completeness and intake multiple types of feasibility reports: Ad hoc engineering studies, passive house criteria and other recognized engineering studies/ methods (e.g. ASHRAE audits)</li> <li>• Set up monthly status meetings with CASR and key staff working on feasibility reporting and Economic Hardship exemptions</li> </ul> <p><b>Billable Method:</b></p> <ol style="list-style-type: none"> <li>a. Hourly time of staff for reviewing documents, communicating with applicants, documenting work and findings.</li> <li>b. As allowed in Exhibit B-1 Budget</li> </ol>	<p>for economic hardship exemption requests</p> <ol style="list-style-type: none"> <li>4. Monthly check in meetings</li> <li>5. Monthly invoicing called out by sub-task 1.6</li> </ol>
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1.7 Performance monitoring and recommendations	Deliverables
<p>Monitoring and evaluation are part of any successful program as they provide the opportunity to change process or products at regular intervals. Weekly team meetings and an online dashboard provide quick insights and keeps the team connected on issues and opportunities. Quarterly progress updates are also a point to bring in additional input from key stakeholders to get a fuller perspective. Yearly reports help communicate broad successes and future opportunities to improve.</p> <p>Monitoring can also include annual survey of industry and trades organizations to ask questions around changes in costs, technology or sentiment. Understanding where the industry is over time provides feedback on challenges to overcome and progress toward shifting the market.</p> <p><b>Michaels will:</b></p> <ul style="list-style-type: none"> <li>• Provide a written a data management plan (DMP) in word (.doc or .docx). The DMP shall define all aspects of data produced, processed, managed, and analyzed as part of the administration of the program to a level of detail acceptable to the City (Quantitative and qualitative data shall be included in the DMP)</li> <li>• Ensure that all qualitative and quantitative data collected or processed as part of the administration of the program is collected in a consistent manner</li> </ul>	<ol style="list-style-type: none"> <li>1. Written Data Management Plan</li> <li>2. Raw data upon request</li> <li>3. Qualitative Results and Recommendations</li> <li>4. Invoice for staff time with hours called out by sub-task 1.7</li> </ol>

SCOPE OF WORK

<ul style="list-style-type: none"><li>• Manage all data collected and processed as part of the program, ensuring quality and integrity, and provide raw data to the city as requested</li></ul> <p><b>CASR will:</b></p> <ul style="list-style-type: none"><li>• The final plan will be reviewed and approved by the city and the Contractor prior to implementation to ensure mutual understanding and commitment</li></ul> <p><b>Qualitative Results and Recommendations:</b></p> <p>On a quarterly basis Michaels will provide:</p> <ul style="list-style-type: none"><li>• Summary of challenges the Michaels team encountered, if and how the Michaels team resolved those challenges and recommendations for minimizing and resolving these issues in future years.</li><li>• Commentary on technology availability and local stock and recommendations (if available) on how to increase it if needed based on rebates data, contractor outreach and program management.</li><li>• Summary of technological, workforce, permitting and logistical challenges contractors and trades people are experiencing and recommendations (if available) for resolving</li></ul> <p><b>Billable Method:</b></p> <ul style="list-style-type: none"><li>a. Hourly time of staff preparing plans, documents and reports, presenting and meetings</li><li>b. Cost of software if needed/identified in the DMP</li><li>c. As allowed in Exhibit B-1 Budget</li></ul>	
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## SCOPE OF WORK

### Task 2 Electrification and Decarbonization Pilots

2.1 Research pilot design.	Deliverables
<p>Prior to designing pilots or incentives it is a best practice to understand what worked in other locations and what failed and why. The city is interested in gathering information quickly through interviews, stakeholder meetings or panels.</p> <p>Michaels (or sub-contractors) will be responsible for identifying industry leaders and stakeholders including HVAC manufactures and installers, material suppliers, utilities and cities with similar programs and others running energy efficiency programs. Areas of focus will include electrification program design, decarbonization program design, incentive levels, approaches for reaching Equity Priority buildings, how to address energy bill impacts, costs to electrify, workforce availability and development, equipment availability, and other challenges and lessons learned.</p> <p><b>Michaels will provide:</b></p> <ul style="list-style-type: none"> <li>• Kick off meeting(s) to align work and expectations and document next steps of process and workflow as needed for new pilots</li> <li>• Meetings to define pilot project research objectives and documented outcomes</li> <li>• Provide stakeholder and industry engagements with attention on Equity Priority buildings, under resourced community representation and CBOs to gain knowledge and current best practices on focus areas</li> </ul> <p><b>CASR will provide:</b></p> <ul style="list-style-type: none"> <li>• Documentation on current and future outreach to EPBs and equity priority community representation, including definitions and lists of equity priority buildings (to be provided by the kickoff meeting)</li> <li>• Maps of Low income and climate vulnerable communities and buildings</li> <li>• List of Community Based Organizations (CBOs) currently known and working with EPBs</li> <li>• Direction on pilot design based on documented findings and recommendations (to provided two weeks after findings documentation is provided)</li> </ul> <p><b>Billable Method:</b></p> <ol style="list-style-type: none"> <li>a. Hourly time of staff preparing stakeholder engagement events, documents and reports, presenting and meetings</li> <li>b. As allowed in Exhibit B-1 Budget</li> </ol>	<ol style="list-style-type: none"> <li>1. Draft and final kickoff meeting agenda (from 1.0)</li> <li>2. Kickoff meeting (from 1.0)</li> <li>3. Draft and final workplan document/PowerPoint (from 1.0)</li> <li>4. Minutes from meeting with next steps (from 1.0)</li> <li>5. Scheduling regular check-in meetings with the city (from 1.0)</li> <li>6. Outreach list for stakeholder meetings</li> <li>7. Draft and final stakeholder meeting agendas</li> <li>8. Stakeholder engagements</li> <li>9. Post meeting recap report(s)</li> <li>10. Document findings and pilot and incentive design alternatives for CASR consideration</li> <li>11. Invoice for time and materials called out by sub-task 2.1</li> <li>12. Invoice for any direct costs allowed in Exhibit B-1</li> </ol>



## SCOPE OF WORK

2.2 Design electrification and decarbonization pilot methods for both market rate and Equity Priority buildings	Deliverables
<p>The designed pilot method based on selected alternatives will address incentive dollar amounts and a prioritization of buildings and system types being replaced.</p> <p>Some pilot sites will already be selected by city staff prior to design. These sites will be limited in scope and focus on EPB sites.</p> <p><b>Michaels will provide:</b></p> <ul style="list-style-type: none"> <li>• A prioritization plan based on building typology, ability to gain knowledge and insights needed to design a larger incentives program(s), and at least half of all pilot funds going to Equity Priority buildings</li> <li>• A pilot funding method and amounts of financial incentives and/or reimbursables needed to encourage building owners, installers, and HVAC designers, engineers to select decarbonization and electrification strategies and to encourage material suppliers, new material technology, contractors, owners, and project designers to provide building decarbonization solutions and platforms</li> <li>• The method shall be designed so at least half of funds are distributed to EPBs with additional facilitation of pilots for EPBs</li> <li>• A plan for subcontracting with Community Based Organizations or underserved community groups specifically for EPBs if requested</li> <li>• Pilot guidance documentation with requirements and registration for contractors, building owners and products, approval of projects, marketing and consumer protection requirements (to ensure building owners are not sold products or services that do not meet requirements or are costly without benefit), project submission, reviews, and approval process, complaint management process, web-based resources providing program information and access for participants, website content including educational/informational materials and application materials</li> </ul> <p><b>Billable Method:</b></p> <ol style="list-style-type: none"> <li>a. Hourly time for staff completing plans, processes, documents, and website content</li> <li>b. As allowed in Exhibit B-1 Budget</li> </ol>	<ol style="list-style-type: none"> <li>1. Pilot prioritization roadmap</li> <li>2. A plan for incorporating CBOs and underserved community groups into pilot outreach if requested</li> <li>3. Pilot design documents specifying system type to be installed and research questions to be answered</li> <li>4. Pilot incentive program process guide</li> <li>5. Website content</li> <li>6. Invoice for staff time with hours called out by sub-task 2.2</li> </ol>
2.3 Building and industry outreach	Deliverables
<p>Promoting pilots to building owners, HVAC installers, contractors, engineers, design professionals, and manufacturers will be needed to get a representative number of pilots for different building types, construction types and space and water heating types.</p> <p>To reach equity priority communities and EPBs the best practice has been to use trusted networks of community-based organizations to provide direct outreach to decision makers in those communities and buildings. This effort also connects to</p>	<ol style="list-style-type: none"> <li>1. Draft and final versions of all outreach and communication materials</li> <li>2. Draft and final versions of all materials for the</li> </ol>

## SCOPE OF WORK

<p>current outreach efforts with Equity Priority communities by CASR staff.</p> <p><b>Michaels will provide:</b></p> <ul style="list-style-type: none"> <li>• Outreach and communication materials for diverse audiences including Spanish materials, web-based and printed</li> <li>• An outreach plan to reach EPBs based on previous prioritization and stakeholder input</li> </ul> <p><b>Billable Method:</b></p> <ol style="list-style-type: none"> <li>a. Hourly time for staff developing outreach materials, outreach plans, and conducting industry outreach</li> <li>b. As allowed in Exhibit B-1 Budget</li> </ol>	<p>program website</p> <ol style="list-style-type: none"> <li>3. Outreach plan to reach EPBs</li> <li>4. Invoice for time and materials with hours called out by sub-task 2.3</li> </ol>
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2.4 Administer pilots	Deliverables
<p>While the exact method and price points for pilot incentives and reimbursables are not known currently, we do know payments for increased costs over standard equipment and designs are needed to find a broad spectrum of participation quickly.</p> <p>Decarbonization pilot incentivizes and reimbursables are needed for a variety of purposes including low carbon material procurement, passive house design and build, data collection, material benchmarking, building decarbonization measurement and reporting, community outreach and project platform development. Pilot data collected and to be part of the DMP can include previous energy use, total costs of installs vs. current code allowed installs, costs by type, labor, design and materials, and estimated future energy use. This also includes reporting decarbonization metrics for new commercial, additions, and renovation/adaptive reuse projects such as, but not limited to, building decarbonization savings, low carbon material procurement, low carbon material greenhouse gas emission documentation, and existing material savings.</p> <p><b>Michaels will provide:</b></p> <ul style="list-style-type: none"> <li>• Invoicing 90 days prior to pilot estimated completion to ensure funds are transferred</li> <li>• Pilot tracking database with all aspects of administration captured and broken out by market rate and EPB</li> <li>• Administration and tracking of ongoing pilots including application processing, distributing funds, reporting on each project based on DMP</li> <li>• Documentation verifying project completion/installation, as well as completed forms from incentive recipients attesting to follow program rules, terms and conditions</li> <li>• Services will not be limited to only managing payments but could also include, but are not limited to, application processing, distributing funds, industry feedback, project reporting, and costs associated to pilot design(s)</li> </ul> <p><b>CASR will provide:</b></p>	<ol style="list-style-type: none"> <li>1. Incentive payments to participants</li> <li>2. Pilot tracking database</li> <li>3. Online dashboard or database tracking pilot progress and costs.</li> <li>4. Monthly invoicing called out by sub-task 2.4, separate invoices for a) labor and expenses and b) incentive funds requested for future payments</li> </ol>

## SCOPE OF WORK

- Funding to be released 30 days after receiving invoices
- Written request for unspent funds at the end of the pilots for easy to electrify systems and the end of hard to electrify systems pilots
- Direction and input on selecting electrification pilots based on building types, system types and equity status
- Direction and input on select, smaller pilot incentives where payments will be sent through as a separate request (Michaels may assess a processing fee and will be expected to manage only the data created, payment for design services and/or materials/ labor provided)
- Direction and input on selecting decarbonization pilots for new construction, additions, and renovations/adaptive reuse building pilots

**Billable Method:**

- a. Michaels to invoice 90 days prior for forecasted funds needed
- b. Michaels to reimburse CASR at the end of Task 2 for any unused incentive funds
- c. Direct costs of any staff time required for setting up call centers, databases, or other processes
- d. Time and materials costs for direct labor and pass- through expenses for staffing and managing the call center, processing and reviewing pilot projects, and issuing pilot project incentive payments
- e. As allowed in Exhibit B-1 Budget

2.5 Performance monitoring and recommendations	Deliverables
<p>Monitoring and evaluation are part of any successful program as they provide the opportunity to change process or products on at regular intervals. Monthly updates provide quick insights and keeps the team connected on issues and opportunities. Yearly reports help communicate broad successes and future opportunity to improve.</p> <p>As pilots are expected to move quickly, there will not be a requirement for quarterly reporting but rather an end of pilot report out to move from piloting to incentive design and roll out in a timely manner.</p> <p><b>Michaels will:</b></p> <ul style="list-style-type: none"> <li>• Create and maintain a reporting portal for ongoing reporting.</li> <li>• Provide a written a data management plan (DMP) in word (.doc or .docx). The DMP shall define all aspects of data produced, processed, managed, and analyzed as part of the administration of the program to a level of detail acceptable to the city. The final plan will be reviewed and approved by the city and the Contractor prior to implementation to ensure mutual understanding and commitment. Quantitative and qualitative data shall be included in the DMP.</li> <li>• Ensure that all qualitative and quantitative data collected or processed as part of the administration of the program is collected in a consistent manner.</li> </ul>	<ol style="list-style-type: none"> <li>1. Written Data Management Plan</li> <li>2. Raw data upon request</li> <li>3. Invoice for staff time with hours called out by sub-task 2.5</li> </ol>

## SCOPE OF WORK

- Manage all data collected and processed as part of the program, ensuring quality and integrity, and provide raw data to the city as requested.
- Provide a section in the yearly report and presentation in conjunction with Task 1 and Task 3 work products for previous years pilot results. Focus will be on lessons learned and how pilots informed what full program incentives should be with recommendations for changes for hard to electrify pilots and decarbonization projects.

**Billable Method:**

- a. Hourly time of staff preparing plans, documents and reports, presenting and meetings. Cost of software if needed/ identified in the DMP
- b. As allowed in Exhibit B-1 Budget

### Task 3 Electrification & Decarbonization Incentives and Facilitation

3.1 Research incentive design and incorporate lessons learned from pilots and co-creation process	Deliverables
<p>Prior to designing incentives, it is a best practice to understand what worked in pilots and gain perspectives through a co-creation process. The city is interested in using the lessons learned from pilots and input from the cocreation process to build equity-first incentives.</p> <p>Michaels (or sub-contractors) will be responsible for documenting the pilot programs, other similar programs and bringing recommendations forward in a timely manner.</p> <p>CASR will lead and Michaels will support running a co-creation process to help equity priority communities identify which buildings qualify for extra support and to design incentives. CASR's co-creation process is a collaborative partnership with the communities most affected by climate change to create programs together. Michaels and their subcontractors will also add to the co-creation process through outreach and pilot projects.</p> <p>CASR initiated outreach to neighborhoods and community groups in early 2022 and will continue to collaborate throughout the contract timeframe. Community needs and direction identified during the co-creation process will be shared with the consultant throughout.</p> <p><b>Michaels will provide:</b></p> <ul style="list-style-type: none"> <li>• An agenda for program design kick-off meeting(s) based on recommendations from end of pilot reports</li> <li>• Report on findings from pilots and cocreation process and EPB input during pilots outlining recommendations for program design, may be different based on building type, equipment or services and EPB or market rate buildings, and building types</li> </ul>	<ol style="list-style-type: none"> <li>1. Agenda for meeting to discuss with CASR findings from pilots and recommendations.</li> <li>2. Memo or presentation outlining recommendations for program design(s)</li> <li>3. Invoice for staff time with hours called out by sub-task 3.1</li> </ol>

## SCOPE OF WORK

<p><b>CASR will provide:</b></p> <ul style="list-style-type: none"> <li>• Updates on cocreation process through monthly reports and any end of project input gained</li> <li>• Desired rebated projects and measures based on Michael's research and pilots</li> </ul> <p><b>Billable Method:</b></p> <ol style="list-style-type: none"> <li>a. Hourly time of staff preparing documents and reports, presenting materials and meetings</li> <li>b. As allowed in Exhibit B-1 Budget</li> </ol>	
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3.2 Design incentives from selected alternatives	Deliverables
<p>The goal of incentives for electrification and decarbonization projects is to reduce or eliminate the incremental cost burden of the extra expense of equipment, labor, design, permitting and other costs related to building upgrades for buildings in the program. Incentives can also be designed to increase skills and knowledge of market actors through trainings, hands-on experience and other opportunities that further decarbonization projects. Thus, increasing adoption of heat pump technology, energy efficiency measures needed to increase heat pump adoption and decarbonization needed to reduce greenhouse gas emissions.</p> <p>Incentive design is iterative; as the market shifts, new opportunities and challenges arise and the incentive design needs to be revisited. The goal of incentives and reimbursables for the decarbonization projects is to reduce the embodied carbon of new commercial, additions, and renovations in buildings by documenting the greenhouse gas emissions due to materials, measuring the carbon impact, and incentivizing material reuse.</p> <p><b>Michaels will provide:</b></p> <ul style="list-style-type: none"> <li>• Program design including process guide, application process, approval requirements for all participants, contractors, vendors, building and individual eligibility criteria, contractor management, and call center support documentation</li> <li>• Web site content with all materials needed to apply and call center support</li> <li>• List of certified / trained contractors and service providers pertaining to selected program designs</li> </ul> <p><b>CASR will provide:</b></p> <ul style="list-style-type: none"> <li>• Current design work from new construction pilots</li> <li>• Equity Priority definitions and updates on changes</li> <li>• Current work with building owners, industry organizations, including known building efficiency levels, energy use data, and decarbonization metrics</li> </ul> <p><b>Billable Method:</b></p> <ol style="list-style-type: none"> <li>a. Hourly time of staff preparing applications, processes, documents, and website</li> </ol>	<ol style="list-style-type: none"> <li>1. Electrification and decarbonization program incentive applications</li> <li>2. Electrification and decarbonization program process guide including project processing, contractor management, and call center support documentation</li> <li>3. Website content</li> <li>4. Invoice for staff time with hours called out by sub-task 3.2</li> </ol>

## SCOPE OF WORK

content	
b. As allowed in Exhibit B-1 Budget	

3.3 Produce and execute communication and educational materials	Deliverables
<p>Based on information gathered and documented during pilots, outreach education material will address benefits of decarbonization, electrification, energy efficiency, and new technologies, how to apply, identify other programs such as Xcel rebates, State and Federal programs, third party financing and how to gain additional facilitation services for those eligible.</p> <p><b>Michaels will provide:</b></p> <ul style="list-style-type: none"> <li>Marketing and communication plan for launching rebates or changes to existing when needed or requested by the city</li> <li>Audience specific materials by program, rebates or offerings</li> <li>Draft versions of materials including handouts and web materials, paper materials will be translated to Spanish at a minimum, additional languages may be needed and will be communicated by CASR</li> <li>Draft versions to be sent two weeks prior to launching any incentive program unless written permission is given by city's project manager</li> <li>Materials designed in accordance with the city's branding and accessibility standards</li> <li>A plan for subcontracting with Community Based Organizations or underserved community groups specifically for EPBs prior to seeking services</li> <li>Updated list of external funding sources on a quarterly basis or as identified by CASR staff</li> </ul> <p><b>CASR will provide:</b></p> <ul style="list-style-type: none"> <li>Review of materials in a timely manner (one week, five business days from receipt of materials unless specified)</li> <li>City's branding and accessibility standards</li> <li>Blackout dates for communications requests, IT requests, and other related business processes needed to communicate programs</li> <li>Timelines for city processes pertaining to commercial buildings, energy efficiency, decarbonization and electrification</li> <li>External marketing efforts that are known or combined with city efforts.</li> <li>Updates on external funding from other programs as known</li> </ul> <p><b>Billable Method:</b></p> <ol style="list-style-type: none"> <li>Hourly time of staff for preparing documents, communications and marketing, web design and documenting progress</li> <li>As allowed in Exhibit B-1 Budget</li> </ol>	<ol style="list-style-type: none"> <li>Draft and final copies of all educational, informational, and communication materials</li> <li>Plan for CBO outreach and coordination</li> <li>Invoice for staff time with hours called out by sub-task 3.3</li> </ol>

3.4 Administer incentives.	Deliverables
Rebates for electrification and decarbonization may need separate applications based	1. Incentive payments to

## SCOPE OF WORK

<p>on different participants, and different measures. This will be an iterative process to design programs with ease of application while also being flexible in use.</p> <p><b>Michaels will provide:</b></p> <ul style="list-style-type: none"> <li>• Ability to manage and pay out between 500 and 3,000 incentives per year</li> <li>• Invoicing 90 days prior to incentives estimated completion to ensure funds are transferred</li> <li>• A separate accounting for all incentive funds tracked by type of rebate</li> <li>• Ongoing reporting on budgets, upcoming rebates and anticipated rebates through online dashboard</li> <li>• Administration and tracking of ongoing incentives including application processing, distributing funds, review and verification of documentation, reporting on each project (total costs of installs vs. gas system, costs by type (labor, design and materials)), estimated greenhouse gas reductions or other key performance indicators based on incentive design</li> <li>• Documentation verifying project or training completion, as well as completed forms from incentive recipients attesting to follow program rules, terms and conditions</li> <li>• Incentive tracking database with all aspects of administration captured and broken out by market rate buildings, EPB, new construction, existing buildings, type of rebate based on DMP</li> </ul> <p><b>CASR will provide:</b></p> <ul style="list-style-type: none"> <li>• Funding to be released 30 days after receiving invoices and any outstanding questions resolved</li> </ul> <p><b>Billable Method:</b></p> <ol style="list-style-type: none"> <li>a. Michaels to invoice for projected incentives and place funds in escrow or separate account</li> <li>b. Michaels to invoice a one-time starting balance invoice for forecasted incentive funds needed for the first two months of program incentives to be placed in escrow or a separate account</li> <li>c. Michaels to invoice for forecasted funds needs on an ongoing basis</li> <li>d. Michaels to reimburse CASR at the end of Task 3 for any unused incentive funds</li> <li>e. Direct costs of any staff time required for setting up call centers, databases, or other processes</li> <li>f. Time and materials costs for direct labor pass-through expenses for staffing and managing the call center, processing and reviewing rebate applications, and issuing payments</li> <li>g. As allowed in Exhibit B-1 Budget</li> </ol>	<p>participants</p> <ol style="list-style-type: none"> <li>2. Project tracking database</li> <li>3. Monthly invoicing called out by sub-task 3.4</li> <li>4. Incentive funds invoices 90 days prior to expected payout</li> </ol>
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3.5 Facilitation and support for Equity Priority Buildings.	Deliverables
Facilitation and support for Equity Priority buildings is one of the most critical aspects of this project. EPBs often do not have the expertise or time to evaluate and manage equipment upgrade projects. Facilitation services for EPBs starts at	1. Proactive outreach plan for under-resourced facilities

## SCOPE OF WORK

outreach to these facility owners and their contractors and ensuring awareness of services and programs they are eligible to receive on their journey to installing clean heating equipment.

**Michaels will provide:**

Outreach plan for EPBs to cover start to finish of the project with the following services:

- Assisting owners and contractors to understand program(s)
- Helping owners understand the impacts on their energy bills and any other non-energy benefits such as improved air quality
- Recommending other services or other rebates such as weatherization or utility demand response program that can help minimize any negative impacts on energy bills
- Developing high-level design specifications that facility owners can use for issuing bids
- Helping review bids from contractors, educating owners on the differences between the options, and steering them towards the best fit for their needs
- Assisting with applying for incentives and other funding from Xcel Energy and other sources to help fund electrification and decarbonization projects
- Identify funding cycles and the best time to apply for funding and install equipment or procure services
- Help facilitate the design and installation process by connecting owners and contractors with solutions to the issues they are facing, acting as the point of contact for contractors, answering their technical questions
- Ensuring functional performance testing is performed on equipment installed to ensure it is functioning correctly and providing the most significant benefit to the participant
- Contractor check in plan to periodically verify progress of ongoing work and ensure projects are on track
- Ability to process funds to CBOs and external contractors performing services for EPB s with separate facilitation account and invoicing 60 days prior to funds being distributed

**CASR will provide:**

- Qualifying criteria for higher levels of services based on EPB definitions and co-creation process

**Billable Method:**

- a. Hourly time of staff for providing facilitation support to EPB's.
- b. Costs for services rendered by local CBOs
- c. Michaels to invoice for projected facilitation funds and place funds in escrow or separate account
- d. Michaels to invoice 90 days prior to forecasted funds needed
- e. Michaels to reimburse CASR at the end of Task 3 for any unused facilitation funds

- and contractors
2. Contractor check-in plan
3. Menu of offerings available for Tier 2 and Tier 3 service levels
4. Reporting on support hours and dollars supplied to under-resourced facilities
5. Invoice for staff time with hours called out by sub-task
6. Invoice for CBO support with hours called out by sub-task 3.5



## SCOPE OF WORK

f. As allowed in Exhibit B-1 Budget	
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3.6 Performance monitoring and recommendations reporting	Deliverables
<p>Monitoring and evaluation are part of any successful program as they provide the opportunity to change process or products on at regular intervals. Monthly updates provide quick insights and keeps the team connected on issues and opportunities. Yearly reports help communicate broad successes and future opportunity to improve.</p> <p><b>Michaels will:</b></p> <ul style="list-style-type: none"> <li>• Provide a written a data management plan (DMP) in word (.doc or .docx). The DMP shall define all aspects of data produced, processed, managed, and analyzed as part of the administration of the program to a level of detail acceptable to the city. The final plan will be reviewed and approved by the city and the Contractor prior to implementation to ensure mutual understanding and commitment. Quantitative and qualitative data shall be included in the DMP</li> <li>• Ensure that all qualitative and quantitative data collected or processed as part of the administration of the program is collected in a consistent manner</li> <li>• Manage all data collected and processed as part of the program, ensuring quality and integrity, and provide raw data to the city as requested</li> </ul> <p><b>Billable Method:</b></p> <ol style="list-style-type: none"> <li>a. Hourly time of staff preparing documents and reports, presenting and meetings</li> <li>b. Cost of software if needed/ identified in the DMP</li> <li>c. As allowed in Exhibit B-1 Budget</li> </ol>	<ol style="list-style-type: none"> <li>1. Written Data Management Plan</li> <li>2. Raw data upon request</li> <li>3. Invoice for staff time with hours called out by sub-task 3.6</li> </ol>

The stated sequencing of activities may be altered or amended with written approval from the City's Project Manager. Michaels will be expected to communicate any modifications to affected subcontractors to accomplish the goal. The City's assigned Project Manager will be expected to communicate any modifications to affected City staff or City officials. Both Michaels and the City Project Manager will create a plan to communicate changes to affected participants and organizations.

# **EXHIBIT B-1**

## **BUDGET**

### **Budget**

#### **Budget through end of 4 years:**

##### **Task 1 - \$3,549,000**

- At least \$1,700,000 of the Task 1 budget is dedicated to direct rebates to building owners, contractors and/or Engineers for Feasibility rebates. The remainder may be spent on time and materials for engineering services, facilitation services, program design, research, marketing, trainings, monitoring and evaluation, and program administration, as needed and in accordance with the terms of this Agreement.

##### **Task 2 - \$7,513,531**

- At least \$5,250,000 of the Task 2 budget is dedicated to direct rebates to building owners for pilot funding. The remainder may be spent on time and materials for engineering services, facilitation services, program design, research, marketing, trainings, monitoring and evaluation, and program administration, as needed and in accordance with the terms of this Agreement.

##### **Task 3 - \$30,318,462**

- At least \$21,500,000 of the Task 3 budget is dedicated to direct rebates to building owners, contractors or participants for rebates. The remainder may be spent on time and materials for engineering services, facilitation services, program design, research, marketing, trainings, monitoring and evaluation, and program administration, as needed and in accordance with the terms of this Agreement.

#### **Administrative fees:**

Incentive program administration is capped at 10% of total costs as tracked by time and materials invoiced for maintaining records, customer service, processing and related work in sub-tasks 1.4, 2.4 and 3.4.

#### **Total not to exceed \$41,380,993**

Subject to the Maximum Contract Amount stated in the Agreement, the Executive Director is authorized to make adjustments to the budget to reallocate funds from one line item to another or from one budget year to the following year, if required due to a change in the number of buildings, related contractors or building owners requesting services or if the City adjusts the eligibility criteria to expand services to additional buildings or in additional circumstances. Each adjustment to the budget must be made in writing, must document the circumstances justifying the adjustment, and must be signed by the Executive Director. Any other modifications to the Scope of Work, the Budget, or the Maximum Contract Amount shall be made by an amendment duly executed by the Parties.

### **Bill rates**

Contractor staffing plan with bill rates range by job title below may be modified by the Executive Director authorization in writing if new titles or subcontractors are added.

## Staffing rates by position:

**Michaels Energy**

<b>Professional Level</b>	<b>2025 Bill Rates</b>	<b>2026 Bill Rates</b>
Customer Support I	\$71	\$74
Customer Support II	\$75	\$78
Customer Support III	\$78	\$81
Intern	\$82	\$85
Professional/Engineer I	\$142	\$148
Professional/Engineer II	\$156	\$162
Professional/Engineer III	\$165	\$172
Professional/Engineer IV	\$176	\$183
Professional/Engineer V	\$187	\$194
Professional/Engineer VI	\$201	\$209
Professional/Engineer VII	\$218	\$227
Professional/Engineer VIII	\$244	\$254
Professional/Engineer IX	\$261	\$271
Professional/Engineer X	\$277	\$288
Project Coordinator I	\$120	\$125
Project Coordinator II	\$131	\$136
Technical I	\$103	\$107

**CEE**

<b>Professional Level</b>	<b>7/1/24-6/30/25</b>	<b>7/1/25-6/30/26</b>
Bldg. Tech. Consultant 5	\$157	\$168
Bldg. Tech. Consultant 5	\$157	\$168
Director 4	\$238 - \$249	\$243
Energy Engineer 2	\$146	\$152
Energy Tech. 5	\$130	\$135
Manager 2	\$146	\$152
Program Dev. Mgr. 3	\$146	\$195

## Allowable Expenses:

Allowable expenses may include travel, parking, food for meetings and events, food for partners, refreshments for staff and partners, printing materials, attending industry events, software licenses, and meeting facilitation. Such expenses will be specified under which line item in the budget it will be coming out of on each invoice. All allowable expenses must be approved by the Project Manager.

Allowable expenses may include:

- a. Direct costs of outside services for trainers, training entities, translation, renting space, transportation, or parking, food and refreshments

- b. Projected incentives, which are to be invoiced and the funds placed in escrow or a separate account
- c. Direct costs of staff time required for setting up call centers, databases, verifying participant eligibility, or other processes
- d. Time and materials costs for direct labor and pass-through expenses for staffing and managing the call center, processing and reviewing feasibility reports, rebate applications, and issuing related payments
- e. Cost of software or licenses if needed/identified in the Data Management Plan
- f. Hourly time of staff for providing facilitation support
- g. Travel expenses, providing facilitation services, design work, outreach and training
- h. Invoices from Community Based Organizations (CBO) adding in or directing facilitation services, co-creation of programs and outreach, with such CBOs acting as subcontractors under the contract
- i. Costs for services rendered by local CBOs related to the Scope of Work, with such CBOs acting as subcontractors under the contract

### Billing Cycle:

Contractor will submit invoices to the city monthly on a time and materials basis for work completed and allowable expenses. Contractor will be issued payment 30 days after receipt of an acceptable invoice. Incentive funding and facilitation funding for community-based organizations will be invoiced up to 90 prior to anticipated need and held in a separate account, funds will be reviewed quarterly to true up requested and spent funds.