

File 100007

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September 1, 2010

Ms. Sue Hanson
Wisconsin Energy Conservation Corporation
431 Charmany Drive
Madison, WI 53719

Re: Cooperation Agreement between the Wisconsin Energy Conservation Corporation
(WECC) and the City of Milwaukee and Community Workforce Agreement

Dear Ms. Hanson:

Enclosed are fully executed originals of the above-referenced agreements for your records.

Very truly yours,

A handwritten signature in black ink, appearing to read "Tom Miller", written over a white background.

THOMAS D. MILLER
Assistant City Attorney

TDM:wt:

Enclosure

c: Erick Shambarger Acting Director
Office of Environmental Sustainability (w/original)
Mayor Tom Barrett (w/copy)
Ronald D. Leonhardt, City Clerk (w/copy) ✓
W. Martin Morics, Comptroller (w/copy)

1050-2008-2845

OFFICE OF THE CITY ATTORNEY

**COMMUNITY WORKFORCE AGREEMENT BETWEEN THE CITY OF MILWAUKEE AND
THE WISCONSIN ENERGY CONSERVATION CORPORATION**

This Community Workforce Agreement (“CWA”) is made and effective as of the 27th day of July, 2010 (“Effective Date”), by and between the City of Milwaukee, Wisconsin, a municipal corporation, (“the City”) and the Wisconsin Energy Conservation Corporation (“WECC”), a non-profit corporation with its principal business address at 431 Charmany Drive, Madison, Wisconsin 53719 (“the Parties”).

W I T N E S S E T H:

WHEREAS, WECC, on behalf of the Cities of Milwaukee, Madison, and Racine, Wisconsin (“Partner Cities”), filed an application for and received a grant from the United States Department of Energy (“DOE”) in Funding Opportunity Announcement Number DE-FOA-0000148 Recovery Act: Energy Efficiency and Conservation Block Grant; Competitive Solicitation: Retrofit Ramp-up and General Innovation Fund Programs in the amount of \$20 million to carryout the Wisconsin Energy Efficiency (“WE2”) Project, a project designed to provide energy efficiency retrofit residential and non-residential projects within the Partner Cities. WE2 is the common name given to the project across the Cities of Milwaukee, Madison and Racine. The Milwaukee Energy Efficiency (“ME2”) Program represents the WE2 Project activities as they are carried out in the geographic limits of the City of Milwaukee; and

WHEREAS, The Cooperation Agreement between WECC and the City (“Cooperation Agreement”), of which this CWA is made a part as Exhibit E to the Cooperation Agreement, sets forth the roles and responsibilities of the Parties in developing, administering, and delivering the WE2 Project and ME2 Program; and

WHEREAS, through its participation in the WE2 Project and ME2 Program, the City of Milwaukee seeks to promote energy efficient retrofit projects using American Recovery and Reinvestment Act (ARRA) funding and other sources of capital in order to reduce energy costs for the owners of homes and businesses in our community, lower Milwaukee’s carbon footprint, and create jobs for local workers. In order to achieve this “triple bottom line,” a diverse group of stakeholders has been assembled to create this CWA to guide the implementation of energy retrofit projects in a manner that ensures the inclusion of workforce standards and benefits that will foster employment opportunities for historically disadvantaged or underrepresented groups and the creation of a long-term construction career pathway that will be seeded with these investments; and

WHEREAS, By requiring the inclusion of the CWA in the Request for Qualifications to be issued by WECC for purposes of qualifying contractors, the Parties seek to guide the implementation of energy retrofit projects in a manner that provides pathways to prosperity for local workers at varying levels of preparation, offers family-supporting wages that lead to a lasting career track, involves stakeholders and community members in developing and enacting policies and processes, and drives accountability and continuously evaluates performance towards goals; and

WHEREAS, This CWA reflects the following guidance the Office of Management and Budget has given to agencies implementing American Recovery Reinvestment Act programs (OMB April 3, 2009):

- a. Ensuring compliance with equal opportunity laws and principles;
- b. Promoting local hiring: Departments and agencies should seek to maximize the economic benefits of a Recovery Act-funded investment in a particular community by

supporting projects that seek to ensure that the people who live in the local community get the job opportunities that accompany the investment;

- c. Providing maximum practicable opportunities for small businesses;
- d. Providing equal opportunity for Disadvantaged Business Enterprises;
- e. Encouraging sound labor practices: The federal government invests substantial resources in enforcing wage and hour, occupational safety and health, and collective bargaining laws, to ensure that American workers are safe and treated fairly. All other things being equal, agencies awarding Recovery Act funds should seek to support entities that have a sound track record on these issues and are creating good jobs. This will strengthen the recovery effort and the economic prospects of American workers; and
- f. Engaging with community-based organizations.

WHEREAS, The Common Council of the City of Milwaukee authorized execution of this CWA pursuant to Resolution No. 100007 adopted July 27, 2010; and

NOW, THEREFORE, in consideration of the mutual promises contained in this CWA and other good and valuable consideration, the City and WECC agree as follows:

1. Scope of Agreement. This CWA is applicable to the ME2 Program. The scope of this agreement covers positions related to the construction trades, including but not limited to electricians, insulation installers, laborers, HVAC mechanics, plumbers, and weatherization techs. This CWA does not cover energy auditors/consultants, energy advocates, or administrative or program delivery staff. Any direction to be exercised on the part of the City or any approvals to be granted under this CWA shall be given by the City's Department of Administration ("DOA") or its designee.
2. Qualified Contractors - RFQ. Pursuant to the Cooperation Agreement, WECC shall issue a Request for Qualifications (RFQ) to qualify contractors to perform retrofit work under the ME2 program. The RFQ shall contain the requirements set forth in this CWA. The RFQ will also contain technical requirements for contractors, which requirements are not enumerated in this CWA. WECC shall re-qualify contractors annually and shall disqualify contractors who fail to meet the requirements of this CWA.
3. Labor Standards. To be qualified, a contractor must agree to the following labor standards:
 - a. Resident Preference. On ME2 program energy efficiency retrofit work, contractors shall agree to utilize UNEMPLOYED or UNDEREMPLOYED RESIDENTS of the city of Milwaukee in a minimum amount equal to the percentage of WORKER HOURS set forth in this paragraph. Forty percent (40%) of the sum total of WORKER HOURS performed on ME2 program work by each contractor in a six-month period must be performed by UNEMPLOYED or UNDEREMPLOYED RESIDENTS of the city of Milwaukee, except where WECC, after consulting with a participating training program identified pursuant to Section 5 of this CWA, and with the consent of the City, determines that there is sufficient reason to impose a lesser requirement. In

responding to the RFQ issued by WECC, the contractor shall submit a city resident utilization plan detailing how the level of required participation will be achieved.

The contractor, prior to commencing work as a qualified ME2 program contractor, shall submit an affidavit (on a form to be provided to WECC by the City) with proof of residency for all employees utilized by the contractor and subcontractors to meet the Resident Preference requirements, stating that each employee is either UNEMPLOYED or UNDEREMPLOYED and is a RESIDENT of the City and/or a plan to recruit and employ workers under the RPP program requirements in the ensuing six-month period. The contractor shall prepare and submit accurate and timely resident utilization forms and reports to WECC. Time Reports shall be submitted weekly as the work progresses and within ten (10) days following completion of work. The reports shall identify the name, address, work classification, and hours worked of all employees utilized on the contract by the contractor and all subcontractors. Failure to submit the required forms and reports to WECC may result in de-qualification of the contractor. On July 1 of each year, WECC shall submit to DOA an annual report on the performance of contractors qualified by WECC in carrying out the requirements of the resident preference program.

The contractor shall maintain, and shall ensure that all subcontractors maintain, personnel records listing the name and address of all employees utilized for each ME2 program contract and any records demonstrating that the employees utilized by the contractor to meet the Resident Preference are RESIDENTS. These records shall be maintained for one (1) year after completion of work and shall be made available to WECC upon reasonable notice.

1. RESIDENT – A person who maintains his or her place of permanent abode in the city of Milwaukee. Domiciliary intent is required to establish that a person is maintaining his or her place of permanent abode in the city. Mere ownership of real property is not sufficient to establish domiciliary intent. Evidence of domiciliary intent includes, without limitations, the location where a person votes, pays personal income taxes, or obtains a driver’s license.
2. UNEMPLOYED or UNDEREMPLOYED – a RESIDENT that has worked less than 1,200 hours in the preceding 12 months or has not worked in the preceding 30 days or, regardless of employment status, has household income at or below the federal poverty guidelines as adjusted by the Wisconsin department of public instruction to define eligibility for reduced lunch in public schools. A RESIDENT will continue to qualify as unemployed or underemployed for five (5) years from the date he or she first participates on a ME2 program project. If a RESIDENT becomes an apprentice for a contractor or becomes a participant in an on-the-job training program immediately after or in the course of performing on a particular construction contract, he or she shall continue to qualify as unemployed or underemployed for a period not exceeding 5 years from the date the person became an apprentice or participant in such on-the-job training program.
3. WORKER HOURS – means the total hours worked on a ME2 program contract by skilled and unskilled trade workers, whether those workers are employed by the contractor or any subcontractor. “Worker hours” includes work performed by persons filling apprenticeships and participating in on-the-

job training programs and excludes the number of hours of work performed by all non-Wisconsin residents.

- b. Proper Classification of Employees. Contractors shall utilize only employees to perform work on a ME2 program energy efficiency retrofit project, rather than independent contractors, temporary workers, or any other individuals holding non-employee status. Contractors shall classify all workers performing work on the ME2 program as employees of the company and pay appropriate taxes, unemployment insurance, workers compensation, and other benefits as required by law. General contractors may contract with subcontractors to perform work on the ME2 program, provided that those subcontractors have a registered Dunn and Bradstreet Data Universal Numbering System (DUNS) number and provided that the general contractor require all subcontractors to comply with the provisions of this CWA.
 - c. Davis-Bacon Wage Rate Requirement. Contractors shall pay wages to their employees performing work on a ME2 program project at rates not less than those prevailing on projects of a character similar in the locality as determined by subchapter IV of Chapter 31 of Title 40, United States Code ("Davis-Bacon Act"). WECC shall be responsible for monitoring contractor compliance with this requirement.
 - d. Safety-Trained Workforce. Contractors shall utilize a safety-trained workforce in which all on-site workers have completed an OSHA 10-hour safety course and an Environmental Hazard Awareness Course. As applicable, contractors shall comply with State of Wisconsin laws regarding Lead Renovator training and certification for their workforce.
 - e. Certified/Accredited Workforce. By September 1, 2010 or as soon thereafter as reasonably practicable, the City, in consultation with WECC, shall select nationally recognized certification/accreditation standards for workers covered under Section 1 of this CWA and whose trade does not already have a nationally recognized certification/accreditation in place (e.g. insulators and other building shell trades). Contractors shall ensure that their workers covered by this paragraph (e.g. those performing insulating and other building shell installations) are certified/accredited under the selected standard(s) within six (6) months of selection of the standards.
4. Pre-Qualification Standards. In addition to the Labor Standards set forth in this Agreement, to establish a standard of quality for the work to be completed and to build consumer confidence, the CWA establishes a Pre-qualification Standard for contractors who will perform the work. The City and WECC will communicate with existing City-certified Emerging Business Enterprises and other local firms to encourage their participation in the RFQ process and connect them to resources that can assist them in meeting the following minimum criteria.

Contractors must meet the following minimum criteria to be considered for qualification by WECC:

- a. Contractors on ME2 program residential projects shall be licensed and insured. Contractors on ME2 program non-residential projects shall be licensed, bonded, and insured.

- b. Contractors listed on the federal Excluded Parties List System (<https://www.epls.gov/>) or the Wisconsin Department of Workforce Development Consolidated List of Debarred Contractors will not be qualified.
 - c. Contractors shall be registered as a Focus on Energy Program Ally or be willing to sign on as a Focus on Energy Program Ally and commit to participate in training/mentoring provided by Focus on Energy Staff.
 - d. Per DOE Special Terms and Conditions, contractors shall provide a documented waste disposal plan for sanitary and hazardous waste, which includes but is not limited to old light bulbs, lead ballasts, piping, roofing material, discarded equipment, debris, and asbestos.
 - e. Contractors shall agree to maintain and provide access to records to verify compliance with all provisions contained within this CWA. At any time during normal business hours and as often as WECC or the City, or if federal or state grants or aids are involved, as the appropriate state or federal agency may deem necessary, there shall be made available to WECC or the City for examination all of the contractor's or subcontractor's records with respect to the matters covered by this CWA and the contractor or subcontractor shall permit WECC or the City to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment, and other data relating to all matters covered by this CWA.
5. Training Programs. The City shall identify training programs to supply contractors with a trained workforce. WECC shall provide staff assistance to the identified training programs to prepare them to provide energy efficient retrofits training based on certification/accreditation standards to be selected by the City pursuant to Section 3.e. of this CWA. Participating training programs will also provide training that includes health & safety, as well as hazardous material recognition (asbestos, mold, lead).

In addition to their capacity to execute the training functions described above, to be identified as a participating training program, a training program will:

- a. Have defined partnerships with pre-apprenticeship programs or community organizations that serve historically disadvantaged or underrepresented populations, including women, and people of color;
- b. In conjunction with those partner organizations, endeavor to promote participation in the training program among individuals who are unemployed, women, people of color, residents of low-income communities, or other disadvantaged or underrepresented people;
- c. Offer mentoring, follow-up monitoring and/or other support to assure retention of participants in the program and in weatherization careers; and
- d. Demonstrate a track record of graduating and placing trainees from underrepresented communities in career-track construction jobs.

6. Term of Agreement. The term of this CWA shall commence upon the Effective Date of the CWA and shall remain in force for the entire duration of the term of the Cooperation Agreement between WECC and the City, of which this CWA is a part as Exhibit E.
7. WECC/City Cooperation Agreement Provisions Binding. This CWA is attached to and made a part of the Cooperation Agreement between WECC and the City as Exhibit E. All provisions set forth in the Cooperation Agreement are made a part of this CWA and are binding on the parties.
8. Review. The objectives to be achieved in this CWA are secondary to the primary ME2 program objectives of stimulating the market for energy efficient building improvements. On May 1, 2011 or as soon thereafter as reasonably practical, the DOA or its designee, in consultation with WECC, shall assess whether the requirements of this CWA substantially impair the primary objectives of the ME2 program. The DOA or its designee shall conduct this assessment every six months thereafter during the term of this CWA. The DOA or its designee reserves the right to revise the terms of this CWA, based on this assessment, to reduce or eliminate contractor qualification requirements where the DOA or its designee determines that such revisions will remove obstacles to participation in the ME2 program. All other amendments to this CWA shall be agreed upon by the Parties and in writing and shall be communicated to the Common Council.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day, month, and year set forth above.

CITY OF MILWAUKEE




TOM BARRETT, Mayor



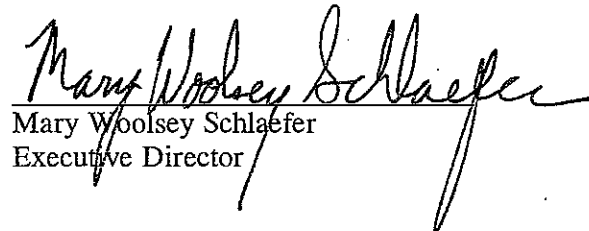
RONALD D. LEONHARDT, City Clerk

COUNTERSIGNED:

 **DEPUTY**

W. MARTIN MORICS, City Comptroller

WISCONSIN ENERGY CONSERVATION CORPORATION



Mary Woolsey Schlaefer
Executive Director

159899/1049-2010-1213

COOPERATION AGREEMENT BETWEEN THE WISCONSIN ENERGY CONSERVATION CORPORATION AND THE CITY OF MILWAUKEE REGARDING THE WISCONSIN ENERGY EFFICIENCY PROJECT AND THE MILWAUKEE ENERGY EFFICIENCY PROGRAM

THIS Cooperation Agreement (hereinafter, "Agreement"), with an effective date of July 27, 2010 ("Effective Date") is made by and between Wisconsin Energy Conservation Corporation, a non-profit corporation with its principal business address at 431 Charmany Dr., Madison, Wisconsin 53719 ("WECC"), and the City of Milwaukee, a Wisconsin municipal corporation ("City"), hereafter collectively referred to as the "Parties" and individually as a "Party."

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the Parties agree as follows:

1. Project Overview

WECC on behalf of the Partner Cities of Milwaukee, Madison, and Racine, Wisconsin, ("Partner Cities") filed an Application for and received a grant award from the United States Department of Energy ("DOE") in Funding Opportunity Announcement Number DE-FOA-0000148 Recovery Act: Energy Efficiency and Conservation Block Grant; Competitive Solicitation: Retrofit Ramp-up and General Innovation Fund Programs in the amount of \$20 million. The "Statement of Project Objectives", attached to the Grant Agreement between DOE and WECC as Attachment 2 and attached to this Agreement as Exhibit A ("Statement of Project Objectives"), describes the general project objectives for the Wisconsin Energy Efficiency ("WE2") Project, the common name given to the project across the Cities of Milwaukee, Madison and Racine. The Milwaukee Energy Efficiency ("ME2") Program represents the WE2 Project activities as they are carried out in the geographic limits of the City of Milwaukee. Minimum funding of \$12,051,372 for the ME2 program is set forth in Exhibit F, of which \$1,433,400 is allocated to the City for its administrative and program services. While supporting the project's overall objectives as outlined in the Statement of Project Objectives, the City reserves the right to revise the ME2 program strategies and tasks within DOE parameters, particularly as it relates to financing and workforce development. This Agreement acknowledges that the project objectives must be achieved within a rapidly evolving policy environment at the federal government level.

This Agreement sets forth the roles, responsibilities, and allocation of resources between WECC and the City both as to general project oversight and the allocation and use of grant award funds for the ME2 program, consistent with the objectives, terms, and conditions of the DOE grant award. This Agreement does not create any liability or penalty for WECC or the City if customer demand does not meet projections set forth in the Statement of Project Objectives, including the estimated number of homes and businesses to be served by the programs. If any part of the Statement of Project Objectives conflicts with the terms of this Agreement, this Agreement shall govern.

2. Project Governance

The City designates the City's Department of Administration ("DOA") or its designee to carry out the roles for the City as set forth in this Agreement. Except as otherwise specifically provided in Sections 3.1.(1)-(3) of this Agreement, any direction to be exercised on the part of the City or any approvals to be granted under this Agreement shall be given by the DOA or its designee. The DOA or its designee may consult with the City's Economic Stimulus Task Force on ME2 program design. The ME2 program shall be construed as independent from the WE2 programs in the cities of Racine and Madison and its design and implementation is subject to the approval of the City in consultation with WECC and the DOE. The Parties may design and administer the ME2 program and all its various elements without the consent of the two other Partner Cities.

The City may endeavor to cooperate with the other Partner Cities to design common elements for the WE2 project when the City deems such cooperation to be in the best interests of the ME2 program. The City may cooperate in joint actions with the other Partner Cities in the WE2 project, such as the issuance of common requests for proposals for services across the three cities. However, the City reserves the right to act independently according to the program budget designated for ME2 in Exhibit F. The City shall have final approval, subject to potential DOE approval where required by the terms of the Grant Agreement, of ME2 program budget revisions; marketing strategy; workforce development strategy; fiscal leveraging strategy including loan capitalization plan, loan servicing strategy, and loan loss reserve legal set-up contracts; contractor development strategy; and revisions to the Statement of Project Objectives.

3. WECC Roles & Responsibilities

WECC, as the Recipient of the DOE grant award, will be the Project Administrator of the DOE grant award and will use a portion of the direct grant award for the following roles and responsibilities:

- a. Overall WE2 project administration and disbursement of grant funds and interaction with DOE. The City may interact with DOE on any issue related to the grant.
- b. Program design, implementation, and day-to-day management and administrative functions of the ME2 program in coordination with the City and subject to the approval of the City as set forth in this Agreement.
- c. All required grant administration, tracking, and reporting tasks.
- d. Provision of the IT and management infrastructure to allow accurate project/program reporting and performance tracking.
- e. Provision of the financial management infrastructure to manage, control, and disburse all grant funds according to project requirements for project and ME2 program activities.
- f. Ensure that the program designs will allow both residential and non-residential program participants the opportunity to be eligible to receive Focus on Energy rewards/incentives if the customer wishes to do so.
- g. Ensure there is coordination between Focus on Energy and the financing program(s) offered via this grant award.
- h. Establish at least monthly meetings and other communications with the Partner Cities and with the City.
- i. Pursuant to the budget breakdown set forth in Exhibit F and subject to the City's approval where set forth in this Agreement, contract with vendors to provide services to implement the ME2 program including but not limited to: (1) loan origination and servicing; (2) fiscal agency for the loan loss reserve fund; (3) purchase of equipment to assist in the delivery of the program; and (4) marketing and advertising.
- j. Hire Energy Advocates, according to the Energy Advocate staff dollars set forth in Exhibit F, to perform ME2 program activities including but not limited to providing in-home energy efficiency education, assisting homeowners throughout the audit/retrofit process, and assisting local community organization recruitment and training.
- k. WECC shall issue a Request for Qualifications ("RFQ"), subject to City review and approval, to qualify contractors to perform retrofit work under the ME2 program. The RFQ shall contain the requirements for contractor participation in the ME2 program including the provisions set forth in the Community Workforce Agreement ("CWA") attached as Exhibit E. Contractors shall satisfy all requirements including the CWA requirements to become and remain a qualified contractor eligible to participate in the ME2 program. WECC shall disqualify contractors who fail to meet the requirements of the CWA.

- i. WECC, working with the City, shall by August 31, 2010, submit specific residential and non-residential program designs relating to program financing and program marketing and advertising for review and approval by the City of Milwaukee Common Council. WECC and the City agree to use the grant award funds to develop, administer and deliver energy efficiency retrofit residential and non-residential programs acceptable to the City and DOE which may include the Property Assessed Clean Energy (PACE) financing model, on-bill utility financing or other financing mechanisms to achieve the objectives set forth in the Statement of Project Objectives. Exhibit B to this Agreement sets forth the minimum attributes that shall be included in the program design financing mechanisms implemented under this Agreement. The specific program designs shall include at least the following:
 - (1) A financing mechanism(s) including the recommended sources of funds for the residential and non-residential ME2 programs.
 - (2) The process for selecting the fiscal agent for the ME2 program loan loss reserve(s) and the rules for the use of the loan loss reserve(s) including DOE requirements and guidance. If the process is to use a Request for Proposals (RFP) to secure a fiscal agent, a RFP to secure a fiscal agent shall be included.
 - (3) The process for selecting a provider for loan origination and servicing functions for the ME2 program including the proposed loan underwriting criteria and pricing. If the process is to use a Request for Proposal to secure a loan originator and servicing agent, a RFP including the terms and conditions for selection of a vendor shall be included.
 - (4) A process to develop a marketing and advertising strategy and implementation plan including the potential retention of a marketing/advertising firm to assist with such efforts and/or to provide marketing and advertising implementation for the ME2 program. If the process is to use a Request(s) for Proposals to secure marketing and advertising services, a RFP(s) including the terms and conditions for selection of a vendor(s) shall be provided to the City according to the timeframe set forth in sub. m. The process for City approval of the RFP(s) shall be as set forth in sub. m.
 - (5) A revised ME2 program budget, developed with the DOA or its designee, and approved by DOE if such DOE approval is required under the terms of the grant agreement.
 - (6) Subsequent changes in the program elements described in subs. (1)-(4) above (including the RFPs) shall be approved by the City of Milwaukee Common Council.
- m. WECC shall not issue a RFQ or RFP without the prior review and approval of the City. WECC may select a vendor pursuant to the terms of a RFP but shall not execute a contract with the vendor until the contract terms are reviewed and approved by the City. If RFPs or RFQs other than those in sub. i(2) and (3). above are to be used in the ME2 program, WECC shall provide the City with a copy of the proposed RFP or RFQ at least 30 days prior to issuance. The City shall provide WECC with any revisions within 21 days of receipt.
- n. By August 31, 2010, WECC shall submit to the City for its approval a detailed quality assurance plan setting forth the manner in which WECC will ensure the quality of the energy efficiency retrofits performed under the ME2 program, including the frequency of post-retrofit on-site assurance assessments.
- o. In coordination with the City, ensure that all applicable regulatory requirements to implement the ME2 program are met. Subject to the City obligation in Section 4.j. of this Agreement, WECC is solely responsible for compliance with the DOE reporting requirements for this grant.

- p. WECC shall open a field office within the geographic boundaries of the city of Milwaukee by no later than April 1, 2011.
- q. WECC, for purposes of implementing the ME2 program, shall assist local training providers identified by the City pursuant to the CWA to become accredited to provide training to Milwaukee residents to meet Focus on Energy Consultant or Contractor qualification criteria and shall conduct at least 50% of its training hours (including training energy auditors/consultants and energy advocates) within the geographic boundaries of the city of Milwaukee.
- r. Develop and implement an approach acceptable to the City to achieve the sustainability of the ME2 program after the grant period has terminated, including allocation of ME2 program income in the manner set forth in Section 4.g. of this Agreement. WECC shall develop, for City approval, a concept for aggregating the estimated reduction of greenhouse gas emissions from the ME2 program for sale on an emerging carbon credit market.

4. City Roles & Responsibilities

The City, as a sub-recipient of the DOE grant award, is subject to and shall comply with the "Special Terms & Conditions" attached to the DOE grant award for sub-recipients (attached as Exhibit C) and shall use its sub-recipient award funds and its portion of the other "contractual" funds for the following roles and responsibilities under this Agreement:

- a. Provide assistance to WECC with the development of ME2 program elements acceptable to the City, and after approval of a program element by the City, provide oversight and assistance for the administration and delivery of such program elements in coordination with WECC and provide the City program functions set forth in PMC123.1 Contractual worksheet, attached as Exhibit D to this Agreement.
- b. Approve procurement documents specified in Section 3, including Requests for Proposals, Request for Qualifications, and other bid documents before they are issued to the public.
- c. Approve vendor selections specified in Section 3, including but not limited to marketing firms, law firms, loan loss reserve fiscal agents, and banks or other loan capitalization offers.
- d. Review and approve changes to the WE2 and ME2 budgets.
- e. Review and approve the fiscal agency and rules governing the loan loss reserve fund as specified in Section 3.
- f. Review and approve WECC's quality assurance plan.
- g. The City shall retain all program income generated from the ME2 program for use in future ME2 program efforts, including but not limited to loan servicing fees, interest on loan-loss reserves and income from the sale or use of carbon credits. The City may agree to allow WECC to retain a portion of ME2 program income for the sustainability of the ME2 program.
- h. The City shall not be required to use its own taxpayer funds in addition to grant award funds to meet its obligations under this Agreement.
- i. The City shall provide \$1.2 million of its EECBG Block Grant to fund the ME2 program. The specific use of the \$1.2 million in funding to support ME2 is at the sole discretion of the City.
- j. Assist WECC by tracking and providing available information from functions performed by the City necessary for WECC to meet its DOE project reporting requirements.
- k. As it deems necessary or appropriate, the City's Office of Environmental Sustainability will provide outreach and advocacy to businesses and the public on sustainable practices and related funding opportunities, including the availability of the ME2 program. The Office of Environmental Sustainability will also work to identify additional

sources of funds to leverage towards the ME2 program and these other related sustainability efforts.

- I. As it deems necessary or appropriate, the City will utilize in-house marketing staff to market and advertise the ME2 program to local businesses and the general public.

5. Term of Agreement

The initial Term of this Agreement shall begin as of the Effective Date of this Agreement and end June 30, 2013, which is in alignment with the termination of the DOE grant award funds, or is otherwise amended or terminated earlier in accordance with the provisions of this Agreement.

5.1 Commencement. This Agreement and the terms herein shall become binding as of the Effective Date of this Agreement. This Agreement supersedes all other contracts, discussions, agreements, negotiations, oral statements, or representations between the Parties.

5.2 Termination. The City or WECC may terminate this Agreement for a material breach of the Agreement by the other Party by giving at least 60 days notice in writing to the other party specifying the effective date thereof. In the event of such termination, the City and WECC agree and acknowledge that the City shall in no way be responsible for legal or equitable damages alleged by WECC as a consequence of termination under this section.

5.3 Provisions Not Affected by Termination. Any termination shall not affect the provisions of this Agreement relating to records retention and access (Sections 6.1 and 4.j), indemnity, warranties made herein by the Parties, warranties implied by law, or remedies for breach of the Agreement, either by contract or by common law.

6. Allocation of WE2 Project Funds to the ME2 Project/Disbursement of Funds to the City. The WE2 project funds budgeted for the ME2 program (\$12,051,372), set forth in Exhibit F, shall be a minimum amount. The allocation of grant funds between WECC and the City and among the Partner Cities is set forth in the Exhibit D PMC 123.1 and Exhibit F to this Agreement. If a Partner City does not participate in the WE2 project or terminates its participation prior to its budgeted project funds being committed or expended, the remaining project funds shall with the approval of DOE be apportioned among the remaining Partner Cities. The City shall receive \$1,433,000 in grant funds to provide administrative, program and other services including personnel, fringes and other direct costs for the WE2 Project and ME2 program. No grant award funds, directly or indirectly, may be used or expended for gambling establishments, aquariums, zoos, golf courses or swimming pools.

Grant funds obligated by DOE for the WE2 Project are only available for reimbursement of costs incurred within 36 months of the grant award date of June 3, 2010. The City may request an advance payment of its expected costs to provide administration, program and other services under this Agreement on a quarterly basis. The City shall provide WECC a request for an advance including the amount of funds requested and a general description of the expected services/costs to be paid by such advance at least 14 business days prior to the commencement of a new quarter. WECC will provide the advance prior to the commencement of the new quarter. The City, by the fifth (5th) day of the month following the end of a quarterly period, shall provide WECC a Statement of Work that shall identify and separately enumerate its administrative costs, subcontractor costs and program costs on each Statement that the advanced funds were used for.

For eligible costs that have not been requested and paid by an advance to the City, the City shall submit detailed invoices for reimbursement to WECC by the fifth (5th) day of each month

on the expenditure of grant funds. The City invoices shall identify and separately enumerate its administrative costs, subcontractor costs and program costs on each invoice. Payment is due within thirty (30) days after the receipt of the invoice by WECC. City acknowledges, however, that any costs reimbursement payments made by WECC shall not preclude WECC from thereafter disputing any item invoiced or paid through advance. All charges and receipts for reimbursable costs or paid through an advance are subject to audit verification. WECC shall recover from the City any advance or expended funds that are not eligible for reimbursement including the failure to meet audit verification requirements and shall include such funds in the future funds available for the ME2 program.

ME2 program funds may be reallocated between tasks by the City pursuant to the reallocation provisions set forth in Exhibit C to this Agreement.

6.1 Records. Both the City and WECC shall keep accurate accounts and records pertaining to all fees, costs, and expenses for which it is reimbursed hereunder in accordance with Generally Accepted Accounting Principles and Practices. All records related to this Agreement shall be maintained for a period of seven (7) years after termination of the Agreement. At any time during normal business hours, there shall be made available for examination by the City or WECC all of WECC's or the City's records with respect to all matters covered by this Agreement and WECC or the City will permit the City or WECC to audit, examine, and make excerpts or transcripts from the records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment, documents related to all matters covered by this Agreement.

6.2 Disbursement Disputes. Upon submission of an invoice by the City, WECC shall have ten (10) business days after delivery of the invoice to provide City with a written objection ("Objection") if WECC believes that the Services for that invoice has not been performed in accordance with this Agreement or an applicable schedule. Any Objection must include a detailed identification of each element within the Services that has not been performed in accordance with the specification. Upon receipt of an Objection, the City shall investigate and respond to the objection within ten (10) business days. The City and WECC commit to make every effort to resolve such objections within ten (10) days thereafter.

7. Representations/Warranty

WECC and the City represent and warrant that their roles and responsibilities set forth in this Agreement shall be performed with the degree of skill and care that is required by current, sound professional and industry procedures and practices, and in conformance with generally accepted professional and industry standards prevailing at the time the work is performed. The City and WECC reserve the right to review each other's work so as to ensure that the services are performed in a manner consistent with program guidelines and appropriate for the purposes of this Agreement.

8. Independent Contractor

At all times during the term of this Agreement, WECC shall be and remain an independent contractor. WECC shall perform its services under this Agreement according to its own means and methods, and the performance shall remain in the exclusive charge and control of WECC. It is expressly understood that the City does not directly hire any of WECC's personnel or assume any liability therefore. Nothing herein shall be construed as creating a relationship of employer and employee between the City and WECC, or between the City and WECC's employees or agents. WECC's employees shall be and remain employees of WECC, and WECC shall be responsible for payment of benefits and the entire compensation of each of WECC's employees

(or its beneficiaries), including employment taxes, unemployment compensation, and any similar taxes associated with employment. WECC agrees and represents that, as employer of such persons, it shall comply with all applicable laws and regulations. This Agreement is not exclusive. Except as set forth in the Agreement or a schedule, WECC has no power or authority to act for, represent, or bind the City in any manner.

At all times during the term of this Agreement, the City shall be and remain an independent contractor. City shall perform its services under this Agreement according to its own means and methods, and performance shall remain in the exclusive charge and control of the City. It is expressly understood that WECC does not directly hire any of City's personnel or assume any liability therefore. Nothing herein shall be construed as creating a relationship of employer and employee between WECC and City, or between WECC and City's employees or agents. The City's employees shall be and remain employees of the City, and the City shall be responsible for payment of benefits and the entire compensation of each of City's employees (or its beneficiaries), including employment taxes, unemployment compensation, and any similar taxes associated with employment. City agrees and represents that, as employer of such persons it shall comply with all applicable laws and regulations. This Agreement is not exclusive. Except as set forth in the Agreement or a schedule, City has no power or authority to act for, represent, or bind WECC in any manner.

9. Insurance

During the term of this Agreement, WECC shall maintain insurance in the minimum amounts as outlined below:

General Liability—not less than \$1,000,000 per occurrence and in the aggregate for bodily injury, property damage; including personal injury/advertising injury and products/completed operations.

Employer's Liability—not less than \$1,000,000 each accident for bodily injury by accident, and \$1,000,000 each employee and policy limit for bodily injury by disease.

Automobile Liability—(owned, non-owned or hired) in a combined single limit not less than \$1,000,000 per accident for bodily injury and property damage liability.

Worker's Compensation—in accordance with the statutory requirements of the state of Wisconsin.

10. Indemnification

WECC hereby indemnifies and holds the City, its officers, employees, and agents harmless from and against all claims, liabilities, damages, losses, costs or expenses (including but not limited to reasonable attorneys fees) arising out of the negligent acts or willful misconduct of WECC, its employees, subcontractors, and other agents of WECC or its subcontractors, including but not limited to contractors (and their subcontractors) qualified by WECC pursuant to this Agreement or the CWA. WECC shall require contractors and subcontractors qualified by WECC for work on the ME2 program pursuant to this Agreement or the CWA to indemnify and hold the City harmless, under these same terms, for the contractors' work on the ME2 program. This indemnification includes, but is not limited to, the following:

- a. Personal injury suffered by a third party, or any employee of City, WECC and any subcontractor of WECC.

- b. Property damage incurred by any third party or by City, WECC and any subcontractor of WECC.
- c. Any negligent, intentional or wrongful acts or omission of WECC, and any subcontractor of WECC.
- d. A breach of this Agreement by WECC.
- e. A failure of WECC to comply with any applicable laws, including but not limited to environment protection laws.
- f. Any failure of WECC to pay federal, state and local taxes, including but not limited to employee withholding, or any failure to provide workers' compensation coverage to WECC's employees.

11. Subcontractor

WECC may subcontract any portion of its Services, provided that WECC shall remain fully responsible for all Services performed by subcontractor. WECC shall maintain accurate accounts and records pertaining to all fees, costs, and expenses, and shall directly reimburse subcontractor for services rendered, in accordance to such agreement between WECC and subcontractor. The City may subcontract any portion of its Services provided that the City shall remain fully responsible for all services performed by the subcontractor. Any subcontractor under this agreement shall be subject to the "Special Terms & Conditions" set forth in the WECC-DOE agreement included as Exhibit C to this Agreement.

12. Force Majeure

Either party's performance of any part of the Agreement shall be excused to the extent that it is hindered, delayed or otherwise made impractical by reason of flood, riot, fire, explosion, war, acts or omissions of the other party or any other cause, whether similar or dissimilar to those listed, beyond the party's reasonable control. If any such event occurs, the non-performing party shall make reasonable efforts to notify the other party of the nature of such condition and the extent of the delay and shall make reasonable, good faith efforts to resume performance as soon as possible.

13. Discrimination

WECC shall not discriminate against any qualified employee of WECC or qualified applicant for employment with WECC because of sex, race, religion, color, national origin or ancestry, age, disability, lawful source of income, marital status, sexual orientation, gender identity or expression, past or present membership in the military service, familial status, or based upon affiliation with, or perceived affiliation with any of these protected categories.

14. Confidentiality, Public Records Law

Neither Party shall disclose Confidential Information communicated to it with respect to services to be performed under this Agreement to a third party (other than the Party's employees, lenders, counsel, accountants or advisors who have a need to know such information) except in order to comply with any applicable law, regulation, in connection with any court or regulatory proceeding, or after obtaining written permission from the other Party to disclose such information; provided, however, each Party shall, to the extent practicable, use reasonable efforts to prevent or limit the disclosure. The Parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with, this confidentiality obligation. For purposes of this Agreement, Confidential Information shall mean all information designated by a Party as confidential, proprietary, competitively sensitive, and or trade secret information.

Notwithstanding the foregoing, WECC acknowledges that the City is bound by the Wisconsin Public Records Law, Wis. Stat. §§ 19.31-39 ("Public Records Law"). Under the Public Records Law, any "records" of the City and WECC within the meaning of Wis. Stat. § 19.32(2) (as they relate to this Agreement) are subject to public disclosure, unless there is a statutory, common law, or public policy reason for nondisclosure, (e.g., trade secrets exception). In the event that the City receives a public records request for records relating to the Agreement, WECC shall cooperate by producing records produced or collected as a result of this Agreement; any information designated by WECC as confidential or non-public information will be considered in conjunction with the City's response to the public records request. Decisions on behalf of the City to withhold public disclosure of records subject to this law must be supported by a statement of the public-policy basis for denial. WECC agrees to cooperate with any reasonable request for assistance by the City to support nondisclosure decisions by, including but not limited to, defining what information is Confidential Information and why.

The City shall provide prior notice to WECC if the City determines that information that WECC considers confidential or non-public must be released, with a right for WECC to defend that the information is confidential or otherwise non-public. In all cases the City retains the final authority on disclosure decisions in compliance with the law. Compliance with the law shall not constitute a violation of this Agreement.

15. Governing Law and Venue

This Agreement and the rights and duties of the Parties hereunder shall be governed by and construed, enforced, and performed in accordance with the laws of the state of Wisconsin without regard to principles of conflicts of law. The sole and exclusive venue for any disputes, claims or causes of action, legal or equitable, shall be the state courts of Wisconsin. This section 15 and its requirement shall survive the term or any extension terms of this Agreement.

16. Communications and Notices

Any notice given pursuant to this Agreement shall be in writing and shall be effective when delivered personally or shall be deposited in the United States mail, postage prepaid, certified or registered, return receipt requested, in which latter event it shall be deemed given three days after the date mailed. Written notice shall be addressed to the respective Parties as follows:

<p>If to City: City of Milwaukee Department of Administration 200 East Wells St., Room 603 Milwaukee, WI 53202 Attn: Erick Shambarger</p>	<p>If to WECC: Wisconsin Energy Conservation Corporation Attn: Sue Hanson 431 Charmany Drive Madison, WI 53719</p>
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17. Headings

The headings in this Agreement are included only as reference and shall not limit or alter the meaning of any of the terms and conditions herein.

18. Severability

The provisions of this Agreement are severable, and the invalidity or unenforceability of any one or more provision(s) shall not affect or limit the validity of the remaining provisions. Should any particular provision be held to be unreasonable or unenforceable for any reason, then such provision shall be given effect and enforced to whatever extent would be reasonable and enforceable under the applicable law.

19. Entire Agreement

With the exception of the Community Workforce Agreement attached as Exhibit E, this Agreement is the entire agreement between the Parties pertaining to the services to be provided hereunder, and there are no other understandings, agreements, or representations between them pertaining to services to be provided hereunder.

20. Public And Community Relations

WECC shall use its best efforts to maintain a good public image for City and shall be responsive to concerns raised by community members. WECC shall not disclose information of a sensitive nature to any third parties without City's prior written consent. With the sole exception of publication of such information within WECC's corporate entity and subject to the Confidentiality provisions of this Agreement, WECC shall not refer to City or any company affiliated with City in any advertising or other publication in connection with goods or services rendered by WECC, without the prior written approval of City.

21. Waiver

Failure or delay on the part of either party to exercise any right, power, privilege or remedy hereunder shall not constitute a waiver thereof. A waiver of any default shall not operate as a waiver of any other default or of the same type of default on a future occasion.

22. No Third-Party Beneficiaries

No provision of the Agreement or schedules is intended or shall be construed to be for the benefit of any third party.

23. Assignment

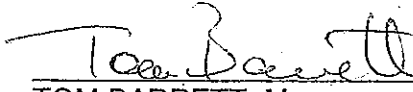
This Agreement shall inure to the benefit of and be binding upon the Parties' respective successors and assigns, and neither Party shall assign this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld.

24. Amendment


The City and WECC may agree to amend this Agreement by writing.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day, month, and year set forth above.

CITY OF MILWAUKEE



TOM BARRETT, Mayor



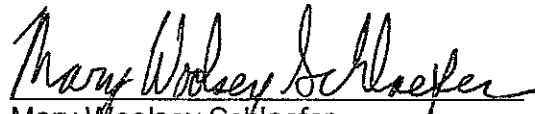
RONALD D. LEONHARDT, City Clerk

COUNTERSIGNED:

 **DEPUTY**

W. MARTIN MORICS, City Comptroller

WISCONSIN ENERGY CONSERVATION CORPORATION



Mary Woolsey Schlaefter
Executive Director

STATEMENT OF PROJECT OBJECTIVES

Wisconsin Energy Conservation Corporation
Wisconsin Regional Retrofit Initiative

A. PROJECT OBJECTIVES

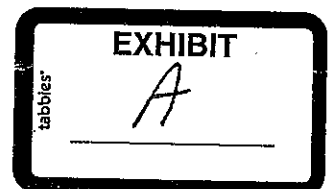
The Wisconsin Energy Efficiency (WE²) Project is a regional Wisconsin building energy efficiency effort that will launch in the cities of Madison, Milwaukee, and Racine (Partner Cities). Building on previous State and Partner City efforts, WE² will offer residential and non-residential property owners in the Cities access to a suite of turnkey energy efficiency services on affordable terms. These energy-saving retrofits will be primarily financed through the Property Assessed Clean Energy (PACE) financing model. Retrofit work will be performed by qualified contractors. The project will deliberately work towards career paths to well-paid work for community residents and labor engagement under a Community Workforce Agreement (CWA). WE² is an innovative program aimed at transforming energy efficiency retrofit markets and building sustainable demand for green jobs, with the potential for replication in other communities. The Partner Cities are pursuing this grant to overcome initial market barriers and achieve the economies of scale necessary for sustainable market transformation.

The overall objectives of the WE² Project are to substantially increase energy savings, create jobs, and reduce carbon emissions by:

- Transforming existing comprehensive energy efficiency building retrofit markets;
- Demonstrating a sustainable funding framework linking statewide and local community energy efficiency efforts to achieve economies of scale and to serve as a “super-aggregator” to sell aggregated energy efficiency savings into emerging carbon allowance and other energy markets;
- Creating a replicable program model; and,
- Establishing a sector-based workforce strategy to link industry training with public/private job creation seeded by the American Reinvestment and Recovery Act (ARRA) and continued by PACE/local efficiency financing efforts.

The proposed project plan is designed to successfully achieve the project objectives by:

- Implementing geographically targeted programs adequate to overcome existing market barriers in comprehensive retrofit markets in a sustainable manner;
- Partner Cities acting as prominent energy efficiency leaders to promote increased recognition of the multiple benefits of energy efficiency and increase participation;
- Demonstrating the value of effective public-private partnerships at a regional level to create sustainable energy efficiency and the ability to use those savings to fund future efforts;
- Leveraging the PACE model for residential and non-residential retrofits to overcome first cost barriers; and
- Deliberately widening opportunities for the under and un-employed, and leveraging local initiatives and workforce development programs, such as the MultiCraft Core Curriculum (MC3) to offer green jobs and sustainable career pathways.



B. PROJECT SCOPE

The WE² Project objectives and goals are fully consistent with the goals of the Energy Efficiency and Conservation Block Grant (EECBG) Funding Opportunity Announcement (FOA) for Topic 1 proposals. The WE² Project will offer two programs to achieve these goals: (1) a residential Comprehensive Energy Efficiency Home Retrofit program; and (2) a non-residential Energy Efficiency Retrofit program for multi-family, commercial, industrial, and public building sectors, which will comply with all ARRA and FOA requirements beyond the grant period. In addition, the WE² Project will pursue the development of a framework for a “super-aggregator” model that would form the basis for broader replication and sustainability.

The project will utilize a variety of methods to reach out and market to the two previously mentioned programs. In addition, the various partners and stakeholders will offer experience in and or around the various initiatives that will provide a solid foundation of experience in the various areas of marketing and outreach, program development, financing strategies, workforce development, and other areas of the program.

C. TASKS TO BE PERFORMED

The following tasks will describe the sectors to be served, our outreach strategies, service delivery strategies, and financing mechanisms.

Task 1.0 Program Sectors

WE²'s program will focus its efforts on the Residential and Non-residential markets. This division of focus will allow the team to successfully reach the desired impact. The sector-specific approach allows the Wisconsin capability to address all the necessary elements for a successful program— administration, program design, marketing and outreach, financing, measurement and verification, and workforce development—and is the key strength in meeting this criterion.

Subtask 1.1 Residential

The WE² Comprehensive Energy Efficiency Retrofit Program builds on a successful pilot initiated by the City of Milwaukee in partnership with Focus on Energy—Wisconsin's statewide energy efficiency and renewable energy program. Building on this experience, the WE² Project will offer citywide eligibility (subject to underwriting criteria) in the Partner Cities of Milwaukee and Madison, but will also participate in targeted marketing activities in specifically selected neighborhoods in using the requested grant funds of \$10 million. The objective will be to achieve at least 9,000 deep impact retrofits (4,500 per city) over the three year grant period.

Utilizing the social networking opportunities that a geographically targeted community effort affords, the project will partner with Focus on Energy and other stakeholders to enhance the current Focus on Energy comprehensive whole house retrofit program based on supportive service delivery approaches combined with the ability to finance identified, cost effective energy efficiency improvements through the PACE model. The approach is designed to sustain increased deep impact retrofits after the grant period. An additional 6,000 deep impact retrofits (3,000 in each city) are estimated to occur over the three years following the grant period. The use of these innovative strategies can significantly increase the capture of energy efficiency savings to reduce customer energy bills, reduce carbon emissions, and create jobs.

The WE² Residential Project Plan will utilize loan loss reserve funds which were increased from 2% to 5% for both Madison and Milwaukee's PACE financing mechanism. This change increases the residential loan loss reserve budget item over what was originally proposed.

Subtask 1.2 Non-Residential

The WE² Non-Residential Project is the area that recognizes the largest program and budget changes due to two key components – Department of Energy (DOE) program guidance and recent passage of Commercial PACE legislation in Wisconsin.

WE² is extremely excited to have a Commercial PACE option now available, as it is a truly innovative financing model for the non-residential market and is fully consistent with the goals of the FOA for Topic 1 proposals. Additionally, having WE² offer both a residential and non-residential PACE program lends additional support to WE² efforts to pursue the development of a framework for the “super-aggregator” model mentioned earlier, that would form the basis for broader replication and sustainability as well as help contribute to the secondary market via loan standardization and consist energy efficiency measurement and verification, which ultimately helps reduce risk and improve the overall free market value.

Similar to the residential project, the WE² non-residential Energy Efficiency Retrofit Program will partner with Focus on Energy to offer citywide eligibility (subject to underwriting criteria) in the Partner Cities of Milwaukee, Madison, and Racine. The objective will be to achieve deep impact retrofits in 485 buildings over the three year grant period and an additional 645 deep impact retrofits over the three years following the grant period. The WE² Non-Residential Project Plan will utilize loan loss reserve funds of 8% for all three city's non-residential PACE financing mechanism.

Task 2.0 Financing Strategies

The WE² Project is designed to overcome customer barriers to undertaking deep impact home retrofits and allow the capture of economies of scale in program delivery. Experience has indicated that the number one barrier noted by customers—both residential and non-residential—to undertaking a comprehensive energy retrofit is the cost of the investment and the need to pay for that investment upfront. The WE² consortium has intentionally focused on PACE financing for both of these retrofit markets for a number of reasons including its ability to:

- Allow a customer to undergo an the energy efficiency retrofit process with a relatively low first-cost;
- Achieve scale by aggregating individual energy efficiency projects on either a geographic, financial, or technology basis;
- Be utilized (or replicated) in different geographic areas in Wisconsin (and perhaps the U.S.), and
- Demonstrate an innovative financing option that is either emerging and well-positioned to help accelerate the adoption of energy efficiency.

The PACE financing option also potentially benefits hard-to-reach market segments and end-user groups that currently lack creative financing structures, e.g., residential, small, medium and large commercial and industrial customers, including multi-tenant buildings. Additionally, for the Partner Cities perspective, utilization of the PACE framework and adequate loan loss reserve fund should attract private capital or revenue bonding by the cities, without using the general obligation of the cities.

Task 3.0 Workforce Development

WE² is extremely proud to incorporate a Community Workforce Agreement approach for a training curriculum that lays the foundation for a comprehensive building science approach to energy efficiency retrofit work, particularly for the residential sector. The WE² Project is committed to serious training and career pathways for workers involved in WE². This means a commitment to registered apprenticeship programs, jointly run by employers and unions that are fully funded by the private sector, not taxpayers. The WRTP/Big Step serves as a “one stop shop” for pre-apprentice training and technical assistance to connect companies and labor to community members most in need of employment. WE² will work to overcome historical barriers that have affected workers from disadvantaged communities and connect them to an explicit career pathway. WE² will rely on Big Step in Milwaukee (as well as other organizations in the Milwaukee Builds coalition) and a number of qualified organizations in the Construction Workforce Diversity Alliance in Madison. For pre-apprenticeship, the WE² Project plans to use the MultiCraft Core Curriculum (MC3) recently adopted by the member internal unions of the AFL-CIO Building and Construction Trades Department. There is initial agreement from the Local Joint Apprenticeship Committees that completion of the MC3, with the limited addition of known requirements as specified by a few trades, would qualify the graduate for admission to any apprenticeship program. The Milwaukee Area Building and Construction Trades Council and its regional affiliates have agreed to give preference in placement to such graduates from underserved communities.

Task 4.0 Project Management and Reporting (*Optional paragraph, per discussion with the DOE Project Officer*) WECC will be utilizing existing systems in addition to using some of the granted funds in an effort to enhance the reporting mechanisms.

EXHIBIT B
Required Attributes of Implemented Financing Programs

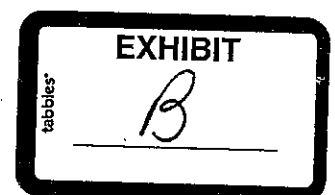
A. This Exhibit incorporates DOE guidance (EECBG PROGRAM NOTICE 09-002) for the use of loan loss reserves. Per DOE, Energy Efficiency and Conservation Block Grant Program funds can be used for a loan loss reserve to support loans made with private and public funds and to support a sale of loans made by a grantee or third-party lenders into a secondary market, subject to the following conditions. In order to ensure that a use of EECBG funds to leverage additional public and private sector funds furthers the stated purposes of the EECBG Program, the activities supported by the leveraged funds are limited to those activities specifically listed as eligible activities in the EECBG statute.

B. A grantee must ensure that the following conditions are met:

1. Both WECC and the City of Milwaukee shall have the right to review and monitor loans provided by third party lenders to ensure that loans are being made to support eligible activities listed in 42 USC 17154(3)-(13);
2. Neither WECC nor the City of Milwaukee, in establishing a loan loss reserve, shall have any legal or financial obligation beyond the funds committed to the reserve and neither is subject to further recourse in the event losses exceed the amount of the reserve;
3. Any EECBG funds used to establish a loan loss reserve not used in connection with loan losses and paid to third party lenders or secondary market investors must be used by or at the direction of the grantee and for an eligible use under the EECBG Program, including capitalization of a revolving loan fund; and
4. Under no circumstances shall EECBG funds be released to a third party lender or secondary market investor for any purpose not pertaining to loan losses.

C. The financing programs to be implemented under this Agreement shall, at a minimum, have the following attributes:

1. Per the loan loss reserve amounts set aside for the ME2 program set forth in Exhibit D, establish Initial loan loss reserves of 5% for a residential financing program and 8% for a non-residential financing program with the use of grant funds, unless a different percentage is approved by the DOE grant contract officer.
2. If a PACE financing program is implemented, insure that the "Best Practices" underwriting criteria and/or other guidelines shall at a minimum comply with the loan underwriting requirements and/or other guideline requirements of section 22 of the "Special Terms & Conditions" set forth in Exhibit C.



SPECIAL TERMS AND CONDITIONS

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1. RESOLUTION OF CONFLICTING CONDITIONS

Any apparent inconsistency between Federal statutes and regulations and the terms and conditions contained in this award must be referred to the DOE Award Administrator for guidance.

2. AWARD AGREEMENT TERMS AND CONDITIONS

This award/agreement consists of the Assistance Agreement, plus the following:

- a. Special Terms and Conditions.
- b. Attachments:

Attachment Number	Title
1.	Intellectual Property Provisions
2.	Statement of Project Objectives
3.	Federal Assistance Reporting Checklist and Instructions
4.	Budget Pages (SF 424A)
- c. DOE Assistance Regulations, 10 CFR Part 600 at <http://ecfr.gpoaccess.gov>.
- d. Application/proposal as approved by DOE.
- e. National Policy Assurances to Be Incorporated as Award Terms in effect on date of award at http://management.energy.gov/business_doe/1374.htm.

3. ELECTRONIC AUTHORIZATION OF AWARD DOCUMENTS

Acknowledgement of award documents by the Recipient's authorized representative through electronic systems used by the Department of Energy, specifically FedConnect, constitutes the Recipient's acceptance of the terms and conditions of the award. Acknowledgement via FedConnect by the Recipient's authorized representative constitutes the Recipient's electronic signature.

4. PAYMENT PROCEDURES - ADVANCES THROUGH THE AUTOMATED STANDARD APPLICATION FOR PAYMENTS (ASAP) SYSTEM

- a. Method of Payment. Payment will be made by advances through the Department of Treasury's ASAP system.
- b. Requesting Advances. Requests for advances must be made through the ASAP system. You may submit requests as frequently as required to meet your needs to disburse funds for the Federal share of project costs. If feasible, you should time each request so that you receive payment on the same day that you disperse funds for direct project costs and the proportionate share of any allowable indirect costs. If same-day transfers are not feasible, advance payments must be as close to actual disbursements as administratively feasible.
- c. Adjusting payment requests for available cash. You must disburse any funds that are available from repayments to and interest earned on a revolving fund, program income,

rebates, refunds, contract settlements, audit recoveries, credits, discounts, and interest earned on any of those funds before requesting additional cash payments from DOE.

- d. Payments. All payments are made by electronic funds transfer to the bank account identified on the ASAP Bank Information Form that you filed with the U.S. Department of Treasury.

5. CEILING ON ADMINISTRATIVE COSTS

- a. Local government and Non-profits may not use more than 10 percent of amounts provided under this program (EISA Sec 545 (b)(3)(A)), for administrative expenses, excluding the costs of meeting the reporting requirements under Title V, Subtitle E of EISA.
- b. Recipients are expected to manage their administrative costs. DOE will not amend an award solely to provide additional funds for changes in administrative costs. The Recipient shall not be reimbursed on this project for any final administrative costs that are in excess of the designated 10 percent administrative cost ceiling. In addition, the Recipient shall neither count costs in excess of the administrative cost ceiling as cost share, nor allocate such costs to other federally sponsored project, unless approved by the Contracting Officer.

6. LIMITATIONS ON USE OF FUNDS

- a. By accepting funds under this award, you agree that none of the funds obligated on the award shall be expended, directly or indirectly, for gambling establishments, aquariums, zoos, golf courses or swimming pools.
- b. Recipients may use not more than 50 percent of the amounts provided for a loan loss reserve to support loans made with private and public funds and to support a sale of loans made by a grantee or third-party lenders into a secondary market.
- c. Local government and Non-Profits may not use more than 20 percent of the amounts provided or \$250,000, whichever is greater (EISA Sec 545 (b)(3)(B)), for the establishment of revolving loan funds.

7. REIMBURSABLE INDIRECT AND FRINGE BENEFIT COSTS

- a. The Recipient is expected to manage their final negotiated project budgets, including their indirect costs and fringe benefit costs. DOE will not amend an award solely to provide additional funds for changes in the indirect and/or fringe benefit costs or for changes in rates used for calculating these costs. DOE recognizes that the inability to obtain full reimbursement for indirect or fringe benefit costs means the Recipient must absorb the underrecovery. Such underrecovery may be allocated as part of the Recipient's cost share.

- b. If actual allowable indirect and/or fringe benefit costs are less than those budgeted and funded under the award, the Recipient may use the difference to pay additional allowable direct costs during the project period. If at the completion of the award the Government's share of total allowable costs (i.e., direct and indirect), is less than the total costs reimbursed, the Recipient must refund the difference.

8. USE OF PROGRAM INCOME

If you earn program income during the project period as a result of this award, you may add the program income to the funds committed to the award and used to further eligible project objectives.

9. STATEMENT OF FEDERAL STEWARDSHIP

DOE will exercise normal Federal stewardship in overseeing the project activities performed under this award. Stewardship activities include, but are not limited to, conducting site visits; reviewing performance and financial reports; providing technical assistance and/or temporary intervention in unusual circumstances to correct deficiencies which develop during the project; assuring compliance with terms and conditions; and reviewing technical performance after project completion to ensure that the award objectives have been accomplished.

10. SITE VISITS

DOE's authorized representatives have the right to make site visits at reasonable times to review project accomplishments and management control systems and to provide technical assistance, if required. You must provide, and must require your subawardees to provide, reasonable access to facilities, office space, resources, and assistance for the safety and convenience of the government representatives in the performance of their duties. All site visits and evaluations must be performed in a manner that does not unduly interfere with or delay the work.

11. REPORTING REQUIREMENTS

- a. Requirements. The reporting requirements for this award are identified on the Federal Assistance Reporting Checklist, DOE F 4600.2, attached to this award. Failure to comply with these reporting requirements is considered a material noncompliance with the terms of the award. Noncompliance may result in withholding of future payments, suspension or termination of the current award, and withholding of future awards. A willful failure to perform, a history of failure to perform, or unsatisfactory performance of this and/or other financial assistance awards, may also result in a debarment action to preclude future awards by Federal agencies.
- b. Additional Recovery Act Reporting Requirements are found in the Provision below labeled: "REPORTING AND REGISTRATION REQUIREMENTS UNDER SECTION 1512 OF THE RECOVERY ACT."

12. PUBLICATIONS

- a. You are encouraged to publish or otherwise make publicly available the results of the work conducted under the award.
- b. An acknowledgment of DOE support and a disclaimer must appear in the publication of any material, whether copyrighted or not, based on or developed under this project, as follows:

Acknowledgment: “This material is based upon work supported by the Department of Energy [National Nuclear Security Administration] [add name(s) of other agencies, if applicable] under Award Number(s) [enter the award number(s)].”

Disclaimer: “This report was prepared as an account of work sponsored by an agency of the United States Government. Neither the United States Government nor any agency thereof, nor any of their employees, makes any warranty, express or implied, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use would not infringe privately owned rights. Reference herein to any specific commercial product, process, or service by trade name, trademark, manufacturer, or otherwise does not necessarily constitute or imply its endorsement, recommendation, or favoring by the United States Government or any agency thereof. The views and opinions of authors expressed herein do not necessarily state or reflect those of the United States Government or any agency thereof.”

13. FEDERAL, STATE, AND MUNICIPAL REQUIREMENTS

You must obtain any required permits, ensure the safety and structural integrity of any repair, replacement, construction and/or alteration, and comply with applicable federal, state, and municipal laws, codes, and regulations for work performed under this award.

14. INTELLECTUAL PROPERTY PROVISIONS AND CONTACT INFORMATION

- a. The intellectual property provisions applicable to this award are provided as an attachment to this award or are referenced in the Agreement Cover Page. A list of all intellectual property provisions may be found at http://www.gc.doe.gov/financial_assistance_awards.htm.
- b. Questions regarding intellectual property matters should be referred to the DOE Award Administrator identified and the Patent Counsel designated as the service provider for the DOE office that issued the award. The IP Service Providers List is found at [http://www.gc.doe.gov/documents/Intellectual_Property_\(IP\)_Service_Providers_for_Acquisition.pdf](http://www.gc.doe.gov/documents/Intellectual_Property_(IP)_Service_Providers_for_Acquisition.pdf)
- c. The IP Service Provider for the Golden Field Office is Julia Moody, who may be reached at julia.moody@go.doe.gov or 303-275-4867.

15. LOBBYING RESTRICTIONS

By accepting funds under this award, you agree that none of the funds obligated on the award shall be expended, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before Congress, other than to communicate to Members of Congress as described in 18 U.S.C. 1913. This restriction is in addition to those prescribed elsewhere in statute and regulation.

16. NATIONAL ENVIRONMENTAL POLICY ACT (NEPA) REQUIREMENTS

You are restricted from taking any action using Federal funds, which would have an adverse effect on the environment or limit the choice of reasonable alternatives prior to DOE providing either a NEPA clearance or a final NEPA decision regarding this project.

If you move forward with activities that are not authorized for Federal funding by the DOE Contracting Officer in advance of the final NEPA decision, you are doing so at risk of not receiving Federal funding and such costs may not be recognized as allowable cost share.

You are prohibited from implementing energy efficiency improvements and renewable energy generation opportunities, including demolition, repair, replacement, installation, construction, disposal, or alteration activities until such time that you comply with the Waste Stream and Historic Preservation clauses.

If this award includes construction activities, you must submit an environmental evaluation report/evaluation notification form addressing NEPA issues prior to DOE initiating the NEPA process.

If you intend to make changes to the scope or objective of your project you are required to contact the DOE Project Officer identified in Block 15 of the Assistance Agreement before proceeding. You must receive notification of approval from the DOE Contracting Officer prior to commencing with work beyond that currently approved.

DOE has made a NEPA determination for this award. All projects under this award are bounded in compliance with the uploaded and signed Statement of Work for expedited NEPA review. The projects within the scope of the Statement of Work comprise of actions to conserve energy. Any projects that fall outside the Statement of Work are conditioned pending further NEPA review. DOE has made a final NEPA Determination for this project, which is categorically excluded from further NEPA review.

17. HISTORIC PRESERVATION

Prior to the expenditure of Project funds to alter any historic structure or site, the Recipient or subrecipient shall ensure that it is compliant with Section 106 of the National Historic Preservation Act (NHPA), consistent with DOE's 2009 letter of delegation of authority regarding the NHPA. Section 106 applies to historic properties

that are listed in or eligible for listing in the National Register of Historic Places. If applicable, the Recipient or subrecipient must contact the State Historic Preservation Officer (SHPO), and the Tribal Historic Preservation Officer (THPO) to coordinate the Section 106 review outlined in 36 CFR Part 800. In the event that a State, State SHPO and DOE enter into a Programmatic Agreement, the terms of that Programmatic Agreement shall apply to all recipient and subrecipient activities within that State. SHPO contact information is available at the following link: <http://www.ncshpo.org/find/index.htm>. THPO contact information is available at the following link: <http://www.nathpo.org/map.html>. Section 110(k) of the NHPA applies to DOE funded activities.

The Recipient or subrecipient certifies that it will retain sufficient documentation to demonstrate that the Recipient or subrecipient has received required approval(s) from the SHPO or THPO for the Project. Recipients or subrecipients shall avoid taking any action that results in an adverse effect to historic properties pending compliance with Section 106. The Recipient or subrecipient shall deem compliance with Section 106 of the NHPA complete only after it has received this documentation. The Recipient or subrecipient shall make this documentation available to DOE on DOE's request (for example, during a post-award audit). Recipient will be required to report annually on September 1 the disposition of all historic preservation consultations by category.

18. WASTE STREAM

The Recipient assures that it will create or obtain a waste management plan addressing waste generated by a proposed Project prior to the Project generating waste. This waste management plan will describe the Recipient's or subrecipient's plan to dispose of any sanitary or hazardous waste (e.g., construction and demolition debris, old light bulbs, lead ballasts, piping, roofing material, discarded equipment, debris, and asbestos) generated as a result of the proposed Project. The Recipient shall ensure that the Project is in compliance with all Federal, state and local regulations for waste disposal. The Recipient shall make the waste management plan and related documentation available to DOE on DOE's request (for example, during a post-award audit).

19. DECONTAMINATION AND/OR DECOMMISSIONING (D&D) COSTS

Notwithstanding any other provisions of this Agreement, the Government shall not be responsible for or have any obligation to the Recipient for (i) Decontamination and/or Decommissioning (D&D) of any of the Recipient's facilities, or (ii) any costs which may be incurred by the Recipient in connection with the D&D of any of its facilities due to the performance of the work under this Agreement, whether said work was performed prior to or subsequent to the effective date of the Agreement.

20. SUBGRANTS, SUBCONTRACTS, AND LOANS

- a. The Recipient hereby warrants that it will ensure that all activities by sub-grantee(s) and loan recipients are consistent with the approved Statement of Project Objectives.
- b. Upon the Recipient's selection of the sub-grantee(s) and loan recipients, the Recipient shall notify (i.e. approval not required) the DOE Project Officer with the following information for each, regardless of dollar amount:
 - Name of Sub-Grantee
 - DUNS Number
 - Award Amount
 - Statement of work including applicable activities
- c. In addition to the information in paragraph b. above, for each sub-grant and loan that has an estimated cost greater than \$10,000,000, the recipient must submit for approval by the Contracting Officer, a SF424A Budget Information - Nonconstruction Programs, and PMC 123.1 Cost Reasonableness Determination for Financial Assistance (available at <http://www.eere-pmc.energy.gov/forms.aspx>).

21. INSOLVENCY, BANKRUPTCY OR RECEIVERSHIP

- a. You shall immediately notify the DOE of the occurrence of any of the following events:
 - (i) you or your parent's filing of a voluntary case seeking liquidation or reorganization under the Bankruptcy Act; (ii) your consent to the institution of an involuntary case under the Bankruptcy Act against you or your parent; (iii) the filing of any similar proceeding for or against you or your parent, or your consent to the dissolution, winding-up or readjustment of your debts, appointment of a receiver, conservator, trustee, or other officer with similar powers over you, under any other applicable state or federal law; or (iv) your insolvency due to its inability to pay debts generally as they become due.
- b. Such notification shall be in writing and shall: (i) specifically set out the details of the occurrence of an event referenced in paragraph (a); (ii) provide the facts surrounding that event; and (iii) provide the impact such event will have on the project being funded by this award.
- c. Upon the occurrence of any of the four events described in paragraph a. of this provision, DOE reserves the right to conduct a review of your award to determine your compliance with the required elements of the award (including such items as cost share, progress towards technical project objectives, and submission of required reports). If the DOE review determines that there are significant deficiencies or concerns with your performance under the award, DOE reserves the right to impose additional requirements, as needed, including (i) change of payment method; or (ii) institute payment controls.
- d. Failure of the Recipient to comply with this provision may be considered a material noncompliance of this financial assistance award by the Contracting Officer.

22. ADVANCE UNDERSTANDING CONCERNING PUBLICLY FINANCED ENERGY IMPROVEMENT PROGRAMS

The parties recognize that the Recipient may use funds under this award for Property-Assessed Clean Energy (PACE) loans, Sustainable Energy Municipal Financing, Clean Energy Assessment Districts, Energy Loan Tax Assessment Programs (ELTAPS), or any other form or derivation of Special Taxing District whereby taxing entities collect payments through increased tax assessments for energy efficiency and renewable energy building improvements made by their constituents. The Department of Energy intends to publish "Best Practices" or other guidelines pertaining to the use of funds made available to the Recipient under this award pertaining to the programs identified herein. By accepting this award, the Recipient agrees to incorporate, to the maximum extent practicable, those Best Practices and other guidelines into any such program(s) within a reasonable time after notification by DOE that the Best Practices or guidelines have been made available. The Recipient also agrees, by its acceptance of this award, to require its sub-recipients to incorporate to the maximum extent practicable the best practices and other guideline into any such program used by the sub-recipient.

23. SPECIAL PROVISIONS RELATING TO WORK FUNDED UNDER AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (May 2009)

Preamble

The American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, (Recovery Act) was enacted to preserve and create jobs and promote economic recovery, assist those most impacted by the recession, provide investments needed to increase economic efficiency by spurring technological advances in science and health, invest in transportation, environmental protection, and other infrastructure that will provide long-term economic benefits, stabilize State and local government budgets, in order to minimize and avoid reductions in essential services and counterproductive State and local tax increases. Recipients shall use grant funds in a manner that maximizes job creation and economic benefit.

The Recipient shall comply with all terms and conditions in the Recovery Act relating generally to governance, accountability, transparency, data collection and resources as specified in Act itself and as discussed below.

Recipients should begin planning activities for their first tier subrecipients, including obtaining a DUNS number (or updating the existing DUNS record), and registering with the Central Contractor Registration (CCR).

Be advised that Recovery Act funds can be used in conjunction with other funding as necessary to complete projects, but tracking and reporting must be separate to meet the reporting requirements of the Recovery Act and related guidance. For projects funded by sources other than the Recovery Act, Contractors must keep separate records for Recovery Act funds and to ensure those records comply with the requirements of the Act.

The Government has not fully developed the implementing instructions of the Recovery Act, particularly concerning specific procedural requirements for the new reporting requirements. The Recipient will be provided these details as they become available. The Recipient must comply with all requirements of the Act. If the recipient believes there is any inconsistency between ARRA requirements and current award terms and conditions, the issues will be referred to the Contracting Officer for reconciliation.

Definitions

For purposes of this clause, Covered Funds means funds expended or obligated from appropriations under the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5. Covered Funds will have special accounting codes and will be identified as Recovery Act funds in the grant, cooperative agreement or TIA and/or modification using Recovery Act funds. Covered Funds must be reimbursed by September 30, 2015.

Non-Federal employer means any employer with respect to covered funds -- the contractor, subcontractor, grantee, or recipient, as the case may be, if the contractor, subcontractor, grantee, or recipient is an employer; and any professional membership organization, certification of other professional body, any agent or licensee of the Federal government, or any person acting directly or indirectly in the interest of an employer receiving covered funds; or with respect to covered funds received by a State or local government, the State or local government receiving the funds and any contractor or subcontractor receiving the funds and any contractor or subcontractor of the State or local government; and does not mean any department, agency, or other entity of the federal government.

Recipient means any entity that receives Recovery Act funds directly from the Federal government (including Recovery Act funds received through grant, loan, or contract) other than an individual and includes a State that receives Recovery Act Funds.

Special Provisions

A. Flow Down Requirement

Recipients must include these special terms and conditions in any subaward.

B. Segregation of Costs

Recipients must segregate the obligations and expenditures related to funding under the Recovery Act. Financial and accounting systems should be revised as necessary to segregate, track and maintain these funds apart and separate from other revenue streams. No part of the funds from the Recovery Act shall be commingled with any other funds or used for a purpose other than that of making payments for costs allowable for Recovery Act projects.

C. Prohibition on Use of Funds

None of the funds provided under this agreement derived from the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, may be used by any State or local government, or any private entity, for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool.

D. Access to Records

With respect to each financial assistance agreement awarded utilizing at least some of the funds appropriated or otherwise made available by the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, any representative of an appropriate inspector general appointed under section 3 or 8G of the Inspector General Act of 1988 (5 U.S.C. App.) or of the Comptroller General is authorized --

- (1) to examine any records of the contractor or grantee, any of its subcontractors or subgrantees, or any State or local agency administering such contract that pertain to, and involve transactions that relate to, the subcontract, subgrant, grant, or subgrant; and
- (2) to interview any officer or employee of the contractor, grantee, subgrantee, or agency regarding such transactions.

E. Publication

An application may contain technical data and other data, including trade secrets and/or privileged or confidential information, which the applicant does not want disclosed to the public or used by the Government for any purpose other than the application. To protect such data, the applicant should specifically identify each page including each line or paragraph thereof containing the data to be protected and mark the cover sheet of the application with the following Notice as well as referring to the Notice on each page to which the Notice applies:

Notice of Restriction on Disclosure and Use of Data

The data contained in pages ---- of this application have been submitted in confidence and contain trade secrets or proprietary information, and such data shall be used or disclosed only for evaluation purposes, provided that if this applicant receives an award as a result of or in connection with the submission of this application, DOE shall have the right to use or disclose the data here to the extent provided in the award. This restriction does not limit the Government's right to use or disclose data obtained without restriction from any source, including the applicant.

Information about this agreement will be published on the Internet and linked to the website www.recovery.gov, maintained by the Accountability and Transparency Board. The Board may exclude posting contractual or other information on the website on a case-by-case basis when necessary to protect national security or to protect information that is not subject to disclosure under sections 552 and 552a of title 5, United States Code.

F. Protecting State and Local Government and Contractor Whistleblowers.

The requirements of Section 1553 of the Act are summarized below. They include, but are not limited to:

Prohibition on Reprisals: An employee of any non-Federal employer receiving covered funds under the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing, including a disclosure made in the ordinary course of an employee's duties, to the Accountability and Transparency Board, an inspector general, the Comptroller General, a member of Congress, a State or Federal regulatory or law enforcement agency, a person with supervisory authority over the employee (or other person working for the employer who has the authority to investigate, discover or terminate misconduct), a court or grand jury, the head of a Federal agency, or their representatives information that the employee believes is evidence of:

- gross management of an agency contract or grant relating to covered funds;
- a gross waste of covered funds;
- a substantial and specific danger to public health or safety related to the implementation or use of covered funds;
- an abuse of authority related to the implementation or use of covered funds; or
- as violation of law, rule, or regulation related to an agency contract (including the competition for or negotiation of a contract) or grant, awarded or issued relating to covered funds.

Agency Action: Not later than 30 days after receiving an inspector general report of an alleged reprisal, the head of the agency shall determine whether there is sufficient basis to conclude that the non-Federal employer has subjected the employee to a prohibited reprisal. The agency shall either issue an order denying relief in whole or in part or shall take one or more of the following actions:

- Order the employer to take affirmative action to abate the reprisal.
- Order the employer to reinstate the person to the position that the person held before the reprisal, together with compensation including back pay, compensatory damages, employment benefits, and other terms and conditions of employment that would apply to the person in that position if the reprisal had not been taken.
- Order the employer to pay the employee an amount equal to the aggregate amount of all costs and expenses (including attorneys' fees and expert witnesses' fees) that were reasonably incurred by the employee for or in connection with, bringing the complaint regarding the reprisal, as determined by the head of a court of competent jurisdiction.

Nonenforceability of Certain Provisions Waiving Rights and remedies or Requiring Arbitration: Except as provided in a collective bargaining agreement, the rights and remedies provided to aggrieved employees by this section may not be waived by any agreement, policy, form, or condition of employment, including any predispute arbitration agreement. No predispute arbitration agreement shall be valid or enforceable if it requires arbitration of a dispute arising out of this section.

Requirement to Post Notice of Rights and Remedies: Any employer receiving covered funds under the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, shall post notice of the rights and remedies as required therein. (Refer to section 1553 of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, www.Recovery.gov, for specific requirements of this section and prescribed language for the notices.).

G. Reserved

H. False Claims Act

Recipient and sub-recipients shall promptly refer to the DOE or other appropriate Inspector General any credible evidence that a principal, employee, agent, contractor, sub-grantee, subcontractor or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity or similar misconduct involving those funds.

I. Information in Support of Recovery Act Reporting

Recipient may be required to submit backup documentation for expenditures of funds under the Recovery Act including such items as timecards and invoices. Recipient shall provide copies of backup documentation at the request of the Contracting Officer or designee.

J. Availability of Funds

Funds obligated to this award are available for reimbursement of costs until 36 months after the award date.

K. Additional Funding Distribution and Assurance of Appropriate Use of Funds

Certification by Governor – For funds provided to any State or agency thereof by the American Reinvestment and Recovery Act of 2009, Pub. L. 111-5, the Governor of the State shall certify that: 1) the state will request and use funds provided by the Act; and 2) the funds will be used to create jobs and promote economic growth.

Acceptance by State Legislature -- If funds provided to any State in any division of the Act are not accepted for use by the Governor, then acceptance by the State legislature, by means of the adoption of a concurrent resolution, shall be sufficient to provide funding to such State.

Distribution -- After adoption of a State legislature's concurrent resolution, funding to the State will be for distribution to local governments, councils of government, public entities, and public-private entities within the State either by formula or at the State's discretion.

L. Certifications

With respect to funds made available to State or local governments for infrastructure

investments under the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, the Governor, mayor, or other chief executive, as appropriate, certified by acceptance of this award that the infrastructure investment has received the full review and vetting required by law and that the chief executive accepts responsibility that the infrastructure investment is an appropriate use of taxpayer dollars. Recipient shall provide an additional certification that includes a description of the investment, the estimated total cost, and the amount of covered funds to be used for posting on the Internet. A State or local agency may not receive infrastructure investment funding from funds made available by the Act unless this certification is made and posted.

24. REPORTING AND REGISTRATION REQUIREMENTS UNDER SECTION 1512 OF THE RECOVERY ACT

- (a) This award requires the recipient to complete projects or activities which are funded under the American Recovery and Reinvestment Act of 2009 (Recovery Act) and to report on use of Recovery Act funds provided through this award. Information from these reports will be made available to the public.
- (b) The reports are due no later than ten calendar days after each calendar quarter in which the Recipient receives the assistance award funded in whole or in part by the Recovery Act.
- (c) Recipients and their first-tier subrecipients must maintain current registrations in the Central Contractor Registration (<http://www.ccr.gov>) at all times during which they have active federal awards funded with Recovery Act funds. A Dun and Bradstreet Data Universal Numbering System (DUNS) Number (<http://www.dnb.com>) is one of the requirements for registration in the Central Contractor Registration.
- (d) The recipient shall report the information described in section 1512(c) of the Recovery Act using the reporting instructions and data elements that will be provided online at <http://www.FederalReporting.gov> and ensure that any information that is pre-filled is corrected or updated as needed.

25. NOTICE REGARDING THE PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS -- SENSE OF CONGRESS

It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available under this award should be American-made.

*Special Note: Definitization of the Provisions entitled, "REQUIRED USE OF AMERICAN IRON, STEEL, AND MANUFACTURED GOODS – SECTION 1605 OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009" and "REQUIRED USE OF AMERICAN IRON, STEEL, AND MANUFACTURED GOODS (COVERED UNDER INTERNATIONAL AGREEMENTS) – SECTION 1605 OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009" will be done upon definition and review of final activities.

26. REQUIRED USE OF AMERICAN IRON, STEEL, AND MANUFACTURED GOODS – SECTION 1605 OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

If the Recipient determines at any time that any construction, alteration, or repair activity on a public building or public works will be performed during the course of the project, the Recipient shall notify the Contracting Officer prior to commencing such work and the following provisions shall apply.

(a) *Definitions.* As used in this award term and condition--

(1) *Manufactured good* means a good brought to the construction site for incorporation into the building or work that has been--

(i) Processed into a specific form and shape; or

(ii) Combined with other raw material to create a material that has different properties than the properties of the individual raw materials.

(2) *Public building and public work* means a public building of, and a public work of, a governmental entity (the United States; the District of Columbia; commonwealths, territories, and minor outlying islands of the United States; State and local governments; and multi-State, regional, or interstate entities which have governmental functions). These buildings and works may include, without limitation, bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, power lines, pumping stations, heavy generators, railways, airports, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, and canals, and the construction, alteration, maintenance, or repair of such buildings and works.

(3) *Steel* means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

(b) *Domestic preference.*

(1) This award term and condition implements Section 1605 of the American Recovery and Reinvestment Act of 2009 (Recovery Act) (Pub. L. 111--5), by requiring that all iron, steel, and manufactured goods used in the project are produced in the United States except as provided in paragraph (b)(3) of this section and condition.

(2) This requirement does not apply to the material listed by the Federal Government as follows: None.

(3) The award official may add other iron, steel, and/or manufactured goods to the list in paragraph (b)(2) of this section and condition if the Federal Government determines that--

(i) The cost of the domestic iron, steel, and/or manufactured goods would be unreasonable.

The cost of domestic iron, steel, or manufactured goods used in the project is unreasonable when the cumulative cost of such material will increase the cost of the overall project by more than 25 percent;

(ii) The iron, steel, and/or manufactured good is not produced, or manufactured in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or

(iii) The application of the restriction of section 1605 of the Recovery Act would be inconsistent with the public interest.

(c) Request for determination of inapplicability of Section 1605 of the Recovery Act.

(1)(i) Any recipient request to use foreign iron, steel, and/or manufactured goods in accordance with paragraph (b)(3) of this section shall include adequate information for Federal Government evaluation of the request, including--

(A) A description of the foreign and domestic iron, steel, and/or manufactured goods;

(B) Unit of measure;

(C) Quantity;

(D) Cost;

(E) Time of delivery or availability;

(F) Location of the project;

(G) Name and address of the proposed supplier; and

(H) A detailed justification of the reason for use of foreign iron, steel, and/or manufactured goods cited in accordance with paragraph (b)(3) of this section.

(ii) A request based on unreasonable cost shall include a reasonable survey of the market and a completed cost comparison table in the format in paragraph (d) of this section.

(iii) The cost of iron, steel, and/or manufactured goods material shall include all delivery costs to the construction site and any applicable duty.

(iv) Any recipient request for a determination submitted after Recovery Act funds have been obligated for a project for construction, alteration, maintenance, or repair shall explain why the recipient could not reasonably foresee the need for such determination and could not have requested the determination before the funds were obligated. If the recipient does not submit a satisfactory explanation, the award official need not make a determination.

(2) If the Federal Government determines after funds have been obligated for a project for

construction, alteration, maintenance, or repair that an exception to section 1605 of the Recovery Act applies, the award official will amend the award to allow use of the foreign iron, steel, and/or relevant manufactured goods. When the basis for the exception is nonavailability or public interest, the amended award shall reflect adjustment of the award amount, redistribution of budgeted funds, and/or other actions taken to cover costs associated with acquiring or using the foreign iron, steel, and/or relevant manufactured goods. When the basis for the exception is the unreasonable cost of the domestic iron, steel, or manufactured goods, the award official shall adjust the award amount or redistribute budgeted funds by at least the differential established in 2 CFR 176.110(a).

(3) Unless the Federal Government determines that an exception to section 1605 of the Recovery Act applies, use of foreign iron, steel, and/or manufactured goods is noncompliant with section 1605 of the American Recovery and Reinvestment Act.

(d) *Data.* To permit evaluation of requests under paragraph (b) of this section based on unreasonable cost, the Recipient shall include the following information and any applicable supporting data based on the survey of suppliers:

Foreign and Domestic Items Cost Comparison

Description	Unit of measure	Quantity	Cost (dollars)*
<i>Item 1:</i>			
Foreign steel, iron, or manufactured good	_____	_____	_____
Domestic steel, iron, or manufactured good	_____	_____	_____
<i>Item 2:</i>			
Foreign steel, iron, or manufactured good	_____	_____	_____
Domestic steel, iron, or manufactured good	_____	_____	_____

[List name, address, telephone number, email address, and contact for suppliers surveyed. Attach copy of response; if oral, attach summary.]

[Include other applicable supporting information.]

[*Include all delivery costs to the construction site.]

27. REQUIRED USE OF AMERICAN IRON, STEEL, AND MANUFACTURED GOODS (COVERED UNDER INTERNATIONAL AGREEMENTS) – SECTION 1605 OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

(a) *Definitions.* As used in this award term and condition--

Designated country --

(1) A World Trade Organization Government Procurement Agreement country (Aruba, Austria, Belgium, Bulgaria, Canada, Chinese Taipei (Taiwan), Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea (Republic of), Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, and United Kingdom);

(2) A Free Trade Agreement (FTA) country (Australia, Bahrain, Canada, Chile, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Israel, Mexico, Morocco, Nicaragua, Oman, Peru, or Singapore);

(3) A United States-European Communities Exchange of Letters (May 15, 1995) country: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovak Republic, Slovenia, Spain, Sweden, and United Kingdom; or

(4) An Agreement between Canada and the United States of America on Government Procurement country (Canada).

Designated country iron, steel, and/or manufactured goods --

(1) Is wholly the growth, product, or manufacture of a designated country; or

(2) In the case of a manufactured good that consist in whole or in part of materials from another country, has been substantially transformed in a designated country into a new and different manufactured good distinct from the materials from which it was transformed.

Domestic iron, steel, and/or manufactured good --

(1) Is wholly the growth, product, or manufacture of the United States; or

(2) In the case of a manufactured good that consists in whole or in part of materials from another country, has been substantially transformed in the United States into a new and different manufactured good distinct from the materials from which it was transformed. There is no requirement with regard to the origin of components or subcomponents in manufactured goods or products, as long as the manufacture of the goods occurs in the United States.

Foreign iron, steel, and/or manufactured good means iron, steel and/or manufactured good that is not domestic or designated country iron, steel, and/or manufactured good.

Manufactured good means a good brought to the construction site for incorporation into the building or work that has been

- (1) Processed into a specific form and shape; or
- (2) Combined with other raw material to create a material that has different properties than the properties of the individual raw materials.

Public building and public work means a public building of, and a public work of, a governmental entity (the United States; the District of Columbia; commonwealths, territories, and minor outlying islands of the United States; State and local governments; and multi-State, regional, or interstate entities which have governmental functions). These buildings and works may include, without limitation, bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, power lines, pumping stations, heavy generators, railways, airports, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, and canals, and the construction, alteration, maintenance, or repair of such buildings and works.

Steel means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

(b) *Iron, steel, and manufactured goods.*

(1) The award term and condition described in this section implements-

(i) Section 1605(a) of the American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5) (Recovery Act), by requiring that all iron, steel, and manufactured goods used in the project are produced in the United States; and

(ii) Section 1605(d), which requires application of the Buy American requirement in a manner consistent with U.S. obligations under international agreements. The restrictions of section 1605 of the Recovery Act do not apply to designated country iron, steel, and/or manufactured goods. The Buy American requirement in section 1605 shall not be applied where the iron, steel or manufactured goods used in the project are from a Party to an international agreement that obligates the recipient to treat the goods and services of that Party the same as domestic goods and services. As of January 1, 2010, this obligation shall only apply to projects with an estimated value of \$7,804,000 or more.

(2) The recipient shall use only domestic or designated country iron, steel, and manufactured goods in performing the work funded in whole or part with this award, except as provided in paragraphs (b)(3) and (b)(4) of this section.

(3) The requirement in paragraph (b)(2) of this section does not apply to the iron, steel, and manufactured goods listed by the Federal Government as follows: None.

(4) The award official may add other iron, steel, and manufactured goods to the list in paragraph (b)(3) of this section if the Federal Government determines that--

(i) The cost of domestic iron, steel, and/or manufactured goods would be unreasonable. The cost of domestic iron, steel, and/or manufactured goods used in the project is unreasonable when the cumulative cost of such material will increase the overall cost of the project by more than 25 percent;

(ii) The iron, steel, and/or manufactured good is not produced, or manufactured in the United States in sufficient and reasonably available commercial quantities of a satisfactory quality;
or

(iii) The application of the restriction of section 1605 of the Recovery Act would be inconsistent with the public interest.

(c) Request for determination of inapplicability of section 1605 of the Recovery Act or the Buy American Act.

(1)(i) Any recipient request to use foreign iron, steel, and/or manufactured goods in accordance with paragraph (b)(4) of this section shall include adequate information for Federal Government evaluation of the request, including--

(A) A description of the foreign and domestic iron, steel, and/or manufactured goods;

(B) Unit of measure;

(C) Quantity;

(D) Cost;

(E) Time of delivery or availability;

(F) Location of the project;

(G) Name and address of the proposed supplier; and

(H) A detailed justification of the reason for use of foreign iron, steel, and/or manufactured goods cited in accordance with paragraph (b)(4) of this section.

(ii) A request based on unreasonable cost shall include a reasonable survey of the market and a completed cost comparison table in the format in paragraph (d) of this section.

(iii) The cost of iron, steel, or manufactured goods shall include all delivery costs to the construction site and any applicable duty.

(iv) Any recipient request for a determination submitted after Recovery Act funds have been obligated for a project for construction, alteration, maintenance, or repair shall explain why the recipient could not reasonably foresee the need for such determination and could not have requested the determination before the funds were obligated. If the recipient does not submit

a satisfactory explanation, the award official need not make a determination.

(2) If the Federal Government determines after funds have been obligated for a project for construction, alteration, maintenance, or repair that an exception to section 1605 of the Recovery Act applies, the award official will amend the award to allow use of the foreign iron, steel, and/or relevant manufactured goods. When the basis for the exception is nonavailability or public interest, the amended award shall reflect adjustment of the award amount, redistribution of budgeted funds, and/or other appropriate actions taken to cover costs associated with acquiring or using the foreign iron, steel, and/or relevant manufactured goods. When the basis for the exception is the unreasonable cost of the domestic iron, steel, or manufactured goods, the award official shall adjust the award amount or redistribute budgeted funds, as appropriate, by at least the differential established in 2 CFR 176.110(a).

(3) Unless the Federal Government determines that an exception to section 1605 of the Recovery Act applies, use of foreign iron, steel, and/or manufactured goods other than designated country iron, steel, and/or manufactured goods is noncompliant with the applicable Act.

(d) *Data.* To permit evaluation of requests under paragraph (b) of this section based on unreasonable cost, the applicant shall include the following information and any applicable supporting data based on the survey of suppliers:

Foreign and Domestic Items Cost Comparison

Description	Unit of measure	Quantity	Cost (dollars)*
<i>Item 1:</i>			
Foreign steel, iron, or manufactured good	_____	_____	_____
Domestic steel, iron, or manufactured good	_____	_____	_____
<i>Item 2:</i>			
Foreign steel, iron, or manufactured good	_____	_____	_____
Domestic steel, iron, or manufactured good	_____	_____	_____

[List name, address, telephone number, email address, and contact for suppliers surveyed. Attach copy of response; if oral, attach summary.]

[Include other applicable supporting information.]

[*Include all delivery costs to the construction site.]

28. WAGE RATE REQUIREMENTS UNDER SECTION 1606 OF THE RECOVERY ACT

(a) Section 1606 of the Recovery Act requires that all laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the Federal Government pursuant to the Recovery Act shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code.

Pursuant to Reorganization Plan No. 14 and the Copeland Act, 40 U.S.C. 3145, the Department of Labor has issued regulations at 29 CFR parts 1, 3, and 5 to implement the Davis-Bacon and related Acts. Regulations in 29 CFR 5.5 instruct agencies concerning application of the standard Davis-Bacon contract clauses set forth in that section. Federal agencies providing grants, cooperative agreements, and loans under the Recovery Act shall ensure that the standard Davis-Bacon contract clauses found in 29 CFR 5.5(a) are incorporated in any resultant covered contracts that are in excess of \$2,000 for construction, alteration or repair (including painting and decorating).

(b) For additional guidance on the wage rate requirements of section 1606, contact your awarding agency. Recipients of grants, cooperative agreements and loans should direct their initial inquiries concerning the application of Davis-Bacon requirements to a particular federally assisted project to the Federal agency funding the project. The Secretary of Labor retains final coverage authority under Reorganization Plan Number 14.

29. RECOVERY ACT TRANSACTIONS LISTED IN SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND RECIPIENT RESPONSIBILITIES FOR INFORMING SUBRECIPIENTS

(a) To maximize the transparency and accountability of funds authorized under the American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5) (Recovery Act) as required by Congress and in accordance with 2 CFR 215.21 "Uniform Administrative Requirements for Grants and Agreements" and OMB Circular A-102 Common Rules provisions, recipients agree to maintain records that identify adequately the source and application of Recovery Act funds. OMB Circular A-102 is available at <http://www.whitehouse.gov/omb/circulars/a102/a102.html>.

(b) For recipients covered by the Single Audit Act Amendments of 1996 and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," recipients agree to separately identify the expenditures for Federal awards under the Recovery Act on the Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form (SF-SAC) required by OMB Circular A-133. OMB Circular A-133 is available at <http://www.whitehouse.gov/omb/circulars/a133/a133.html>. This shall be accomplished by identifying expenditures for Federal awards made under the Recovery Act separately on the SEFA, and as separate rows under Item 9 of Part III on the SF-SAC by CFDA number, and

inclusion of the prefix "ARRA-" in identifying the name of the Federal program on the SEFA and as the first characters in Item 9d of Part III on the SF-SAC.

(c) Recipients agree to separately identify to each subrecipient, and document at the time of subaward and at the time of disbursement of funds, the Federal award number, CFDA number, and amount of Recovery Act funds. When a recipient awards Recovery Act funds for an existing program, the information furnished to subrecipients shall distinguish the subawards of incremental Recovery Act funds from regular subawards under the existing program.

(d) Recipients agree to require their subrecipients to include on their SEFA information to specifically identify Recovery Act funding similar to the requirements for the recipient SEFA described above. This information is needed to allow the recipient to properly monitor subrecipient expenditure of ARRA funds as well as oversight by the Federal awarding agencies, Offices of Inspector General and the Government Accountability Office.

30. DAVIS-BACON ACT AND CONTRACT WORKHOURS AND SAFETY STANDARD ACT

Definitions: For purposes of this provision, "Davis Bacon Act and Contract Work Hours and Safety Standards Act," the following definitions are applicable:

(1) "Award" means any grant, cooperative agreement or technology investment agreement made with Recovery Act funds by the Department of Energy (DOE) to a Recipient. Such Award must require compliance with the labor standards clauses and wage rate requirements of the Davis-Bacon Act (DBA) for work performed by all laborers and mechanics employed by Recipients (other than a unit of State or local government whose own employees perform the construction) Subrecipients, Contractors, and subcontractors.

(2) "Contractor" means an entity that enters into a Contract. For purposes of these clauses, Contractor shall include (as applicable) prime contractors, Recipients, Subrecipients, and Recipients' or Subrecipients' contractors, subcontractors, and lower-tier subcontractors. "Contractor" does not mean a unit of State or local government where construction is performed by its own employees."

(3) "Contract" means a contract executed by a Recipient, Subrecipient, prime contractor, or any tier subcontractor for construction, alteration, or repair. It may also mean (as applicable) (i) financial assistance instruments such as grants, cooperative agreements, technology investment agreements, and loans; and, (ii) Sub awards, contracts and subcontracts issued under financial assistance agreements. "Contract" does not mean a financial assistance instrument with a unit of State or local government where construction is performed by its own employees.

(4) "Contracting Officer" means the DOE official authorized to execute an Award on behalf of DOE and who is responsible for the business management and non-program aspects of the financial assistance process.

(5) "Recipient" means any entity other than an individual that receives an Award of Federal funds in the form of a grant, cooperative agreement, or technology investment agreement directly from the Federal Government and is financially accountable for the use of any DOE funds or property, and is legally responsible for carrying out the terms and conditions of the program and Award.

(6) "Subaward" means an award of financial assistance in the form of money, or property in lieu of money, made under an award by a Recipient to an eligible Subrecipient or by a Subrecipient to a lower-tier subrecipient. The term includes financial assistance when provided by any legal agreement, even if the agreement is called a contract, but does not include the Recipient's procurement of goods and services to carry out the program nor does it include any form of assistance which is excluded from the definition of "Award" above.

(7) "Subrecipient" means a non-Federal entity that expends Federal funds received from a Recipient to carry out a Federal program, but does not include an individual that is a beneficiary of such a program.

(a) Davis Bacon Act

(1) Minimum wages.

(i) All laborers and mechanics employed or working upon the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), will be paid unconditionally and not less often than once a week, and, without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the Contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage

determination for the classification of work actually performed, without regard to skill, except as provided in § 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein, *provided* that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph (a)(1)(ii) of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the Contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

(ii)(A) The Contracting Officer shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the Contract shall be classified in conformance with the wage determination. The Contracting Officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

- (1) The work to be performed by the classification requested is not performed by a classification in the wage determination;
- (2) The classification is utilized in the area by the construction industry; and
- (3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the Contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the Contracting Officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the Contracting Officer to the Administrator of the Wage and Hour Division, U.S. Department of Labor, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the Contracting Officer or will notify the Contracting Officer within the 30-day period that additional time is necessary.

(C) In the event the Contractor, the laborers or mechanics to be employed in the classification or their representatives, and the Contracting Officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the Contracting Officer shall refer the questions, including the views of all interested parties and the recommendation of the Contracting Officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a

determination within 30 days of receipt and so advise the Contracting Officer or will notify the Contracting Officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii)(B) or (C) of this section, shall be paid to all workers performing work in the classification under this Contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the Contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the Contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the Contractor does not make payments to a trustee or other third person, the Contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, *provided* that the Secretary of Labor has found, upon the written request of the Contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the Contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

(2) Withholding. The Department of Energy or the Recipient or Subrecipient shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the Contractor under this Contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the Contractor or any subcontractor the full amount of wages required by the Contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), all or part of the wages required by the Contract, the Department of Energy, Recipient, or Subrecipient, may, after written notice to the Contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(3) Payrolls and basic records.

(i) Payrolls and basic records relating thereto shall be maintained by the Contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work (or under

the United States Housing Act of 1937, or under the Housing Act of 1949, in the construction or development of the project). Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made, and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the Contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

- (ii) (A) The Contractor shall submit weekly for each week in which any Contract work is performed a copy of all payrolls to the Department of Energy if the agency is a party to the Contract, but if the agency is not such a party, the Contractor will submit the payrolls to the Recipient or Subrecipient (as applicable), applicant, sponsor, or owner, as the case may be, for transmission to the Department of Energy. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead, the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <http://www.dol.gov/esa/whd/forms/wh347instr.htm> or its successor site. The prime Contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the Department of Energy if the agency is a party to the Contract, but if the agency is not such a party, the Contractor will submit them to the Recipient or Subrecipient (as applicable), applicant, sponsor, or owner, as the case may be, for transmission to the Department of Energy, the Contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the

sponsoring government agency (or the Recipient or Subrecipient (as applicable), applicant, sponsor, or owner).

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the Contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the Contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under § 5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under § 5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the Contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the Contract.

(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (a)(3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the Contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 3729 of title 31 of the United States Code.

(iii) The Contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the Department of Energy or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the Contractor or subcontractor fails to submit the required records or to make them available, the Federal agency may, after written notice to the Contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

(4) Apprentices and trainees—

- (i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the Contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a Contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the Contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the Contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.
- (ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to

journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the Contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity. The utilization of apprentices, trainees, and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended and 29 CFR part 30.

(5) Compliance with Copeland Act requirements. The Contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this Contract.

(6) Contracts and Subcontracts. The Recipient, Subrecipient, the Recipient's, and Subrecipient's contractors and subcontractor shall insert in any Contracts the clauses contained herein in(a)(1) through (10) and such other clauses as the Department of Energy may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The Recipient shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of the paragraphs in this clause.

(7) Contract termination: debarment. A breach of the Contract clauses in 29 CFR 5.5 may be grounds for termination of the Contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

(8) Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this Contract.

(9) Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this Contract shall not be subject to the general disputes clause of this Contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the Recipient, Subrecipient, the Contractor (or any of its subcontractors), and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

(10) Certification of eligibility.

(i) By entering into this Contract, the Contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the Contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(ii) No part of this Contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

(b) Contract Work Hours and Safety Standards Act. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

(1) Overtime requirements. No Contractor or subcontractor contracting for any part of the Contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (b)(1) of this section, the Contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1) of this section.

(3) Withholding for unpaid wages and liquidated damages. The Department of Energy or the Recipient or Subrecipient shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Contractor or subcontractor under any such contract or any other Federal contract with the same prime Contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.

(4) Contracts and Subcontracts. The Recipient, Subrecipient, and Recipient's and Subrecipient's contractor or subcontractor shall insert in any Contracts, the clauses set forth in paragraph (b)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The Recipient shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (b)(1) through (4) of this section.

(5) The Contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the Contract for all laborers and mechanics, including guards and watchmen, working on the Contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. The records to be maintained under this paragraph shall be made available by the Contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the Department of Energy and the Department of Labor, and the Contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

(c) Recipient Responsibilities for Davis Bacon Act

(1) On behalf of the Department of Energy (DOE), Recipient shall perform the following functions:

(i) Obtain, maintain, and monitor all Davis Bacon Act (DBA) certified payroll records submitted by the Subrecipients and Contractors at any tier under this Award;

(ii) Review all DBA certified payroll records for compliance with DBA requirements, including applicable DOL wage determinations;

(iii) Notify DOE of any non-compliance with DBA requirements by Subrecipients or Contractors at any tier, including any non-compliances identified as the result of reviews performed pursuant to paragraph (ii) above;

- (iv) Address any Subrecipient and any Contractor DBA non-compliance issues; if DBA non-compliance issues cannot be resolved in a timely manner, forward complaints, summary of investigations and all relevant information to DOE;
- (v) Provide DOE with detailed information regarding the resolution of any DBA non-compliance issues;
- (vi) Perform services in support of DOE investigations of complaints filed regarding noncompliance by Subrecipients and Contractors with DBA requirements;
- (vii) Perform audit services as necessary to ensure compliance by Subrecipients and Contractors with DBA requirements and as requested by the Contracting Officer; and
- (viii) Provide copies of all records upon request by DOE or DOL in a timely manner.

(d) Rates of Wages

The prevailing wage rates determined by the Secretary of Labor can be found at <http://www.wdol.gov/>.

f. Contractual

PLEASE READ!!!

The entity completing this form must provide all costs related to sub-recipients, vendors, contractors, consultants and FFRDC partners in the applicable boxes below.

Sub-recipients (partners, sub-awardees):
 For each sub-recipient with total project costs of \$100,000 or more, a separate SF-424A budget and PMc123.1 budget justification form must be submitted. These sub-recipient forms may be completed by either the sub-recipients themselves or by the preparer of this form. The budget totals on the sub-recipient's forms must match the sub-recipient entries below.

The preparer of this form need only provide further support of the completed sub-recipient budget forms as they deem necessary. The support to justify the budgets of sub-recipients with estimated costs less than \$100,000 may be in any format, and at a minimum should provide what Statement of Project Objectives task(s) are being performed, the purpose/need for the effort, and a basis of the estimated costs that is considered sufficient for DOE evaluation.

Vendors (includes contractors and consultants):

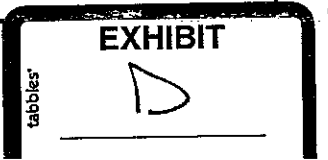
List all vendors, contractors and consultants supplying commercial supplies or services used to support the project. The support to justify vendor costs (in any amount) should provide the purpose for the products or services and a basis of the estimated costs that is considered sufficient for DOE evaluation.

Federal Research and Development Centers (FFRDCs):

For FFRDC partners, award recipient will provide a Field Work Proposal (if not already provided with the original application), along with the FFRDC labor mix and hours, by category and FFRDC major purchases greater than \$25,000, including Quantity, Unit Cost, Basis of Cost, and Justification. The award recipient may allow the FFRDC to provide this information directly to DOE.

Add rows as needed. If rows are added, formulas/calculations may need to be adjusted by the preparer.

Sub-Recipient Name/Organization	Purpose/Tasks in SOPO	Budget Period 1 Costs	Budget Period 2 Costs	Budget Period 3 Costs	Project Total
EXAMPLE ONLY!!! XYZ Corp.	Partner to develop optimal fresnel lens for Gen 2 product - Task 2.4	\$48,000	\$32,000	\$16,000	\$96,000
City of Milwaukee	Local residential and non-residential legal, legal administration, program oversight, marketing, marketing administration, and consultant and	\$325,000	\$564,200	\$554,200	\$1,433,400
City of Madison	Local residential and non-residential legal, legal administration, program oversight, marketing, marketing administration, and consultant and	\$350,000	\$414,965	\$414,965	\$1,179,930
City of Racine	Local non-residential legal, legal administration, program oversight, marketing, marketing administration, and consultant and contractor	\$40,000	\$40,835	\$40,835	\$121,670
NOTE: THIS IS A VENDOR TBD via RFP	Legal and Setup Fees for Residential Loan Loss Reserve Funds	\$200,000	\$200,000	\$200,000	\$600,000
					\$0



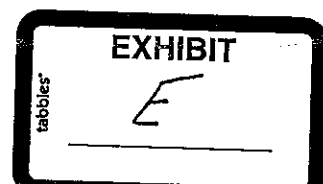
Sub-Recipient Name/Organization	Purpose/Tasks in SOPO	Budget Period 1 Costs	Budget Period 2 Costs	Budget Period 3 Costs	Project Total
NOTE: THIS IS A VENDOR TBD via RFP	Legal and Setup Fees for Non-Residential Loan Loss Reserve Funds	\$200,000	\$200,000	\$200,000	\$600,000
					\$0
					\$0
					\$0
	Sub-total	\$1,115,000	\$1,410,000	\$1,410,000	\$3,935,000

Vendor Name/Organization	Product or Service, Purpose/Need and Basis of Cost (Provide additional support at bottom of page as needed)	Budget Period 1 Costs	Budget Period 2 Costs	Budget Period 3 Costs	Project Total
EXAMPLE ONLY!!! ABC Corp.	Vendor for developing custom robotics to perform lens inspection, alignment, and placement (Task 4). Required for expanding CPV module mfg. capacity. Cost is from competitive quotes.	\$32,900	\$86,500		\$119,400
TBD via RFP	Design, branding, and public relations	\$150,000	\$150,000	\$150,000	\$450,000
TBD via RFP	Energy audit and backend reporting tool	\$300,000	\$75,000	\$75,000	\$450,000
PACE Setup and Maintenance-Vendors to be determined by RFP Process	PACE Administrative start up and maintenance fees (residential and non-residential)	\$200,000	\$152,000	\$152,000	\$504,000
Financing Program LLR Funds to be determined by RFP process	Residential capital employed as customer incentives or loans (residential loan pool)	\$500,000	\$1,250,000	\$1,250,000	\$3,000,000
Commercial PACE Financing Programs to be determined by RFP	Non-Residential capital employed for a Commercial PACE Program	\$500,000	\$2,500,000	\$2,500,000	\$5,500,000
TBD via RFP	Legal and set up fees for forward market entity	\$25,000	\$25,000	\$25,000	\$75,000
		\$1,675,000	\$4,152,000	\$4,152,000	\$9,979,000

FFRDC Name/Organization	Purpose	Budget Period 1 Costs	Budget Period 2 Costs	Budget Period 3 Costs	Project Total
					\$0
					\$0
					\$0
		\$0	\$0	\$0	\$0
Total Contractual		\$2,790,000	\$5,562,000	\$5,562,000	\$13,914,000

Sub-Recipient Name/Organization	Purpose/Tasks in SOPO	Budget Period 1 Costs	Budget Period 2 Costs	Budget Period 3 Costs	Project Total
Additional Explanations/Comments (as necessary)					

EXHIBIT E
**Community Workforce Agreement between the City of Milwaukee and the Wisconsin
Energy Conservation Corporation**



3 Year WE2 Budget by City

Line Item	Milwaukee (ME2)*	Madison	Racine	Total
WECC Salaries				
WECC Staff (subtotal including program and policy development, contractor training and oversight including CWA enforcement, quality assurance federal reporting, ensuring Focus on Energy protocol.)	\$ 1,265,009	\$ 780,089	\$ 63,250	\$ 2,108,349
Energy Advocates (subtotal)	\$ 618,144	\$ 618,143	\$ -	\$ 1,236,287
Total WECC Salaries	\$ 1,883,153	\$ 1,398,232	\$ 63,250	\$ 3,344,636
Other WECC Costs				
Fringe	\$ 602,035	\$ 371,255	\$ 30,101	\$ 1,003,391
Indirect	\$ 882,984	\$ 544,507	\$ 44,149	\$ 1,471,640
Travel	56,310	34,725	2,816	\$ 93,850
Equipment	72,000	44,400	3,600	\$ 120,000
Supplies	31,490	19,419	1,574	\$ 52,483
Direct Allocation to Cities				
General For Milwaukee, OES staff, project oversight, marketing, workforce coordination, legal	1,433,400	883,930	121,670	2,439,000
Loan Origination Staff (Madison using city personnel for loan servicing, Milwaukee and Racine are not)		296,000		296,000
Total to Cities	1,433,400	1,179,930	121,670	2,735,000
Contractual (Currently administered by WECC)				
Legal setup for residential loan loss reserve (Note: This line item may be revised and reprogrammed)	\$ 300,000	\$ 300,000	\$ -	\$ 600,000
Legal setup for non-residential loan loss reserve, bond issuance costs (Note: This line item may be revised and reprogrammed)	\$ 420,000	\$ 132,000	\$ 48,000	\$ 600,000
Advertising, Design, Branding, PR	\$ 270,000	\$ 166,500	\$ 13,500	\$ 450,000
Energy Audit Tool (to standardize residential consultant reports)	\$ 225,000	\$ 225,000	\$ -	\$ 450,000
Loan Servicing Set-up Costs for billing agent	\$ 480,000	\$ -	\$ 24,000	\$ 504,000
Loan Loss Reserve (Residential, dictated by DOE)	\$ 1,500,000	\$ 1,500,000	\$ -	\$ 3,000,000
Loan Loss Reserve (Commercial, dictated by DOE)	\$ 3,850,000	\$ 1,210,000	\$ 440,000	\$ 5,500,000
Forward Marketing Legal	45,000	27,750	2,250	\$ 75,000
Total Contractual	7,090,000	3,561,250	527,750	\$ 11,179,000
TOTAL	\$ 12,051,372	\$ 7,153,718	\$ 794,910	\$ 20,000,000

*Overall ME2 program budget as governed by the terms of this Cooperation Agreement

EXHIBIT

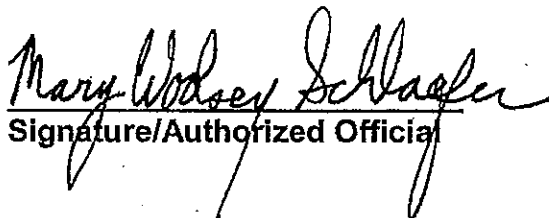
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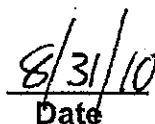
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CERTIFICATION REGARDING SUSPENSION AND DEBARMENT

The undersigned, being duly authorized to act on behalf of Wisconsin Energy Conservation Corporation ("WECC") hereby certifies that neither WECC nor any of its principals are debarred, suspended, or proposed for debarment for federal financial assistance (e.g., General Services Administration's List of Parties Excluded from Federal Procurement and Non-Procurement Programs).

WECC further certifies that all potential sub-recipients, contractors, and any and all of their principals are not debarred, suspended or proposed for debarment, and that WECC will not enter into any transactions with any sub-recipients, contractors, or any of their principals who are debarred, suspended or proposed for debarment.


Signature/Authorized Official


Date

Title: Executive Director