City of Milwaukee

City Hall
200 East Wells Street
Milwaukee, WI 53202

Meeting Agenda

STEERING & RULES COMMITTEE

ALD. WILLIE L. HINES, Jr., CHAIR
Ald. Michael J. Murphy, Vice-Chair
Ald. Joe Davis, Sr., Ald. Ashanti Hamilton, Ald. James Witkowiak, Ald. Robert Bauman, Ald. Robert Donovan, and Ald. James Bohl, Jr.
Staff Assistant, Tobie Black, 286-2231
Fax: 286-3456, tblack@milwaukee.gov
Legislative Liaison, Richard Watt, 286-2253, rwatt@milwaukee.gov

Friday, July 23, 2010 | **9:00 AM** | **Room 301-B, City Hall**

Special - Amended 7/16/10

1. **100007** Substitute resolution authorizing acceptance of a grant from the United States Department of Energy for the Energy Efficiency and Conservation Block Grant Retrofit Ramp-up Program.

Sponsors: Ald. Hines Jr.

---May be referred to the Special Finance and Personnel Committee Meeting on Tuesday, July 27, 2010, at 8:30 A.M.

This meeting will be webcast live at www.milwaukee.gov/channel25.

Members of the Common Council and its standing committees who are not members of this committee may attend this meeting to participate or to gather information. Notice is given that this meeting may constitute a meeting of the Common Council or any of its standing committees, although they will not take any formal action at this meeting.

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City of Milwaukee

200 E. Wells Street
Milwaukee, Wisconsin 53202

Legislation Details (With Text)

File #:	100007 **Version:** 1		
Type:	Resolution	**Status:**	In Committee
File created:	5/4/2010	**In control:**	STEERING & RULES COMMITTEE
On agenda:		**Final action:**	
Effective date:			

Title: Substitute resolution authorizing acceptance of a grant from the United States Department of Energy for the Energy Efficiency and Conservation Block Grant Retrofit Ramp-up Program.

Sponsors: THE CHAIR

Indexes: ENERGY CONSERVATION, FEDERAL GRANTS

Attachments: Proposed Sub A, WECC-City Cooperation Agreement, Community Workforce Agreement, Statement of Project Objectives, Special Terms and Conditions, Budget Justification, WE2 Project Budget According to City Programs Including ME2, Letters of Committment, Environmental Sustainability Manager Position Letter to DER, Helen Bader Foundation Letter of Support.pdf, Milw Area Workforce Funding Alliance Letter of Support, 5-13-10 PowerPoint Presentation given by Acting Director of Environmental Sustainability, Revised Fiscal Note - July 20, 2010, Fiscal Note, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
5/4/2010	0	COMMON COUNCIL	ASSIGNED TO		
5/6/2010	0	STEERING & RULES COMMITTEE	HEARING NOTICES SENT		
5/12/2010	1	CITY CLERK	DRAFT SUBMITTED		
5/13/2010	1	STEERING & RULES COMMITTEE	HELD TO CALL OF THE CHAIR	Pass	6:0
7/13/2010	1	STEERING & RULES COMMITTEE	HEARING NOTICES SENT		

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Number
100007
Version
SUBSTITUTE 1
Reference
091061, 091147, 090376
Sponsor
CHAIR
Title
Substitute resolution authorizing acceptance of a grant from the United States Department of Energy for the Energy Efficiency and Conservation Block Grant Retrofit Ramp-up Program.
Analysis
This resolution authorizes the Office of Environmental Sustainability to accept and fund an Energy Efficiency and Conservation Block Grant Retrofit Ramp-up grant in the amount of up to $20,000,000, of which up to $13,000,000 could be applied to projects in the City of Milwaukee. The Wisconsin Energy Conservation Corporation (WECC) will administer the program through the Wisconsin Energy Efficiency (WE2) Project. The purpose of this grant is to fund whole-neighborhood building energy retrofits. These will be projects that demonstrate sustainable business models for providing cost-effective energy upgrades for residential and for-profit commercial and industrial properties. The program will open to qualified properties throughout the City of Milwaukee.

The WE2 Residential Project activities will include the cities of Milwaukee and Madison, with targeted marketing activities in selected neighborhoods. The objective will be to achieve at least 5,800 deep impact energy retrofits (2,900 per city) over the three-year grant period. The WE2 Non-Residential Project includes the cities of Milwaukee, Madison and Racine and will focus upon tax-assessed financing for energy improvement of non-residential properties. The implementation of the project will require the City to revise its Energy Efficiency Improvement Loan Program (s. 304-26.5) to include commercial and industrial properties, as permitted in 2009 Wisconsin Act 272.

Body
Whereas, The City of Milwaukee has been awarded grant funds from the U.S. Department of Energy to fund whole-neighborhood building energy retrofits, and these will be projects that demonstrate a sustainable business model for providing cost-effective energy upgrades for a large percentage of the residential, commercial and public buildings in selected neighborhoods; and

Whereas, The Common Council, through adoption of Common Council Files 071136 and 080398, has expressed its commitment to promoting energy efficiency and renewable energy improvements in the City; and
Whereas, The Energy Efficiency and Conservation Block Grants (EECBG) Program, funded by the federal Recovery Act, represents a Presidential priority to deploy the least expensive, cleanest, and most reliable energy technologies across the country; and

Whereas, The Vice-President's Middle Class Task Force has identified the Recovery through Retrofit program as a key component to expand the home energy efficiency and retrofit market nationwide and to provide workers of all skill levels training and employment in this emerging market; and

Whereas, This program will serve as an example of comprehensive community-scale energy-efficiency approaches that could be replicated in other communities across Wisconsin and the country and will establish the City of Milwaukee as a national leader in these efforts; and

Whereas, Project partners, including Wisconsin Energy Conservation Corporation, Focus on Energy, We Energies, the State Office of Energy Independence, organized labor and private lenders will provide incentives and in-kind services greater than 500% of the grant amount to help promote large-scale energy efficiency activities in the City; and

Whereas, The Wisconsin Energy Conservation Corporation (WECC) recently completed a pilot neighborhood efficiency program, Together We Save, that successfully leveraged a home energy retrofit program through a community-based approach for increasing energy efficiency investments by homeowners in two neighborhoods in the City of Milwaukee; and

Whereas, The operation of this grant from June 1, 2010 to May 31, 2013 would apply up to $13,000,000 to projects within the City of Milwaukee, of which the entire amount would be provided by the grantor; and

Whereas, the local leverage needed for this grant does not require support from the City's tax levy-supported budget; now, therefore,

Resolved, By the Common Council of the City of Milwaukee, that the Department of Administration - Office of Environmental Sustainability is authorized to accept this Energy Efficiency Conservation Block Grant from the United States Department of Energy; and, be it

Further Resolved, That the administration of these funds will be managed by the Wisconsin Energy Conservation Corporation (WECC) through the Wisconsin Energy Efficiency (WE2) Project, in cooperation with the City of Milwaukee Office of Environmental Sustainability; and, be it

Further Resolved, That the Common Council intends to revise the Energy Efficiency Improvement Loan Program (s. 304-26.5) to include commercial and industrial properties, as described in 2009 Wisconsin Act 272.

Requestor
Department of Administration
Drafter
LRB10206-2
RTW
05/11/10

..Number
100007
..Version
PROPOSED SUBSTITUTE A
..Reference
091061, 091147, 090376
..Sponsor
Ald. Hines, Jr.
..Title
Substitute resolution authorizing the Department of Administration to enter into a cooperation agreement with the Wisconsin Energy Conservation Corporation to administer the Milwaukee Energy Efficiency program, and to accept a subgrant from the United States Department of Energy for the Energy Efficiency and Conservation Block Grant Retrofit Ramp-up program in the amount of $1,433,400.
..Analysis
This resolution authorizes the Department of Administration to enter into a cooperation agreement with the Wisconsin Energy Conservation Corporation (WECC) to implement the Milwaukee Energy Efficiency (ME2) program. The purpose of this program is to stimulate a sustainable market for energy efficiency in Milwaukee's residential commercial and industrial building stock. The ME2 program utilizes a grant from the U.S. Department of Energy to augment existing Focus on Energy programs with an innovative financing offer to address the high upfront costs of energy efficiency upgrades, a community workforce agreement and marketing to attract new customers to the program.

The ME2 program is funded as part of a $20 million U.S. Department of Energy Energy Efficiency and Conservation Block Grant (EECBG) Retrofit Ramp-up grant to WECC. The EECBG program grant funds are intended to leverage additional investment funds for financing at a lower cost of capital through the use of loan loss reserves and other credit enhancements, as well as to provide initial funds for program development, marketing, administration and implementation without cost to the City. ME2 activities will include a minimum funding of $12,051,372 for the City of Milwaukee. The objective will be to achieve at least 4,500 deep impact energy retrofits over the 3-year grant period. The program will be open to qualified properties throughout the city.

..Body
Whereas, The Common Council, through adoption of Common Council Files 071136 and 080398, has expressed its commitment to promoting energy efficiency and renewable energy improvements in the City; and

Whereas, The Energy Efficiency and Conservation Block Grants (EECBG) Program, funded by the federal Recovery Act, represents a presidential priority to deploy the least expensive, cleanest, and most reliable energy technologies across the country; and

Whereas, The Vice-President's Middle Class Task Force has identified the Recovery through Retrofit program as a key component to expand the home energy efficiency and

retrofit market nationwide and to provide workers of all skill levels training and employment in this emerging market; and

Whereas, The City seeks to promote energy efficient retrofit projects using American Recovery and Reinvestment Act (ARRA) funding and other sources of capital to reduce energy costs for the owners of homes and businesses in the community, reduce air pollution and greenhouse gas emissions, improve the building stock and create jobs for local workers; and

Whereas, The Common Council, through Common Council File 091061, authorized the Department of Administration - Office of Environmental Sustainability to delegate the right to apply for the U.S. Department of Energy Retrofit Ramp-up grant to the Wisconsin Energy Conservation Corporation (WECC) on the behalf of the City; and

Whereas, WECC was selected as the administrator the ME2 Program based upon its years of experience utilizing the Focus on Energy Home Performance with Energy Star program, avoiding the need to spend program funds to recreate a delivery model and serving as a model for ME2 deployment; and

Whereas, WECC, on behalf of the Partner Cities of Milwaukee, Madison and Racine, Wisconsin, filed an application for and received a grant award from the U.S. Department of Energy (DOE) through the Energy Efficiency and Conservation Block Grant, Competitive Solicitation: Retrofit Ramp-up and General Innovation Fund Programs, in the amount of $20 million; and

Whereas, The Energy Efficiency and Conservation Block Grant will fund the ME2 program for activities carried out within the geographic limits of the city, with a minimum funding of $12,051,372 for the ME2 program, of which $1,433,400 is allocated to the City for its administrative and program services; and

Whereas, The City, through its participation in the ME2 Program, seeks to promote energy-efficient retrofit projects using American Recovery and Reinvestment Act (ARRA) funding and other sources of capital to reduce energy costs for the owners of homes and businesses in Milwaukee, reduce air pollution and greenhouse gas emissions, improve the city's building stock and create jobs for local workers; and

Whereas, While supporting the project's overall objectives as outlined in the grant 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; and

Whereas, This program will serve as an example of comprehensive community-scale energy-efficiency approaches that could be replicated in other communities across Wisconsin and the country and will establish the City of Milwaukee as a national leader in these efforts; and

Whereas, Project partners, including Wisconsin Energy Conservation Corporation, Focus on Energy, We Energies, the State Office of Energy Independence, organized labor and private lenders will provide incentives and in-kind services greater than 500% of the grant amount to help promote large-scale energy-efficiency activities in the city; and

Whereas, The Focus on Energy program and WECC recently completed a pilot neighborhood efficiency program, Together We Save, that successfully increased home owner participation in energy-efficiency work through the use of Energy Advocates and community-based marketing in two neighborhoods in the city; and

Whereas, The operation of this grant from July 27, 2010 to June 2, 2013 would apply a minimum of $12,051,372 to projects within the city, of which the entire amount would be provided by the grantor; and

Whereas, The ME2 program could be eligible for additional funds up to a total of $20 million if one or more of the partner cities does not participate in the WE2 project or terminates its participation prior to its budgeted project funds being committed or expended; and

Whereas, The local leverage needed for this grant does not require support from the City's tax levy-supported budget; now, therefore

Resolved, By the Common Council of the City of Milwaukee, that the Department of Administration is authorized to enter into a cooperation agreement with WECC as set forth in the attached agreement, establishing 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; and, be it

Further Resolved, That, consistent with guidance from the federal Office of Management and Budget, the Department of Administration is authorized to enter into a Community Workforce Agreement with WECC, ensuring compliance with equal opportunity laws and principles, promoting local hiring, providing practicable opportunities for small businesses and emerging business enterprises, encouraging sound labor practices, and engaging with community-based organizations; and, be it

Further Resolved, That the City Comptroller is authorized and directed to:

1. Commit funds within the Project/Grant Parent of the 2010 Special Revenue – Grant and Aid Projects fund, the following amount for the project titled Energy Efficiency Conservation Block Grant:

Project/Grant	GR0001000000
Fund	0150
Org	9990

Program	0001
BY	0000
Subclass	R999
Account	000600
Project	Grantor Share
Amount	$1,433,400

2. Create the necessary Grant and Aid Project/Grant and Project/Grant levels budget against these Project/Grant values the amount required under the grant agreement.

; and, be it

Further Resolved, That these funds are budgeted for the Department of Administration - Office of Environmental Sustainability, which is authorized to:

1. Expend from the amount budgeted for, sums for specified purposes as indicated in the grant budget and incur costs consistent with the award date.

2. Enter into subcontracts as detailed in the grant budget.

; and, be it

Further Resolved, That the Common Council directs that the 2010 Positions Ordinance Common Council File Number 090457, as amended, be amended as follows:

Under:

DEPARTMENT OF ADMINISTRATION
Budget and Management Division

Add:
Environmental Sustainability Program Manager (D) (X) (Y)

Add Footnote (D) to read as follows:

(D) To expire 06/2/2013 unless the Energy Efficiency and Conservation Block Grant from the U.S. Department of Energy is renewed or new energy-related grants are awarded to fund the position."

..Requestor
Department of Administration
..Drafter
LRB10206-3
RTW
07/15/10

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.I.(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, ME2 program.
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.

l. 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) 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. l(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.

l. 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.

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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:

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

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:

_____
W. MARTIN MORICS, City Comptroller

WISCONSIN ENERGY CONSERVATION CORPORATION

_____
Mary Woolsey Schlaefer
Executive Director

1049-2010-1213:159762

EXHIBIT A
Statement of Project Objectives, Attachment #2, from the WECC & US DOE Grant Award Agreement

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.

EXHIBIT C
WECC & DOE Grant Agreement "Special Terms & Conditions"

EXHIBIT D
“Subrecipient and Contractual” sections of PMC 123.1 (revised 6/14/10)

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

EXHIBIT F
Budget Breakdown of WE2 Project According to City Programs, including ME2 Program

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. <u>Promoting local hiring</u>: 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. _____ adopted _____, 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:

_____
W. MARTIN MORICS, City Comptroller

WISCONSIN ENERGY CONSERVATION CORPORATION

_____
Mary Woolsey Schlaefer
Executive Director

159766/1049-2010-1213

STATEMENT OF PROJECT OBJECTIVES

Wisconsin Energy Conservation Corporation
Wisconsin Regional Retrofit Initiative

A. PROJECT OBJECTIVES

The Wisconsin Energy Efficiency (WE^2) 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, WE^2 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). WE^2 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 WE^2 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 WE^2 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 WE^2 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 WE^2 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

WE^2'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 WE^2 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 WE^2 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 WE^2 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 WE^2 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.

WE^2 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 WE^2 offer both a residential and non-residential PACE program lends additional support to WE^2 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 WE^2 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 WE^2 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 WE^2 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 WE^2 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
WE^2 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 WE^2 Project is committed to serious training and career pathways for workers involved in WE^2. 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. WE^2 will work to overcome historical barriers that have affected workers from disadvantaged communities and connect them to an explicit career pathway. WE^2 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 WE^2 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.

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

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, subcontract, 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 grant 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)*
Item 1:			
Foreign steel, iron, or manufactured good	_____	_____	_____
Domestic steel, iron, or manufactured good	_____	_____	_____
Item 2:			
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)*
Item 1:			
Foreign steel, iron, or manufactured good	_____	_____	_____
Domestic steel, iron, or manufactured good	_____	_____	_____
Item 2:			
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-recipeint 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**
					$0
City of Milwaukee	Local residential and non-residential legal, legal administration, program oversight, marketing, marketing administration, and consultant and	$325,000	$554,200	$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**

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
	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

AdditionalExplanations/Comments (as necessary)

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 residenital 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

Preserving The Environment •
Improving Water Quality

Kevin L. Shafer, P.E.
Executive Director

December 14, 2009

United States Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for the Energy Efficiency and Conservation Block Grant Program (EECBG)

To Whom It May Concern:

The Milwaukee Metropolitan Sewerage District (MMSD) is pleased to support WE^2 Team's, comprised of the City of Milwaukee, City of Madison, and the City of Racine, with Wisconsin Energy Conservation Corporation (WECC) serving as the Team administrator, application to the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Program. The WE^2 Team Members will initiate innovative pilot programs, including implementation of the Property Assessed Clean Energy (PACE) financing model, and will include rigorous tracking and research components.

MMSD has a long track record of reducing customer bills and greenhouse gas emissions through energy efficiency and innovation. We look forward to working on this project as an Industry Partner and agree to the following in-kind services towards the WE^2 Team efforts in this project:

- Supporting communitywide water conservation practices (low-flow toilet rebates, rain barrels, and public education) to reduce household energy costs through MMSD's Every Drop Counts program (www.mmsd.com);
- Providing more than $350,000 of MMSD funds each year for the next five years to the City of Milwaukee for fixing leaky home laterals; and
- Providing more than $350,000 of MMSD funds each year for the next five years to the City of Milwaukee for implementing stormwater best management practices.

As an Industry Partner, we would work with the appropriate City of Milwaukee departments to implement these innovative energy efficiency approaches and to support DOE's required efforts to track results and identify best practices.

We look forward to participating in this project and helping reach our mutual goals of energy and cost savings.

milwaukee metropolitan sewerage district
260 W. Seeboth Street, Milwaukee, WI 53204-1446
414-225-2088 ● email: KShafer@mmsd.com ● www.mmsd.com

Iain A. Campbell
Vice President & General Manager, Global Energy and
WorkPlace Solutions, Building Efficiency
Johnson Controls Inc.
507 E. Michigan Street, Executive Suite M1, Milwaukee, WI 53202-5211 USA
Tel 414-524-7701 Fax 414-524-5088
Iain.a.campbell@jci.com

December 11, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for the Energy Efficiency and Conservation Block Grant Program (EECBG)

Johnson Controls Inc understands that the WE^2 Team—made up of the City of Milwaukee, City of Madison, and the City of Racine, with Wisconsin Energy Conservation Corporation (WECC) serving as the Team administrator—is applying for EECBG as part of the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Programs. The WE^2 Team Members will initiate innovative Institutional. Commercial and Industrial energy conservation programs, including implementation of the Property Assessed Clean Energy (PACE) financing model for residential retrofits, and will include rigorous tracking and research components.

Johnson Controls Inc is a longstanding and highly valued Energy Services Company located in the City of Milwaukee, City of Madison and serving the City of Racine, Wisconsin. We are pleased to offer a commitment to become an Industry Partner working on this project and agree to the following in-kind services towards the in this project:

Johnson Controls Inc will:

- Aggressively pursue projects and mobilize staff to implement energy conservation
- Provide in-kind use of facilities and consulting services
- Assist in the documentation and establishment of best practices
- Provide resources to replicate this in other communities
- Provide marketing materials and public relations opportunities
- Expose the program to the 2500 employees in the Milwaukee area.

As an Industry Partner, we would work with WECC and the WE^2 Team Members to enable commercial businesses to implement these innovative energy efficiency approaches, and support DOE's required efforts to track results and identify best practices.

We look forward to participating in this project and helping reach our mutual goals of energy and cost savings.

Best regards,

Iain A. Campbell
President, Global Energy and WorkPlace Solutions
Building Efficiency

pacs

HANNON ARMSTRONG

NOT FOR DISTRIBUTION

MEMORANDUM

To: Peter White
From: John Christmas
Date: November 17, 2009

Re: **Status of Tax Lien Financing (TLF)**

General Observations

In our estimation, TLF remains the only viable means of overcoming the lack of security associated with providing financing to owners of commercial real estate. The continuing strategy being deployed by CCI/HA leverages the growing and compelling momentum developing behind the residential PACE movement. Specifically, we've engaged the 3 large cities that are actively seeking to enable PACE financing (San Francisco, LA and NYC) and 1) convinced city administration that large commercial buildings require an alternative to bond financing, namely "owner-arranged" financing with an option for performance contracting provisions, and 2) that both funding approaches should enabled, thus facilitating choice and allowing owners to gravitate toward whichever option is more attractive.

As our memoranda describes, the owner-arranged model would effectively create the potential for a performance contracting market within the commercial real estate space. To date, we have laid the following developmental groundwork:

- Fully developed a variant of the "Berkeley Model" that includes performance contracting provisions.

- Developed and circulated memoranda to the key membership of BOMA and the Real Estate Roundtable, as well as NAREIT, USGBC, MBA, NRDC, EDF, DOE, EPA Energy Star, USCOM, NGA, etc[1].

- Developed an understanding with Renewable Funding and the leading proponents of the PACE residential model. As a result, the "PACE NOW" forces agree that the large commercial sector warrants a separate option for owners, namely the owner-arranged approach. They are engaging other cities and are advocates for our approach.

[1] Some of the less obvious -- Mortgage Bankers Association, National Resources Defense Council, Environmental Defense Fund, US Conference of Mayors, National Governors Association.

Over the next month or so, CCI/HA will be canvassing the market and performing the following additional market development activity:

- Circulating a memo specifically drafted from the mortgagee's perspective and establishing the case for securing a consent to the lien waiver. This memo will be complete this week and will be circulated among some of the largest direct investors/holders of commercial mortgages,e.g. MetLife, Hancock, Prudential, TIAA, RREEF, PNC, Wells, etc. The goal is to educate and, through a balanced presentation, dispel myths and misconceptions of what TLF represents. In the process, we'll hopefully gain some level of acceptance to the notion, subject to project-specific documentation and hard audit numbers from a qualified ESCO.

- This memo will also be circulated amongst some of the nation's large owners of commercial buildings. We hope it becomes a useful guide for how to convince their existing lienholders to provide consent.

- The memo will also be circulated amongst the largest property managers, represented as a somewhat oligopolistic arrangement between CBRE, Cushman Wakefield, TransWestern, and a handful of others. These entities are often the gatekeepers for building decision-making amongst passive mortgagees, thus their support will be key. We have already heard that CBRE is a strong proponent of the owner-arranged TLF approach.

- Circulating a separate memo and summary of terms specifically describing the investment opportunity created by TLF. This memo will also be completed this week and will be circulated to 10-15 large banks and insurance companies, most of whom are familiar with federal ESPCs. The goal is to both qualify interest and establish appetite in the investment community for TLF assets.

- Develop a TLF performance contract template, using BOMA's model contract as a starting point. Under the umbrella of the CCI/BOMA partnership, we're hoping that BOMA will adopt it and place it on their website – with appropriate attribution.

All of this outreach and development will occur over the next 90 days.

San Francisco

CCI is very well connected to SF's PACE initiative. SF is expected to adopt/pass PACE legislation in late spring 2010. We have been told very directly that their intention is to enable financing through both pooled bonds and owner-arranged mechanisms. The city believes that the latter is a better fit for very large commercial buildings.

HA will be subscribing to Co-Star[2] San Francisco shortly and will be able to target the largest buildings and their owners. This information will be available to JCI. The city will be interested in having some high profile projects ready to close immediately upon enabling of PACE. Given the lead times involved in developing a client, performing the audit, etc., the time to start approaching large owners in SF is now.

As an aside, Renewable Funding was awarded the right to manage SF's PACE bond financing program and cannot actively market PACE financing until it's actually enabled legislatively, and will therefore likely not have a closing ready until very late 2010 or more likely early 2011.

Los Angeles

The discussions with LA have mirrored those of SF, with LA happy to follow in SF's wake. LA is expected to adopt/pass PACE legislation within months of SF, or summer 2010. As with SF, we have been told that their intention is to enable financing through both pooled bonds and owner-arranged mechanisms. Like SF, they're interested in having some projects ready to close immediately.

The rest of the points from the SF summary hold true for LA as well – mainly that the time to engage the largest owners, and get them under mandate is now. Once we get Co-Star online, we can develop an estimate of the market size and provide a list of most attractive buildings and owners.

New York City

We have been working on Bloomberg's PlaNYC team for over a year. They believe that 1) PACE could be a great public policy tool as an instrument to the Audits & Retrofits bill and 2) owners should have a choice between pooled bond and owner-arranged financing. As of last night, statewide PACE enabling legislation has passed in Albany, but still requires some legislative action on the part of NYC City Council. Kathy Basqco, CCI's NYC Director, has contacted PlaNYC and is attempting to ascertain exactly what else is required.

With Bloomberg's recent re-election, the Audit & Retrofits bill is still alive and pending before the city council. Grapevine discussion within PlaNYC suggests that NYC could adopt PACE financing in <u>early</u> 2010, if all goes well. While speculative, perhaps statewide adoption has created pressure and momentum – and political cover -- on this issue in NYC.

[2] Co-Star provides the best available market data to determine building size, age, ownership, occupancy, etc., on virtually every large building within a subscribed region. HA will have subscriptions for San Francisco, Los Angeles, and New York City.

All of this suggests that, as is the case with SF and LA, the time start marketing the large owners in NYC is now.

Summary

In addition to qualifying investors and educating lienholders/mortgagees, HA will be direct marketing to large commercial owners as well, sometimes in conjunction with CCI. Wherever possible, we will steer owner inquiries to the JCI team. As we gain traction, I can imagine that there will be ample opportunity for joint marketing.

HA's revenue projection for 2010 reflects some very modest business activity in TLF – just a pulse really. It will be a successful year in TLF if we can close a handful of projects and prove the model. We firmly believe that once these initial cities show hard results, TLF will grow virally amongst other large cities.

On the federal front, ARRA grant funding is trickling through and may be used to supplement project economics and attract owners. That said, it's worth a reminder that TLF in commercial buildings, in most cases, should cash flow without any subsidy. We anticipate starting with 10-year terms and moving to15 and then 20-years once we establish some track record and the credit markets come back. And two PACE-related bills have been introduced in the House. HR 3525 would qualify PACE bonds for tax-exempt status, perhaps placing PACE financing on par with MUSH financing in terms of cost of capital[3]. In addition, HR 3836 would authorize federal guarantees behind PACE bond obligations, effectively driving down spreads. I had heard that thisprovision was removed from Waxman-Markey and placed in this stand-alone bill, though I have not checked. Since we provide taxable performance contract financing, passage of either of these bills would likely cause HA remove itself from further participation in the TLF market. It would be interesting to get Mark Wagner's opinion on these bills.

[3] Generally speaking, the US Treasury is typically discouraging of expanding eligibility for tax-exempt status.

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December 10, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for the Energy Efficiency and Conservation Block Grant Program (EECBG)

Greetings,

I am pleased to provide this letter of support for the WE^2 Team's application—made up of the City of Milwaukee, City of Madison, and the City of Racine, with Wisconsin Energy Conservation Corporation (WECC) serving as the Team administrator—as part of the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Programs. During the past year, The Wisconsin Green Building Alliance has collaborated with City of Milwaukee, City of Madison, City of Racine through the LEED for Existing Buildings Silver Certification of Milwaukee's City Hall, and the Sustainability & Energy Efficiency Leadership Awards Program statewide.

The Wisconsin Green Building Alliance would be pleased to participate as an Industry Partner for this particular effort. We understand that various building types will be involved in this effort—both residential and non-residential. We also understand that in a later stage of the project, other areas of Wisconsin could be targeted for a broad roll-out to deliver scalability of the project and we are supportive in serving as a pilot community.

As an Industry Partner, we would work with WECC and the WE^2 Team Members to enable homeowners and commercial businesses to implement the proposed innovative energy efficiency approaches, and support DOE's required efforts to track results and identify best practices.

We look forward to participating in this project and helping reach our mutual goals of energy and cost savings.

Best regards,

Susan M. Loomans
Executive Director

State of Wisconsin
Jim Doyle, Governor

Office of Energy Independence
Judy Ziewacz, Director

December 11, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for DE-FOA-0000148 Grant Application

To Whom It May Concern:

I am pleased to provide this letter of support for the WE^2 Team's application—made up of the City of Milwaukee, City of Madison, and the City of Racine, with Wisconsin Energy Conservation Corporation (WECC) serving as the Team administrator—as part of the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Programs. For several years now WECC, the administrator of the State of Wisconsin's energy efficiency program, Focus on Energy, has become a nationally recognized organization. The Wisconsin Office of Energy Independence has collaborated with multiple Wisconsin cities in the past to support efforts to curb greenhouse gas emissions. We are very excited about the creation of a pilot program that could become a model for state-wide implementation. Supporting WECC, City of Milwaukee, City of Madison, and the City of Racine is important to the development of a clean energy future for the State of Wisconsin.

The Wisconsin Office of Energy Independence is pleased to support this joint application for this particular effort. We understand that various building types will be involved in this effort—both residential and non-residential. We also understand that in a later stage of the project, other areas of Wisconsin could be targeted for a broad roll-out to deliver scalability of the project.

It is important to note that there are two applicants from Wisconsin. This applicant as Topic #1 and the other applicant for Topic #2 are collaborating The WE2 group – Milwaukee, Madison, and Racine being administered by WECC and WPPI Energy group will continue to work in collaboration toward a state-wide goal of deep retrofits of Wisconsin's communities. This collaborative effort will enable homeowners and businesses to implement more innovative energy efficiency approaches, and support DOE's required efforts to track results and identify best practices.

We look forward to participating in this project and helping reach our mutual goals of energy and cost savings.

Best regards,

Judy Ziewacz
Director
Office of Energy Independence

Promoting Our Wisconsin Energy Resources: Achieving 25 x 25
201 West Washington Avenue
Third Floor
Madison, WI 53702 ▪ 608-261-6609
www.energyindependence.wi.gov

BIG STEP/WRTP • 3841 West Wisconsin Ave • Milwaukee, WI 53208
Office: (414) 342-9787 • Fax: (414) 342-3546 • Website: www.wrtp.org

December 11, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for the Energy Efficiency and Conservation Block Grant Program (EECBG)

The collaboration of **WRTP/BIG-STEP** understands that the WE^2 Team—made up of the City of Milwaukee, City of Madison, and the City of Racine, with Wisconsin Energy Conservation Corporation (WECC) serving as the Team administrator—is applying for EECBG as part of the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Programs. The WE^2 Team Members will initiate innovative pilot programs, including implementation of the Property Assessed Clean Energy (PACE) financing model, and will include rigorous tracking and research components.

WRTP/BIG-STEP, a longstanding and highly valued workforce development intermediary in the City of Milwaukee, and through many parts of the State of Wisconsin, is pleased to offer a commitment to become an Industry Partner working on this project and agree to the following in-kind services towards the City of Milwaukee efforts in this project:

- Provide the necessary data to fulfill the DOE's requirement;
- Assist with target marketing efforts;
- Serve as central clearinghouse on workforce development activities
- Organize community groups;

As an Industry Partner, we would work with WECC and the WE^2 Team Members to enable implementation and meaningful workforce development activity around these innovative energy efficiency approaches, and support DOE's required efforts to track results and identify best practices.

We look forward to participating in this project and helping reach our mutual goals of energy and cost savings.

Best regards,

Earl Buford
Executive Director
WRTP/BIG-STEP

midwest renewable energy association

December 10, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for the Energy Efficiency and Conservation Block Grant Program (EECBG)

The Midwest Renewable Energy Association (MREA) is pleased to support the application from the WE^2 Team—made up of the City of Milwaukee, City of Madison, and the City of Racine, with Wisconsin Energy Conservation Corporation (WECC) serving as the Team administrator. The WE^2 Team is applying for EECBG as part of the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Programs. The WE^2 Team will initiate innovative pilot programs, including implementation of the Property Assessed Clean Energy (PACE) financing model.

The Midwest Renewable Energy Association, a non-profit 501c3 organization, that for over twenty years has worked to promote renewable energy, energy efficiency, and sustainable living through education and demonstration.

The MREA has offices in Milwaukee and central Wisconsin, workshops hosted throughout the Midwest, and hosts the nation's largest renewable energy education event (The Energy Fair). We are pleased to offer our support to work on this project, and agree to the following in-kind services towards the City of Milwaukee and City of Racine:

- Support energy efficiency education of the general public through community education sessions.
- Add information about the energy efficiency initiatives from the WE^2 Team in MREA renewable energy seminars for the general public hosted in the Team territories.
- Add information about the energy efficiency initiatives from the WE^2 Team in MREA renewable energy professional trainings hosted in the Team territories.

As a partner, we would work with WECC and the WE^2 Team Members to enable homeowners to implement these innovative energy efficiency approaches, and support DOE's required efforts to track results and identify best practices. We look forward to participating in this project.

Best regards,

Amy Heart

Amy Heart, Milwaukee Director
Midwest Renewable Energy Association

1845 N Farwell Avenue, Suite 100 • Milwaukee, WI 53202 • 414-431-0758
7558 Deer Road • Custer, WI 54423 • 715-592-6595
www.the-mrea.org

December 11, 2009

The Honorable Secretary Steven Chu
U.S. Department of Energy
1000 Independence Avenue, S.W.
Washington, DC 20585

Dear Secretary Chu:

The Emerald Cities Collaborative (ECC) strongly supports the Wisconsin Energy Conservation Corporation (WECC) EECBG Retrofit Ramp-Up application.

ECC is a working partnership of diverse organizations – including businesses, unions, community organizations, social justice advocates, development intermediaries, and research institutions — united around the goal of rapidly "greening" our metropolitan areas in high-road ways that also further equity and democracy within them. We propose a series of scaled and revenue-generating economic development projects to demonstrate the promise and achievability of this end. We will support participating cities with technical assistance on these projects' local design and management, marketing and communications, and policy guidance and advocacy, while communicating lessons and tools generated by their work to the broader public.

Our first project is the energy retrofit of the nation's urban building stock. We propose to do this with cities that (with natural variation in implementation strategy) agree on a common ECC program of executing a timely, comprehensive, and financially sustainable retrofit of their building stock that includes labor standards, equitable community capture of all benefits, and local capacity-building to manage this and like future projects. Milwaukee is one of the first cities to have embraced these project terms and the broader aims of the ECC, and we expect it to be in the first round of formally recognized "Emerald Cities."

We believe that the WECC EECBG proposal, of which Milwaukee is a central partner, will mark a very important step toward achieving both our goals and yours at DOE. We look forwarding to working with WECC, Milwaukee, and you in its implementation and in communicating lessons from this important work for learning and replication elsewhere.

Sincerely,

Joel Rogers
Board of Directors

Emerald Cities Collaborative
PO Box 35556 • Washington, DC 20033 • **www.EmeraldCities.org**

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Executive Vice President and
General Counsel
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December 10, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for the Energy Efficiency and Conservation Block Grant Program (EECBG)

Alliant Energy understands that the WE^2 Team—made up of the City of Milwaukee, City of Madison, and the City of Racine, with Wisconsin Energy Conservation Corporation (WECC) serving as the Team administrator—is applying for EECBG as part of the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Programs. The WE^2 Team Members will initiate innovative pilot programs, including implementation of the Property Assessed Clean Energy (PACE) financing model, and will include rigorous tracking and research components.

Alliant Energy, through its utility Wisconsin Power and Light, provides electric service to portions of the City of Madison and is pleased to offer a commitment to become an Industry Partner working on this project and agree to the following in-kind services towards the City of Madison and State of Wisconsin's efforts in this project:

- Provide the necessary utility data to fulfill the DOE's energy consumption analysis requirement;
- Provide data analysis of the utility data;
- Assist with target marketing efforts;
- Host community energy education sessions;
- Provide expertise in design of effective energy efficiency programs

As an Industry Partner, we would work with WECC and the WE^2 Team Members to enable commercial and industrial businesses to implement these innovative energy efficiency approaches, and support DOE's required efforts to track results and identify best practices.

We look forward to participating in this project and helping reach our mutual goals of energy and cost savings.

Regards,

Barbara J. Swan

Milwaukee Area WORKFORCE INVESTMENT BOARD, INC.

December 11, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for the Energy Efficiency and Conservation Block Grant Program (EECBG)

The Milwaukee Area Workforce Investment Board (MAWIB) understands that the WE^2 Team—made up of the City of Milwaukee, City of Madison, and the City of Racine, with Wisconsin Energy Conservation Corporation (WECC) serving as the Team administrator—is applying for EECBG as part of the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Programs. The WE^2 Team Members will initiate innovative pilot programs, including implementation of the Property Assessed Clean Energy (PACE) financing model, and will include rigorous tracking and research components.

As the local workforce board for the Milwaukee area, the MAWIB is pleased to support the WE^2 Project with workforce strategies that connect with all partners to ensure that employment and training goals are met.

The MAWIB is pleased to would work with WECC and the other WE^2 Team Members to enable employers to implement these innovative energy efficiency approaches, and support DOE's required efforts to track results and identify best practices.

We look forward to participating in this project and helping reach our mutual goals of energy and cost savings.

Best regards,

Donald Sykes
CEO/President

2338 N. 27th Street Milwaukee, WI 53210 Tel.: 414.270.1700 Fax: 414.225.2375 www.milwaukeewib.org

Madison Area Technical College

Bettsey L. Barhorst, Ph.D.
President

December 11, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for the Energy Efficiency and Conservation Block Grant Program

To Whom It May Concern:

Madison Area Technical College (Madison College) supports the WE^2 Team—made up of the City of Madison, the City of Milwaukee, and the City of Racine, with Wisconsin Energy Conservation Corporation serving as the Team administrator—application for EECBG as part of the Department of Energy's Retrofit Ramp-up and General Innovation Fund Programs. The WE^2 Team Members will initiate innovative pilot programs, including implementation of the Property Assessed Clean Energy financing model, and will include rigorous tracking and research components.

Madison College has a strong commitment to environmental issues. With strong leadership from Governor Jim Doyle, Wisconsin technical colleges offer several academic programs that address specific environmental education issues, particularly in the renewable energy field. Madison College is also committed to exploring the viability of green energy use on its campuses. It has worked with Focus on Energy, WE Energies, City of Madison, and the Midwest Renewable Energy Association in the formation of the Consortium for Education in Renewable Energy Technology, U.S. Department of Energy, National Science Foundation, and other entities in securing energy grants and funding for campus energy efficiency improvements and training initiatives.

We look forward to participating in this project and helping reach our mutual goals of energy and cost savings.

Sincerely,

Bettsey L Barhorst

Bettsey L. Barhorst, Ph.D.
President

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WISCONSIN LABORERS' DISTRICT COUNCIL

AFFILIATED WITH A.F.L.-C.I.O. LABORERS' INTERNATIONAL UNION OF NORTH AMERICA
4633 LIUNA Way, S-101, De Forest, WI 53532, Phone: (608) 846-8242, Fax: (608) 846-5460

THOMAS E. FISHER
President/Business Manager

JOHN SCHMITT
Secretary-Treas/Rec. Secretary

December 10, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for the Energy Efficiency and Conservation Block Grant Program

On behalf of the Wisconsin Laborers' District Council, I am writing to support the WE^2 Team's application—made up of the City of Milwaukee, City of Madison, and the City of Racine, with Wisconsin Energy Conservation Corporation (WECC) serving as the Team administrator—as part of the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Programs. Over the years, Wisconsin Laborers have worked closely with the City of Milwaukee, City of Madison, and City of Racine on a wide variety of building and construction projects and programs.

Wisconsin Laborers District Council would be pleased to participate as an Industry Partner for this particular effort. We understand that various building types will be involved in this effort—both residential and non-residential. We also understand that in a later stage of the project, other areas of Wisconsin could be targeted for a broad roll-out to deliver scalability of the project and as a statewide organization we are well positioned to support that process as well.

As an Industry Partner, we would work with WECC and the WE^2 Team Members to enable homeowner and/or commercial businesses to implement the proposed innovative energy efficiency approaches, and support DOE's required efforts to track results and identify best practices. We are especially pleased that this comprehensive approach includes establishing responsible contractor standards that will enable safe, productive and quality projects, as well as training and career pathway guidelines that will provide workers access to further apprenticeship and job placement opportunities.

We look forward to participating in this project and helping reach our mutual goals of energy and cost savings and job creation. The Wisconsin District Council is ready to engage in training to expand the pool of qualified weatherization workers and connect those individuals to all the benefits of the Laborers-AGC Education and Training Fund programming. The infusion of new funding to make energy efficiency improvements at homes and businesses in Wisconsin, coupled with our considerable workforce development infrastructure will create much needed economic opportunity in our state.

Sincerely,

Thomas E. Fisher

Thomas E. Fisher
President and Business Manager

UNIVERSITY of WISCONSIN
UWMILWAUKEE

Graduate School

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December 3, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for the Energy Efficiency and Conservation Block Grant Program (EECBG)

I am pleased to provide this letter of support for the WE^2 Team's application—made up of the City of Milwaukee, City of Madison, and the City of Racine, with Wisconsin Energy Conservation Corporation (WECC) serving as the Team administrator—as part of the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Programs.

UW-Milwaukee would be pleased to participate and brings a wealth of expertise to make the program more successful.

- UWM's School of Architecture and Urban Planning, Wisconsin's only accredited architecture school, includes the Center for Architecture and Urban Planning Research. CAUR combines design and urban planning with social science research. Together, we will offer the WE^2 Team the research expertise to better understand the barriers that limit homeowners from acting on the recommendations arising from WECC energy audits. Through these efforts, we can help WE^2 test and implement changes to its program to increase the number of homeowners who follow through on audit recommendations and make their homes more efficient.
- UWM's College of Engineering and Applied Science and School of Architecture and Urban Planning are partnering with BCI, a national design and construction firm with particular expertise in credit unions, to pilot a program to reduce the energy consumption in collections of small- to medium-sized existing buildings. Using Credit Unions and their existing buildings for this pilot project, we will develop a model program that will significantly increase participation in retro-commissioning projects and that will produce reductions in energy consumption ranging from 20 to 45%. We will explore opportunities for a more comprehensive approach to commissioning and developing various innovative options for project financing. See the attached page for a short description of the process, jobs created and energy saved as well as a case study.

As the University Partner, we would work with WECC and the WE^2 Team Members to plan and implement the proposed innovative energy efficiency approaches, and support DOE's required efforts to track results and identify best practices.

We look forward to participating in this project and helping reach our mutual goals of energy and cost savings.

Best regards,

Colin Scanes
Vice Chancellor for Research and Economic Development,
& Dean of the Graduate School

Walter J. Kunicki
Senior *Vice President – State Public Affairs*

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Milwaukee, WI 53203
www.we-energies.com

tel 414.221.3414
walter.kunicki@we-energies.com

December 9, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for the Energy Efficiency and Conservation Block Grant Program (EECBG)

I am pleased to provide this letter of support for the WE^2 Team's application—made up of the City of Milwaukee, City of Madison, and the City of Racine, with Wisconsin Energy Conservation Corporation (WECC) serving as the Team administrator—as part of the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Programs. During the past year, We Energies has collaborated with City of Milwaukee through Focus on Energy, Energy Center of Wisconsin, Milwaukee Weatherization, Rehabilitation and Asset Preservation Partnership.

We Energies would be pleased to participate as an Industry Partner for this particular effort. We understand that various building types will be involved in this effort—both residential and non-residential. We also understand that in a later stage of the project, other areas of Wisconsin could be targeted for a broad roll-out to deliver scalability of the project and we are supportive in serving as a pilot community.

As an Industry Partner, we would work with WECC and the WE^2 Team Members to enable [homeowner and/or commercial businesses] to implement the proposed innovative energy efficiency approaches, and support DOE's required efforts to track results and identify best practices.

We look forward to participating in this project and helping reach our mutual goals of energy and cost savings.

Regards,

Walter J. Kunicki

Senior Vice President
State Public Affairs

THE UNIVERSITY of WISCONSIN MADISON

December 10, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for the Energy Efficiency and Conservation Block Grant Program (EECBG)

The University of Wisconsin-Madison understands that the WE^2 Team—made up of the City of Milwaukee, City of Madison, and the City of Racine, with Wisconsin Energy Conservation Corporation (WECC) serving as the Team administrator—is applying for EECBG as part of the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Programs. The WE^2 Team Members will initiate innovative pilot programs, including implementation of the Property Assessed Clean Energy (PACE) financing model, and will include rigorous tracking and research components.

As part of our longstanding and highly valued relationship with the City of Madison, UW-Madison is pleased to offer a commitment to become an Industry Partner working on this project and intends to invest over $50 million in energy improvement project during the next three years.

In April 2006, follow-up to a $29 million investment to increase the energy efficiency of the campus facilities, UW-Madison initiated the WE CONSERVE program to strengthen its environmental stewardship programs and to promote education and motivation to the community on this serious matter. Please visit www.conserve.wisc.edu

Goals:

1. To instill the lifelong spirit of environmental stewardship in the community's consciousness
2. To reduce campus energy consumption and eco-footprint by 20% by year 2010

Areas of Concentration:

- Awareness & Education
- Energy Efficient Buildings
- Clean Power Generation
- Water Conservation
- Usage Reduction & Recycling
- Smart Transportation
- Eco-friendly Practices
- Participation & Collaboration

Guiding Principals:

1. Efficiency Systems
2. Informed People
3. Reasonable Expectations
4. Responsible Actions

Office of the Director
Physical Plant - Facilities Planning & Management
201 Service Building University of Wisconsin–Madison 1217 University Avenue Madison, Wisconsin 53706–1589
608/262–2951 Fax: 608/265–3510 TTY 608/265–4550

Accomplishments -- Annual Reductions (April 2006-June 2009)

- Energy Cost = $7.8 Million *(18% BTU reduction)*
- Water Usage = 178,000,000 gallons *(21% reduction)*
- CO2 Emission = 59,000 metric tons
- Diesel Fuel = 10,000 gallons *(10% reduction)*
- Food waste = 150 tons being composted
- Trash = 673 tons *(9% reduction)*

Although we are well under way to accomplish our objectives, our ultimate goal is to serve as a role model and provide on-going leadership, awareness and education, best practices, and inspiration to other universities and communities to enhance our nation's collective energy efficiency and its role in protecting the environment. To that end, our University is launching its "be the WE" campaign which will reach the various levels and layers of the society as a comprehensive national campaign. We believe this is consistent with the Energy Efficiency and Conservation Block Grant Program and we look forward to having the opportunity to team up with our partners to make a real difference and help deliver this great vision of the Department of Energy.

Please note that this letter is not a commitment or offer to lend or finance, and does not create any obligation of UW-Madison. All prospective transactions must meet internal approval requirements for funding.

We look forward to participating in this project and helping reach our mutual goals of energy and cost savings.

Sincerely,

Faramarz Vakili
Associate Director of Physical Plant
Campus Director of WE CONSERVE

Start Division
3232 W. Fond Du Lac Ave.
Milwaukee, WI 53210
Ph. (414) 444-8059
Fax (414) 444-8097

UNITED Milwaukee Scrap LLC
Conservation Through Recycling

Standard Division
3027 W. Concordia Ave.
Milwaukee, WI 53216
Ph. (414) 449-2121
Fax (414) 449-4408

December 8, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for the Energy Efficiency and Conservation Block Grant Program (EECBG)

I am pleased to provide this letter of support for the WE^2 Team's application—made up of the City of Milwaukee, City of Madison, and the City of Racine, with Wisconsin Energy Conservation Corporation (WECC) serving as the Team administrator—as part of the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Programs. During the past year, United Milwaukee Scrap LLC has collaborated with City of Milwaukee through Focus On Energy to looks for ways to reduce energy costs.

United Milwaukee Scrap LLC would be pleased to participate as an Industry Partner for this particular effort. We understand that various building types will be involved in this effort—both residential and non-residential. We also understand that in a later stage of the project, other areas of Wisconsin could be targeted for a broad roll-out to deliver scalability of the project and we are supportive in serving as a pilot community.

As an Industry Partner, we would work with WECC and the WE^2 Team Members to enable commercial businesses to implement the proposed innovative energy efficiency approaches, and support DOE's required efforts to track results and identify best practices.

We look forward to participating in this project and helping reach our mutual goals of energy and cost savings. Reducing our energy costs will allow United to remain competitive in an ever challenging competitive global environment, one that all cost savings to the bottom line are critical.

Best regards,

David Arnstein
Vice-President

RENEWABLE FUNDING

December 8, 2009

Geoge Edgar
Director of Policy
Wisconsin Energy Conservation Corporation
431 Charmany Drive
Madison, WI 53719

Dear Mr. Edgar,

We welcome the opportunity to support the City of Milwaukee on your property assessed clean energy (PACE) program that will be part of your Retrofit Ramp-Up Grant Application to the U.S. Department of Energy.

Renewable Funding has been pleased to work with the both the City of Milwaukee and State of Wisconsin on enabling the PACE program as well as advising on PACE programmatic structures. We look forward to helping your team implement a PACE program which will complement the retrofit effort in your community and make your program sustainable.

As the only firm in the country with experience both administering and financing PACE programs, Renewable Funding offers unparalleled expertise in helping our partners understand the intricacies of and reduce the risk in carrying out this new financing model for renewable energy and energy efficiency installations. As the summary below demonstrates, we can offer a range of design, administration, and financing services to support your program goals.

Summary of Services

Program Design

1. Design: development of program guidelines, creation of clear underwriting standards, alignment with local goals and policies, and integration with existing programs.
2. Technology: website set-up and customization.
3. Marketing: market demand analysis and promotional and outreach campaign coordination.
4. Resources: assistance applying for state and federal funds/grants.

Administration Design

1. Education & Marketing: development of materials, workshops, and direct outreach.
2. Application Processing: property/project screens and underwriting.
3. Customer Service: addressing property owner and contract questions.
4. On-Going Technology and Reporting Management: tracking of program goals.
5. Origination and Closing Process Management: project quality assurance, closing documentation, and funding disbursement.

1746 Broadway, Oakland, California 94612 P: 510.451.7900 F: 510.451.7904 www.renewfund.com

Financial Services

1. Adaptable Financing Structures, including micro-bond or pooled bond approaches.
2. Cost Recapture, including via application fee, capitalized expenses, property tax in excess of debt service, installer/contractor fees, and funding from external sources.

Firm Experience

Renewable Funding brings exposure and expertise pioneering the PACE model first in California and now throughout the country. The firm has consulted with many state and local governments, including Arizona, Colorado, Florida, Louisiana, Maine, Missouri, New Mexico, New York, Ohio, Oregon, Texas, Vermont, Virginia, Wisconsin, and others. Renewable Funding is also active on the federal level, having been instrumental in the Congressional clarification extending tax credits to renewable energy financing programs sponsored by local governments. The firm has worked with the U.S. Department of Energy, Environmental Protection Agency, White House, and other federal agencies to develop policy for PACE programs and to assist in building a national model.

Our clients include:

- **Berkeley, California.** Renewable Funding administered and financed the Berkeley program starting in late 2008. The first of its kind, the program received attention internationally. The $1.5 million pilot program financed solar PV and was met with high participant support, being fully subscribed in 9 minutes. Renewable Funding purchased all bonds associated with the program.

- **Boulder County, Colorado.** Renewable Funding assists Boulder County, which includes the county and 10 incorporated cities, in the administration of its ClimateSmart Loan Program. In the first application round, Boulder's program financed solar and energy efficiency projects for nearly 400 property owners for a total amount of approximately $7.7 million in financing. Renewable Funding provides origination services for the County.

- **San Francisco, California.** Renewable Funding has been selected to administer and finance the San Francisco Sustainable Financing Program. The firm has worked closely with the City in designing a program that provides financing for renewable and energy efficiency projects for residential and commercial property owners. The program is expected to fund over $40 million in projects upon its launch in early 2010. Financing partners include New Resource Bank, OneCalifornia Bank, and Stone & Youngberg.

- **CaliforniaFIRST Statewide Financing Program.** Renewable Funding is developing the California-wide program sponsored by the California Statewide Communities Development Authority, a joint powers authority. Over 100 local jurisdictions with over 10 million people are participating in the first phase of the program. Renewable Funding will administer and finance the program, which will organize cities and counties throughout California to achieve economies of scale for the bond issuance. The program will fund renewable energy and energy efficiency projects for residential, commercial

and industrial property owners. The program is currently on a timeline to launch in mid-2010 and is expected to finance over $1 billion in projects. The Royal Bank of Canada is the underwriter and financing partner for the program.

In addition, our firm has been selected to administer and/or finance programs in:

- Albuquerque, NM;
- Los Angeles County, CA; and
- San Diego, CA.

As a result of our diverse experience, we are familiar with different legal and procedural structures as they evolve in different states and communities.

Financing

Renewable Funding's access to a range of capital sources permits the firm to provide flexible financing plans for our program partners. This allows programs to adjust to market conditions in order to capture the most competitive financing rates, ensuring the lasting success of programs we support. Renewable Funding both delivers our own financing as well as provides financing through partners such as Barclays, Citigroup, and Royal Bank of Canada Capital Markets. In addition, we have built a sophisticated software platform, which keeps costs low and allows property owners to move efficiently through the application and funding process.

We would welcome the opportunity to work together, including with your local partners and governments, to lend our knowledge and experience on PACE to meeting local environmental and workforce development goals.

Best regards,

Cisco DeVries
President

Mimi Frusha
Chief Operating Officer

1746 Broadway, Oakland, California 94612 P: 510.451.7900 F: 510.451.7904 www.renewfund.com

Office of the Mayor
John T. Dickert

City of Racine, Wisconsin

City Hall
730 Washington Ave
Racine WI 53403
262 636-9111
262-636-9570 FAX
John.Dickert@Cityofracine.org

December 10, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, DC 20585-1615

RE: Letter of Support for the Energy Efficiency and Conservation Block Grant Program (EECBG)

I am pleased to provide this letter of support for the WE^2 Team's application—made up of the City of Milwaukee, City of Madison, and the City of Racine, with Wisconsin Energy Conservation Corporation (WECC) serving as the Team administrator—as part of the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Programs.

The City of Racine has a long history of promoting and implementing energy efficiency projects. We are a leader in the implementation of L.E.D. traffic signals and street lighting. We are currently converting one-quarter of our street lighting system to L.E.D. technology—reducing our energy usage by 40%. In addition we have installed a 75 kilowatt solar photovoltaic generating system which is providing 20 % of our electrical needs at one of our major city office buildings.

As a partner, we would work with WECC and the WE^2 team members to enable our commercial and industrial businesses to implement these and other energy efficiency approaches.

We look forward to participating in this project and helping reach the goal of creating energy efficient communities which will provide both economic and environmental benefits to our citizens.

Respectfully,

John Dickert
Mayor

MILWAUKEE PUBLIC SCHOOLS

DIVISION OF FACILITIES AND MAINTENANCE SERVICES

1124 North 11th Street
Milwaukee, Wisconsin 53233
Area 414: 283-4600
Fax 414: 283-4682

December 9, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

To Whom It May Concern:

Milwaukee Public Schools (MPS) understands that the WE^2 Team—made up of the City of Milwaukee, City of Madison, and the City of Racine, with Wisconsin Energy Conservation Corporation (WECC) serving as the Team administrator—is applying for EECBG as part of the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Programs. The WE^2 Team Members will initiate innovative pilot programs, including implementation of the Property Assessed Clean Energy (PACE) financing model, and will include rigorous tracking and research components.

MPS is the largest school district in the State of Wisconsin and we are committed to increasing the efficiency of our facilities through the reduced consumption of energy, use of alternative energy sources, and increasing sustainable practices in our buildings, operations and the classroom.

As a Partner, we would work with WECC and the WE^2 Team Members to implement energy efficiency approaches, and support DOE's required efforts to track results and identify best practices.

We look forward to participating in this project and reaching our mutual goals of reducing energy consumption and long term cost savings.

Sincerely,

Gina M. Spang

Gina M. Spang, P.E.
Director of Facilities and Maintenance Services

GLENN RIEDER
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3420 West Capitol Drive

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6615 Schuster Street

Las Vegas, NV 89118

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fax (702)248-4859

www.glennrieder.com

December 8, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for the Energy Efficiency and Conservation Block Grant Program (EECBG)

I am pleased to provide this letter of support for the WE^2 Team's application—made up of the City of Milwaukee, City of Madison, and the City of Racine, with Wisconsin Energy Conservation Corporation (WECC) serving as the Team administrator—as part of the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Programs. During the past year, Glenn Rieder has collaborated with the City of Milwaukee and Wisconsin Energies through a power substation deconstruction project located at our manufacturing facility in Milwaukee.

Glenn Rieder would be pleased to participate as an Industry Partner for this particular effort. We understand that various building types will be involved in this effort—both residential and non-residential. We also understand that in a later stage of the project, other areas of Wisconsin could be targeted for a broad roll-out to deliver scalability of the project and we are supportive in serving as a pilot community.

As an Industry Partner, we would work with WECC and the WE^2 Team Members to enable [homeowner and/or commercial businesses] to implement the proposed innovative energy efficiency approaches, and support DOE's required efforts to track results and identify best practices.

We look forward to participating in this project and helping reach our mutual goals of energy and cost savings.

Sincerely,

GLENN RIEDER, INC.

Michael J. Floyd
C.E.O.

City of Milwaukee

Department of Administration
Office of Environmental Sustainability

Tom Barrett
Mayor

Sharon Robinson
Director

December 11, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for the WE^2 Team's EECBG Retrofit Ramp-up Proposal

The City of Milwaukee – Office of Environmental Sustainability's solar energy program *Milwaukee Shines* is in support of the joint application put forth by the WE^2 Team as it will initiate innovative programs that are designed to reduce fossil fuel consumption, reduce energy use in buildings, put people to work and stimulate the economy. The proposal also includes the implementation of the Property Assessed Clean Energy (PACE) financing model which will eliminate or greatly reduce the upfront costs of energy efficiency improvements and solar. As there are future plans to tie solar incentives to energy efficiency improvements, the ability for solar to be financed via PACE (at the City of Milwaukee) is contingent on the success of this application. Thus, the City's solar program is in complete support of the WE^2 Team's proposal.

We strongly believe that the WE^2 Team, because of its experience in implementing loan programs for energy efficiency, administering incentives programs for energy efficiency and renewables as well as meeting workforce development needs is competitive and capable of scaling up its efforts and replicating them throughout the state of Wisconsin. Because Wisconsin is subject to some of the most brutal winter conditions, energy efficiency in homes is critical for comfort, economics and the environment.

Two grants through the U.S. Department of Energy Solar America Cities program (DE-FC36-08GO18094 and DE-EE0002081) and associated partner match are offered in the form of in-kind match, totaling $2.9 million. Additionally, *Milwaukee Shines* has a history with working with the City of Madison as well as local labor groups and can use its experience and relationships to help facilitate the WE^2 Team's programming.

We look forward to participating in this project and helping to reach our mutual goals of energy and cost savings.

Best regards,

Erick Shambarger
Office of Environmental Sustainability
City of Milwaukee
414-286-8556

HOUSING AUTHORITY OF THE
CITY OF MILWAUKEE

Tom Barrett
Mayor

Antonio M. Perez
Secretary-Executive Director

Alderman Willie L. Hines, Jr.
Chair, Board of Commissioners

December 14, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for the Energy Efficiency and Conservation Block Grant Program (EECBG)

We are pleased to provide this letter of support for the WE^2 Team's application—made up of the City of Milwaukee, City of Madison, and the City of Racine, with Wisconsin Energy Conservation Corporation (WECC) serving as the Team administrator—as part of the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Programs. The Housing Authority of the City of Milwaukee is collaborating with the City of Milwaukee on its Solar Cities grant.

The Housing Authority manages over 4,000 units of subsidized housing, 1,000 units of workforce housing and administers over 5,500 Housing Choice Vouchers. The Housing Authority would be pleased to participate as an Industry Partner for this particular effort. We understand that various building types will be involved in this effort—both residential and non-residential. We also understand that in a later stage of the project, other areas of Wisconsin could be targeted for a broad rollout to deliver scalability of the project and we are supportive in serving as a pilot community.

The Housing Authority also administers a homeownership program and is working with the City of Milwaukee to renovate abandoned and foreclosed properties through the City of Milwaukee's Neighborhood Stabilization Program. As an Industry Partner, we would work with WECC and the WE^2 Team Members to enable eligible homeowners to implement the proposed innovative energy efficiency approaches, and support DOE's required efforts to track results and identify best practices.

We look forward to participating in this project and helping reach our mutual goals of energy and cost savings.

Best regards,

Tony Pérez
Secretary-Executive Director

Housing Management
809 N. Broadway, 3rd Floor
Milwaukee, WI 53202
(414) 286-5824 Voice
(414) 286-0833 Fax

Community Services
650 W. Reservoir Ave.
Milwaukee, WI 53212
(414) 286-5100 Voice
(414) 286-3169 Fax
(414) 286-3504 TDD

Housing Operations
5125 W. Lisbon Ave.
Milwaukee, WI 53210
(414) 286-2192 Voice
(414) 286-8742 Fax

Maintenance Operations
2411 N. 51st St.
Milwaukee, WI 53210
(414) 286-2931 Voice
(414) 286-0208 Fax

Modernization & Development
5125 W. Lisbon Ave.
Milwaukee, WI 53210
(414) 286-2951 Voice
(414) 286-8742 Fax

Rent Assistance
5011 W. Lisbon Ave.
Milwaukee, WI 53210
(414) 286-5650 Voice
(414) 286-5094 Fax
(414) 286-5645 TDD

EQUAL HOUSING OPPORTUNITY

809 N. Broadway, 3rd Floor, Milwaukee, WI 53202
Mailing Address: P.O. Box 324, Milwaukee, WI 53201-0324

GreenCampusCorp

Converting Green Ideas Into Green Solutions

James B. Thoma
Managing Director
GreenCampusCorp LLC
717 Philadelphia Boulevard
Sea Girt, NJ 08750
Office 732-359-6689
Cell 732-675-3878
jim.thoma@greencampuscorp.com

November 17, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, DC 20585-1615

RE: Letter of Interest for the Energy Efficiency and Conservation Block Grant Program

As a leading developer and financial solutions provider for energy efficiency and renewable energy projects, GreenCampusCorp LLC ("GCC") will be pleased to partner with Johnson Controls Inc. ("JCI) and other team members to implement energy efficiency supported by the the Department of Energy's Energy Efficiency and Conservation Block Grant Program.

GCC maintains a longstanding and highly valued relationship with JCI to co-develop and finance energy projects serving a wide range of public and private clients. GCC regularly provides financing to support energy efficiency and renewable energy projects for JCI and its customers across the U.S. GCC is very interested in learning more about this opportunity and potentially providing a $150 million financing solution for JCI's EECBG Program project for the State of Wisconsin.

We understand that this financing will be used primarily to fund Shared Savings Contracts in healthcare and higher education facilities in the communities of Madison, Racine and Milwaukee, Wisconsin. We understand that if the EECBG grant request is approved by DOE that each project would have to be developed and evaluated individually to insure the proper due diligence is completed on each project.

We also is understand that if this grant request is approved the financing solutions that we are considering will be used to leverage ARRA funds and create energy retrofit opportunities for the Healthcare and Higher Education markets in the defined geography to accomplish the goals of the Energy Efficiency and Conservation Block Grant Program.

Please note that this letter of interest is not a commitment to provide financing. Upon notification that a grant has been awarded to the JCI Team, GCC will consider individual projects for final credit approval and transaction execution.

We at GCC truly wish you and your entire team the best of luck with this project and hope that you are able to participate in a successful initiative under the EECBG Program. We stand by to assist you in any way possible, so please do not hesitate to contact us with any questions.

Once again, thank you for the opportunity to be considered for this important program.

Sincerely,

James B. Thoma
Managing Director

cc: Charles K. McGinnis – Johnson Controls, Inc.

MILWAUKEE AREA **Technical College**

MATC

Vicki J. Martin, Ph.D.
Interim President

700 West State Street
Milwaukee, Wisconsin 53233-1443
414-297-6320
Fax: 414-297-6553
e-mail: martinv@matc.edu

December 14, 2009

U.S. Department of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585-1615

To Whom It May Concern:

RE: Support for the Energy Efficiency and Conservation Block Grant Program (EECBG)

Milwaukee Area Technical College (MATC) understands that the WE^2 Team—made up of the cities of Milwaukee, Madison, and Racine with Wisconsin Energy Conservation Corporation (WECC) serving as the Team administrator—is applying for EECBG as part of the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Programs. The WE^2 Team members will initiate innovative pilot programs, including implementation of the Property Assessed Clean Energy (PACE) financing model, and will include rigorous tracking and research components.

MATC is one of the most highly valued technical colleges in the United States and is pleased to offer a commitment to become an industry partner working on this project. MATC agrees to the following in-kind services towards the city of Milwaukee efforts in this project:

- Provide a pathway to energy auditing, commissioning, and other courses in the energy industry
- Provide a pathway to degrees, diplomas, and certificates in resource management such as power engineering, HVAC, sustainable facilities operations, and environmental health and water quality technology
- Provide assistance with data analysis
- Host community energy education sessions

As an industry partner, we would work with WECC and the WE^2 Team members to enable homeowners and/or commercial businesses to implement innovative energy efficiency approaches and support DOE's required efforts to track results and identify best practices.

We look forward to participating in this project and helping reach our mutual goals of energy and cost savings.

Sincerely,

Vicki J. Martin

Vicki J. Martin, Ph.D.
Interim President

MATC is an Affirmative Action/Equal Opportunity Institution and complies with all requirements of the Americans With Disabilities Act.

Public Service Commission of Wisconsin

Eric Callisto, Chairperson
Mark Meyer, Commissioner
Lauren Azar, Commissioner

610 North Whitney Way
P.O. Box 7854
Madison, WI 53707-7854

December 11, 2009

U.S. Department of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585-1615

Re: Letter of Support for DE-FOA-0000148 Grant Application

To Whom It May Concern:

I am pleased to provide this letter of support for the WE^2 application which is being submitted on behalf of the city of Milwaukee, city of Madison, and the city of Racine by the Wisconsin Energy Conservation Corporation (serving as the team administrator for the project) as part of the U.S. Department of Energy's Retrofit Ramp-up and General Innovation Fund Programs.

The award winning Focus on Energy Program is Wisconsin's statewide energy efficiency and renewable energy program, funded by the energy utilities, with oversight by the Public Service Commission of Wisconsin. The Focus on Energy program implements both non-residential and residential retrofit programs throughout the state of Wisconsin for eligible customers.

In 2008, Focus on Energy provided more than $8 million in incentives as part of program efforts in the partner cities of Milwaukee, Madison, and Racine. Given that Focus on Energy funding levels are stable or slightly increasing, it is reasonable to assume that Focus on Energy will provide similar incentives to eligible residents and businesses in these communities in 2010 and each subsequent year. Accordingly, the WE^2 proposal identifies these incentives as part of the leveraged funds in the Budget and Narrative section of the proposal.

The Public Service Commission is a strong proponent of Focus on Energy's residential and commercial retrofit efforts. We are enthusiastic about partnering with communities to pilot new initiatives that can increase the breadth and depth of retrofit efforts, thereby saving energy and reducing utility bills for Wisconsin residents.

Sincerely,

Eric Callisto
Chairperson

EJC:jas:sp:K:\ejc\letters\2009\EECGB WE2 2009 (3)

Telephone: (608) 266-5481 **Fax: (608) 266-3957** **Home Page: http://psc.wi.gov**
TTY/TextNet: In Wisconsin (800) 251-8345, Elsewhere (608) 267-1479 **E-mail: pscrecs@psc.state.wi.us**

JIM DOYLE

GOVERNOR

STATE OF WISCONSIN

December 11, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for the Energy Efficiency and Conservation Block Grant Program (EECBG)

I am writing in strong support of the Wisconsin "WE^2" team's application to the US. Department of Energy's Energy Efficiency and Conservation Block Grant Retrofit Ramp-up Program. Wisconsin's WE^2 team application would allow them to pilot a program which would transform the existing residential and commercial/industrial retrofit market for the state of Wisconsin. The WE^2 team is composed of the City of Milwaukee, City of Madison, and the City of Racine, with the Wisconsin Energy Conservation Corporation (WECC) serving as the team administrator. WECC currently serves as the administrator of the State of Wisconsin's energy efficiency program, Focus on Energy, which is a nationally recognized program. Through Focus, Wisconsin is already able to help Wisconsin residents and businesses save over $239 million and 1.7 billion kilowatt hours annually.

To date, the State of Wisconsin has collaborated with multiple Wisconsin cities to support their efforts to curb greenhouse gas emissions. However, we are very excited about the creation of this pilot program that could become a model for state-wide implementation of residential and commercial retrofits. Support for this pilot project is critical to the development of an energy efficient future for the State of Wisconsin.

It is important to note that Wisconsin is submitting two applications for this exciting opportunity. The WE^2 team is applying for Topic #1, and a second group, composed of seven WPPI Energy Member Communities, will be submitting an application for Topic #2. These two groups intend to closely collaborate in their work toward a state-wide goal of deep retrofits of Wisconsin's communities. This collaborative effort will enable homeowners and businesses to implement more innovative energy efficiency approaches, and support the Department of Energy's required efforts to track results and identify best practices.

I encourage you to award funding to this deserving project. Wisconsin looks forward to participating, and to working with the Department of Energy to reach our mutual goals of energy and cost savings.

Sincerely,

Jim Doyle
Governor

P.O. BOX 7863, MADISON, WISCONSIN 53707-7863 • (608) 266-1212 • FAX: (608) 267-8983
WWW.WISGOV.STATE.WI.US

WISCONSIN APOLLO ALLIANCE

December 11, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for the Energy Efficiency and Conservation Block Grant Program (EECBG)

To Whom it May Concern:

I am pleased to provide this letter of support for the WE2 Team's application—made up of the City of Milwaukee, City of Madison, and the City of Racine, with Wisconsin Energy Conservation Corporation (WECC) serving as the Team administrator—as part of the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Programs. Milwaukee, Madison and Racine are all signatories to the U.S. Mayor's Climate Protection Agreement. Each of these communities has implemented early carbon reduction measures, which include installation of LED traffic signals, retrofitting energy efficient lighting and HVAC systems, and insulating and air sealing buildings.

In addition to the commitment these Wisconsin cities have already shown to reduce GHG emissions, other considerations demonstrate that this applicant would be a good fit for the Retrofit Ramp-up project:

- Heating degree days (HDD) are substantial due to cold winters. Madison has an average of 7499 HDD compared to a national average of 5138 HDD (46% higher than the national average.)
- High percentage of older housing stock. Ninety Two percent of housing stock in Milwaukee was built pre-1980.
- October 2009 unemployment figures (not seasonally adjusted), are high for the manufacturing hubs of Milwaukee (10.6%) and Racine (14.1%), indicating that our skilled workforce is underutilized.

Inclusion of good job standards in the application will insure that the jobs created will be family sustaining and create pathways out of poverty. We support the specification that this project will be done under a Community Workforce Agreement (CWA) requiring "responsible contractors," quality training and career pathways, and local hiring preference. The "responsible contractor" provisions in the application will insure quality outcomes to meet the targeted energy efficiency improvements.

Our organizations would be pleased to participate as Community Partners for this particular effort. We understand that various building types will be involved in this effort—both residential and non-residential. We also understand that in a later stage of

STEERING COMMITTEE

Forest Ceel
IBEW Local #2150

Jennifer Giegerich
Wisconsin League of Conservation Voters

Phil Neuenfeldt
Wisconsin State AFL-CIO

Keith Reopelle
Clean Wisconsin

Joel Rogers
Center on Wisconsin Strategy

Shahla Werner
Wisconsin Sierra Club

In partnership with

COWS
center on wisconsin strategy

the project, other areas of Wisconsin could be targeted for a broad roll-out to deliver scalability of the project and we are supportive in serving as a pilot community.

As a Community Partner, we would work with WECC and the WE2 Team Members to encourage participation by homeowners and/or commercial businesses to implement the proposed innovative energy efficiency approaches. We plan to use information gathered from DOE's required tracking of results and best practices to build community support for the program.

We look forward to participating in this project and helping reach our mutual goals of energy and cost savings.

Best regards,

The Wisconsin Apollo Alliance
Sierra Club Great Waters Group
Sierra Club Southeast Gateway Group

Madison Gas and Electric Company
P.O. Box 1231
Madison, WI 53701-1231
608-252-7000

your community energy company

Lynn K. Hobbie
Senior Vice President
608-252-4760

December 10, 2009

U.S. Department of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for the Energy Efficiency and Conservation Block Grant Program (EECBG)

I am pleased to provide this letter of support for the WE^2 Team's application – made up of the City of Milwaukee, City of Madison, and the City of Racine, with Wisconsin Energy Conservation Corporation (WECC) serving as the Team Administrator – as part of the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Programs. During the past several years, Madison Gas and Electric Company has collaborated with City of Madison through our Partnership For a Green Capitol City.

MGE would be pleased to participate as an Industry Partner for this particular effort. We understand that various building types will be involved in this effort – both residential and non-residential. We also understand that in a later stage of the project, other areas of Wisconsin could be targeted for a broad roll-out to deliver scalability of the project and we are supportive in serving as a pilot community.

As an Industry Partner, we would work with WECC and the WE^2 Team Members to help enable homeowners and commercial businesses to implement the proposed innovative energy efficiency approaches, and support DOE's required efforts to track results and identify best practices.

We look forward to participating in this project and helping reach our mutual goals of energy and cost savings.

Best Regards,

Senior Vice President

bj

RUSSELL D. FEINGOLD
WISCONSIN

506 HART SENATE OFFICE BUILDING
WASHINGTON, DC 20510
(202) 224-5323
(202) 224-1280 (TDD)
feingold.senate.gov

United States Senate

WASHINGTON, DC 20510–4904

COMMITTEE ON THE BUDGET
COMMITTEE ON FOREIGN RELATIONS
COMMITTEE ON THE JUDICIARY
SELECT COMMITTEE ON INTELLIGENCE
DEMOCRATIC POLICY COMMITTEE

December 11, 2009

Steven Chu, Secretary
U.S. Department of Energy
1000 Independence Ave S.W.
Washington, DC 20585-0002

Dear Secretary Chu:

I am pleased to write in support of the application submitted by the Wisconsin Energy Conservation Corporation (WECC) and the partner entitlement Cities of Milwaukee, Madison, and Racine, Wisconsin for funding under the DOE Retrofit Ramp-up and General Innovation Fund Program (DE-FOA-0000148).

According to the application, WECC and its partner cities request funding to implement a program of innovative strategies that will significantly increase energy efficiency savings for customers, reduce carbon emissions and create jobs and which are replicable in other communities throughout Wisconsin and the nation. Each city will retain its requested share of the grant award for use within its community and to cover its share of the overall project administrative and reporting costs. The proposal explains the project is designed to capture the benefits of achieving economies of scale as well as to provide a high visibility of success that can promote market transformation.

The major programs to be implemented through the grant include a residential Comprehensive Energy Efficiency Home Retrofit program and an Enhanced Performance Contracting program for multi-family, commercial, industrial and public building sectors. The proposal explains the programs will be based on supportive service delivery approaches and the ability to finance identified energy efficiency improvements through the Property Assessed Clean Energy (PACE) model. According to the application, the program seeks to achieve at least 3,000 comprehensive single home retrofits over the three year planning period in each participating city and to provide an approach that will sustain increased deep impact retrofits after the grant period. An additional 4,200 deep impact retrofits are estimated to occur over the three years following the grant period.

As the proposal explains, 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. I urge you to give WECC's application full and fair consideration.

Sincerely,

Russ Feingold

Russell D. Feingold
United States Senator

RDF/jmb

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PRINTED ON RECYCLED PAPER

Tom Barrett
Mayor, City of Milwaukee

December 11, 2009

U.S. Department of Energy
1000 Independence Avenue
Washington, DC 20585

RE: EECBG—Competitive Grants, Applicant Authorization

The City of Milwaukee, Wisconsin (City) authorizes the Wisconsin Energy Conservation Corporation (WECC)—a non-governmental, non-profit organization, located at 431 Charmany Drive, Madison, Wisconsin—to act as the "Applicant" on the behalf of the City in filing the WE^2 Team's Application for the U.S. Department of Energy's Funding Opportunity Number DE FOA-0000148.

This Application is specific to the Retrofit Ramp-Up Program Topic 1 portion of the FOA in which the City is applying for $35-$40 million in grant money to develop an enhanced non-residential program that will include comprehensive energy efficiency building retrofits for various building sectors within the City, and $5-$10 million in grant money to develop a comprehensive residential energy efficiency building retrofit program within the City that will include use of the Property Assessed Clean Energy (PACE model). The City also authorizes WECC to serve as the Project Director for the City for administration of the programs contained in the grant.

If this application is selected for approval by the US Department of Energy, the City needs Milwaukee Common Council approval to formally accept the grant award and proceed with program implementation. Subsequently, the City and WECC will develop and sign a Memorandum of Understanding (MOU) consistent with the grant proposal to delineate the roles and responsibilities of the two entities, as well as labor standards and a Community Workforce Agreement that will be required of program contractors and sub-contractors.

Acknowledgment:

Tom Barrett

Tom Barrett, Mayor of Milwaukee

December 11, 2009

December 11, 2009

Office of the Mayor • City Hall • 200 East Wells Street • Milwaukee, Wisconsin 53202
(414) 286-2200 • fax (414) 286-3191 • mayor@milwaukee.gov

Statement of Intent

We join the Emerald Cities Partnership (ECP) in improving [CITY] through increased energy efficiency, high-road job creation, and economic opportunity for disadvantaged communities. Properly undertaken, investment in retrofits will make the city more ecologically sustainable while creating opportunities for broad inclusion, wealth creation, and ongoing citizen mobilization to ensure long-term government commitment to environmental and equity goals. We agree to collaborate with a broad group of stakeholders including businesses, unions, community organizations, social justice advocates, development intermediaries, and political leadership in order to ***green our city, build our communities, and strengthen our democracy*** through efforts to:

- Substantially increase the energy efficiency of citywide building stock over ten years while prioritizing poor communities.
- Implement deep, not simple, retrofits wherever possible.
- Support high-quality job creation through the requirement for labor standards.
- Expand access to high-quality jobs and contracts to minorities, women, and low-income residents.
- Build lasting democratic capacity to shape the urban economy.
- Endorse and advocate for regulations and legislation furthering these goals

The local ECP's initial citywide process will work towards a serious plan with inclusive standards for energy efficiency retrofits that reflect the new social compact among participating stakeholders. This process will emanate from the premises that:

- All partners support standards for high road jobs.
- Credentialed workforce and green training programs, skilled careers, and construction contracts will be made accessible to disadvantaged communities.
- Nonprofit, public, and private partners will assist in aggregating demand for skilled green jobs.
- Meaningful community engagement will empower residents to have a voice in shaping projects.

The national ECP will support planning efforts and project implementation with substantial technical assistance and other support. As we implement the community workforce agreement and a shared, citywide retrofit plan, we will not only continue to pursue ECP's stated goals but also measure our progress with meaningful parameters.

We agree (a) to contribute to the achievement of the ECP's goal and projects; (b) to engage other local Emerald Cities members honestly about our own interests, needs, and ECP-relevant activities; (c) to seek to understand and respect the legitimate interests of all ECP partners; (d) to hold ourselves and other members accountable for delivery on commitments to ECP work; and (e) to avoid any unilateral action that might undermine the ECP's unity of purpose and action.

Organization Name: Northcott Neighborhood House Inc.

Name and Title: McArthur Waddle - Executive Director

Signature: McArthur Waddle

Date: 9/24/09

Statement of Intent

We join the Emerald Cities Partnership (ECP) in improving [CITY] through increased energy efficiency, high-road job creation, and economic opportunity for disadvantaged communities. Properly undertaken, investment in retrofits will make the city more ecologically sustainable while creating opportunities for broad inclusion, wealth creation, and ongoing citizen mobilization to ensure long-term government commitment to environmental and equity goals. We agree to collaborate with a broad group of stakeholders including businesses, unions, community organizations, social justice advocates, development intermediaries, and political leadership in order to ***green our city, build our communities, and strengthen our democracy*** through efforts to:

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Organization Name: Social Development Commission

Name and Title: Deborah Blanks

Signature: Deborah Blanks

Date: 9-24-09

Statement of Intent

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Organization Name: Milwaukee Christian Center - YouthBuild

Name and Title: JanMarie Lambert, Executive Director

Signature: JanMarie Lambert

Date: 9-23-2009

Statement of Intent

We join the Emerald Cities Partnership (ECP) in improving [CITY] through increased energy efficiency, high-road job creation, and economic opportunity for disadvantaged communities. Properly undertaken, investment in retrofits will make the city more ecologically sustainable while creating opportunities for broad inclusion, wealth creation, and ongoing citizen mobilization to ensure long-term government commitment to environmental and equity goals. We agree to collaborate with a broad group of stakeholders including businesses, unions, community organizations, social justice advocates, development intermediaries, and political leadership in order to ***green our city, build our communities, and strengthen our democracy*** through efforts to:

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Organization Name: WRTP / Big-Step

Name and Title: Earl Buford; Executive Director

Signature: _____

Date: 7/24/09

Statement of Intent

We join the Emerald Cities Partnership (ECP) in improving [CITY] through increased energy efficiency, high-road job creation, and economic opportunity for disadvantaged communities. Properly undertaken, investment in retrofits will make the city more ecologically sustainable while creating opportunities for broad inclusion, wealth creation, and ongoing citizen mobilization to ensure long-term government commitment to environmental and equity goals. We agree to collaborate with a broad group of stakeholders including businesses, unions, community organizations, social justice advocates, development intermediaries, and political leadership in order to ***green our city, build our communities, and strengthen our democracy*** through efforts to:

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Organization Name: Milwaukee Community Service Corps

Name and Title: Chris Litzau, Exec Director

Signature: Tom Thyssen Dep. Dir for Chris Litzau Exec Dir

Date: 9-24-09

Bank of America
Merrill Lynch

Karen Gierhart
Managing Director
Banc of America Public Capital Corp

One Financial Plaza
Providence, RI 02903
Tel. 401.278.7764
Fax 704.719.8207
karen.h.gierhart@bankofamerica.com

November 13, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, DC 20585-1615

Re: Letter of Interest for the Energy Efficiency and Conservation Block Grant Program

As part of our longstanding and highly valued banking and credit relationship with Johnson Controls, Inc. ("JCI"), Bank of America, N.A. and its affiliated companies ("BAC") regularly extend credit to finance a number of energy efficiency and renewable energy projects for JCI across the U.S., and we are very interested in learning more about this opportunity and potentially providing a $150 million financing solution for JCI's EECBG Block Grant project for the State of Wisconsin.

We understand that this financing will be used primarily to fund Energy Savings Performance Contracts in public buildings in the communities of Madison and Milwaukee, Wisconsin. We understand that if the EECBG grant request is approved by DOE that each project would have to be evaluated individually to insure the proper due diligence is completed on each project.

We also understand that if this grant request is approved the financing solutions that we are considering will be used to leverage ARRA funds and create energy retrofit opportunities for the Public K12, Municipal, State, Higher Education market in the defined geography to accomplish the goals of the Energy Efficiency and Conservation Block Grant Program.

BAC is proud of our announcement in 2007 for our 10-year, $20 billion lending and investment commitment for environmental saving initiatives in the U.S., and we are interested to consider the JCI/State of Wisconsin project as part of our environmental lending commitment. Furthermore, our Energy & Power Finance group offers a wealth of financial, structural and general industry expertise to assist transaction parties with economically efficient and smooth closings. It is customary that we do not pay any fees or inducements to JCI, or our other vendor partners, in order to preserve the arms-length relationship between the lender and vendor in these transactions.

Please note this letter is not a commitment or offer to lend or finance, and does not create any obligation of BAC. All prospective transactions must meet internal approval requirements for funding.

Please do not hesitate to contact me at any time with any questions.

Sincerely yours,

Karen H. Gierhart

Karen Gierhart
Managing Director

cc: Geoff Culm

Confidential

Bank of America
Merrill Lynch

BANK OF AMERICA ENVIRONMENTAL INITIATIVES

- 1992: Board approves and publishes environmental principals describing the Bank's commitment to the environment
- 2002: Bank of America establishes a centralized energy investment pool to invest in energy efficiency technologies.
- 2004: Bank of America adopts a sustainable forest policy within GCIB and sets aggressive, voluntary goals to reduce greenhouse gas emissions across the company by 9% by 2009. As a means of meeting the targets, the Bank implements and installs energy efficient controls and systems in many Bank offices and sets timelines for retrofitting virtually all offices. In November 2004, Bank of America is awarded the "Star of Energy Efficiency Award" from the Alliance to Save Energy.
- 2005: Bank receives California's "Flex Your Power Energy Conservation Award" and North Carolina's "Leadership in Sustainable Energy Award" for the Bank's successful energy conservation initiatives and commitment. Bank also receives the "Corporate Climate Champion Award" at the Global Warming Solutions Conference in NYC.
- 2006: Bank of America announces program to reimburse associates by $3,000 for the purchase of hybrid vehicles. Bank of America and its customers support forest conservation with "Go Paperless Statement" campaign and $500,000 pledge to the Nature Conservancy.
- 2007: Bank of America announces a $20 billion commitment to environmental and energy saving technologies and initiatives.
- 2008: Bank of America is awarded California's 2008 Governor's Environmental and Economic Leadership Award - California's highest and most prestigious environmental honor.

Confidential

State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

WISCONSIN
DEPT. OF NATURAL RESOURCES

Jim Doyle, Governor
Matthew J. Frank, Secretary

101 S. Webster St.
Box 7921
Madison, Wisconsin 53707-7921
Telephone 608-266-2621
FAX 608-267-3579
TTY Access via relay - 711

December 14, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for the Energy Efficiency and Conservation Block Grant Program (EECBG)

I am pleased to provide this letter of support for the WE^2 Team's application—made up of the City of Milwaukee, City of Madison, and the City of Racine, with Wisconsin Energy Conservation Corporation (WECC) serving as the Team administrator—as part of the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Programs. The State of Wisconsin has become a nationally recognized leader on climate change mitigation and lessening our dependence on fossil fuels. Increasing energy efficiency and decreasing greenhouse gas emissions helps to keep Wisconsin's air and water clean and our landscape healthy and productive.

The Wisconsin Department of Natural Resources has collaborated with many Wisconsin cities in efforts to curb greenhouse gas emissions. We are very excited about the creation of a pilot program with three of our major cities that could become a model for state-wide implementation. Supporting WECC, City of Milwaukee, City of Madison, and the City of Racine is important to the development of a clean energy future for the State of Wisconsin.

The Wisconsin Department of Natural Resources is pleased to support the joint application for this effort. The effort is unique in several ways. In particular, it involves various building types—both residential and non-residential. In addition, the project enables other areas of Wisconsin to be targeted for a broad roll-out to deliver scalability of the project.

We will continue to work with WECC and the WE^2 Team Members to enable homeowners and businesses implement the proposed innovative energy efficiency approaches, and support DOE's required efforts to track results and identify best practices.

We look forward to participating in this project and helping reach our mutual goals of energy and cost savings.

Best regards,

Matthew Frank
Secretary
Wisconsin Department of Natural Resources

MADISON METROPOLITAN SCHOOL DISTRICT

545 West Dayton St. ● Madison, Wisconsin 53703-1995 ■ 608.663-1607 ▼ www.mmsd.org

Daniel A. Nerad, *Superintendent of Schools*

December 11, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for the Energy Efficiency and Conservation Block Grant Program (EECBG)

I am pleased to provide this letter of support for the WE^2 Team's application—made up of the City of Milwaukee, City of Madison, and the City of Racine, with Wisconsin Energy Conservation Corporation (WECC) serving as the Team administrator—as part of the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Programs. During the past year, Madison Metropolitan School District has collaborated with the City of Madison through creating a collaborative and united front to creating energy efficiencies within the Madison area. This collaboration has allowed the organizations to jointly identify projects that will reduce the need for future energy consumption within our community.

Madison Metropolitan School District would be pleased to participate as an Industry Partner for this particular effort. We understand that various building types will be involved in this effort—both residential and non-residential. We also understand that in a later stage of the project, other areas of Wisconsin could be targeted for a broad roll-out to deliver scalability of the project and we are supportive in serving as a pilot community.

As an Industry Partner, we would work with WECC and the WE^2 Team Members to implement the proposed innovative energy efficiency approaches, and support DOE's required efforts to track results and identify best practices.

We look forward to participating in this project and helping reach our mutual goals of energy and cost savings.

Best regards,

Daniel A. Nerad

Daniel A. Nerad, Ed.D.
Superintendent of Schools

Jeff Crawford, Attorney General
Jo Swamp, Senior Attorney
Amanda K. Frazer-Collins, Attorney

Jo Deen B. Lowe, Deputy Attorney General
Bruce Elliott Reynolds, Senior Attorney

FOREST COUNTY POTAWATOMI COMMUNITY
LEGAL DEPARTMENT

313 N. 13th Street
Milwaukee, WI 53233
(414) 847-7750
Fax: (414) 847-7721

P.O. Box 340
Crandon, WI 54520
(715) 478-7258
Fax: (715) 478-7266

December 11, 2009

Mr. Erick Shambarger
Office of Environmental Sustainability
City of Milwaukee
200 E. Wells Street
Milwaukee, WI 53202-3515

RE: Forest County Potawatomi Community Letter of Support

Dear Mr. Shambarger:

The Forest County Potawatomi Community ("FCPC" or "Tribe") is pleased to participate as a partner in support of Wisconsin Energy Conservation Corporation's ("WECC") application for funding (on behalf of the City of Milwaukee, Wisconsin) submitted in response to the United States Department of Energy Retrofit Ramp-Up grant program, and to offer this letter of support.

The FCPC fully supports the proposals contained within WECC's application, including (1) utilization of the innovative Property Assessed Clean Energy ("PACE") financing for energy-efficiency retrofits on residential properties; and (2) financial incentives for energy-efficiency retrofits on commercial properties.

Pending an award of DOE funding under the Retrofit Ramp-Up grant program, the FCPC are very interested to participate in the energy-efficiency retrofit programs proposed by WECC. Specifically, the Tribe believes that its Concordia Property and surrounding neighborhood, which is in the area of the City's 30th Street Industrial Corridor, would be a perfect fit for the energy-efficiency retrofit programs contained within WECC's grant application. The Tribe is planning to redevelop the historic buildings on its Concordia Property in a sustainable and energy-efficient manner for use as a governmental center and business accelerator, with a goal of triggering the economic revitalization of the historic Concordia neighborhood and surrounding areas, including other areas within the City's 30th Street Industrial Corridor. The Tribe is also very interested in ensuring the redevelopment and revitalization of the historic neighborhood surrounding the Concordia Property. The potential to access DOE Retrofit Ramp-Up funding is very important to the Tribe's implementation of its plans to redevelop all buildings within its historic Concordia Property, as well as spur the revitalization of the surrounding Concordia neighborhood.

The FCPC have already embarked on the redevelopment of the first building on the Concordia Property. The Tribe has developed plans to install significant energy-efficient fixtures and components as part of its renovation of Wundar Hall, a 34,000 square foot building that was constructed in 1925 and is listed on the National Registry of Historic Places. The project will consist of the gut rehabilitation of Wundar Hall (94% efficient new heating/cooling systems, new windows and insulation, efficient lighting and energy efficient building controls) and will result in energy savings of over 50% once Wundar Hall is renovated and fully operational. To that end, the Tribe applied for and received a grant from DOE in the amount of $1,115,043 to implement this project. The total project cost will be $2,230,086, which includes the required 50% match by the Tribe. The FCPC is pleased to offer this $2,230,086 as additional leveraged funding for WECC's grant application.

As indicated above, the FCPC are pleased to both support WECC's application for funding pursuant to DOE's Retrofit Ramp-Up program and to offer its $2,230,086 in awarded DOE funding as an additional source of leveraged funding for the application. The Tribe believes that implementation of the energy-efficiency retrofit programs contained within WECC's application will serve to revitalize the City of Milwaukee, as well as serve as a model for other similarly-situated neighborhoods across the country.

Very truly yours,

FOREST COUNTY
POTAWATOMI COMMUNITY

Jeffrey A. Crawford
Attorney General

CONSTRUCTION and GENERAL LABORERS UNION LOCAL 464

2025 ATWOOD AVENUE MADISON, WISCONSIN 53704

Phone (608) 244-6400 1 (800) 362-4442 Fax (608)244-6540

AFL-CIO-CLC

Kevin D. Lee
Supervisor

Peter J. Satern
Secretary-Treasurer

December 10, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for the Energy Efficiency and Conservation Block Grant Program

On behalf of Laborers' Local #464, I am writing to support the WE2 Team's application—made up of the City of Milwaukee, City of Madison, and the City of Racine, with Wisconsin Energy Conservation Corporation (WECC) serving as the Team administrator—as part of the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Programs.

Local #464 has worked closely with the City of Madison on a wide variety of building and construction projects throughout the years. We believe the inclusive workforce development strategies contained in this proposal are truly innovative and offer the training, apprenticeship and job placement opportunities necessary to influence meaningful and lasting careers in our industry.

Local #464 would be pleased to participate as an Industry Partner for this particular effort. We understand that various building types will be involved in this effort—both residential and non-residential. We also understand that in a later stage of the project, other areas of Wisconsin could be targeted for a broad roll-out to deliver scalability of the project and as an organization with regional influence we are well positioned to support that process as well.

As an Industry Partner, we would work with WECC and the WE2 Team Members to enable homeowner and/or commercial businesses to implement the proposed innovative energy efficiency approaches, and support DOE's required efforts to track results and identify best practices. We are especially pleased that this comprehensive approach includes establishing responsible contractor standards that will enable safe, productive and quality projects, as well as training and career pathway guidelines that will provide workers access to further apprenticeship and job placement opportunities.

We look forward to participating in this project and helping reach our mutual goals of energy and cost savings and job creation. Laborers' Local #464 is ready to engage in training to expand the pool of qualified weatherization workers and connect those individuals to all the benefits of the Laborers-AGC Education and Training Fund programming. The infusion of new funding to make energy efficiency improvements at homes and businesses in Wisconsin, coupled with our considerable workforce development infrastructure will create much needed economic opportunity in our state.

Sincerely,

Kevin D. Lee
Supervisor

Laborers' International Union of North America

JOHN J. SCHMITT
Business Manager

STEVE BAKO
Secretary-Treasurer

Local No. 113
6310 West Appleton Avenue
Telephone 414-973-4520
Fax 414-873-5155
Milwaukee, WI 53210

Affiliated with
AFL-CIO and B.T.C.

December 10, 2009

U.S. Department of Energy
1000 Independence Ave., S.W.
Washington, D.C. 20585-1615

RE: Letter of Support for the Energy Efficiency and Conservation Block Grant Program

On behalf of Laborers' Local #113, I am writing to support the WE2 Team's application—made up of the City of Milwaukee, City of Madison, and the City of Racine, with Wisconsin Energy Conservation Corporation (WECC) serving as the Team administrator—as part of the Department of Energy's (DOE) Retrofit Ramp-up and General Innovation Fund Programs.

Local #113 has worked closely with the City of Madison on a wide variety of building and construction projects throughout the years. Many of these projects have included community based programming designed to facilitate the increased participation of women and minority workers in the construction industry. We believe the inclusive workforce development strategies contained in this proposal are truly innovative and offer the training, apprenticeship and job placement opportunities necessary to influence meaningful and lasting careers in our industry.

Local #113 would be pleased to participate as an Industry Partner for this particular effort. We understand that various building types will be involved in this effort—both residential and non-residential. We also understand that in a later stage of the project, other areas of Wisconsin could be targeted for a broad roll-out to deliver scalability of the project and as an organization with regional influence we are well positioned to support that process as well.

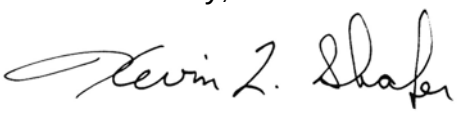
As an Industry Partner, we would work with WECC and the WE2 Team Members to enable homeowner and/or commercial businesses to implement the proposed innovative energy efficiency approaches, and support DOE's required efforts to track results and identify best practices. We are especially pleased that this comprehensive approach includes establishing responsible contractor standards that will enable safe, productive and quality projects, as well as training and career pathway guidelines that will provide workers access to further apprenticeship and job placement opportunities.

We look forward to participating in this project and helping reach our mutual goals of energy and cost savings and job creation. Laborers' Local #113 is ready to engage in training to expand the pool of qualified weatherization workers and connect those individuals to all the benefits of the Laborers-AGC Education and Training Fund programming. The infusion of new funding to make energy efficiency improvements at homes and businesses in Wisconsin, coupled with our considerable workforce development infrastructure will create much needed economic opportunity in our state.

Sincerely,

John Schmitt
Business Manager

Sincerely,



Kevin L. Shafer, P.E.
Executive Director
Milwaukee Metropolitan Sewerage District

City of Milwaukee

Department of Administration

Tom Barrett
Mayor

Sharon Robinson
Director of Administration

June 7, 2010

Ms. Maria Monteagudo
Director of Employee Relations
Department of Employee Relations
City Hall, Room 706

Dear Ms. Monteagudo:

The City of Milwaukee Department of Administration requests that one newly created position of Energy Policy Coordinator/Deputy Director be reviewed for classification purposes. This position will be funded with American Recovery and Reinvestment Act (ARRA) grant dollars and will be housed within the Office of Environmental Sustainability (OES). Based on my initial research, it appears that this position merits a classification of at least a Grade Level 011.

The Energy Policy Coordinator/Deputy Director will be responsible for assisting the Director of the OES with the management of day-to-day operations, including grants administration. Over the next three years, the position will be responsible for administering the City's $5.8 million ARRA Energy Efficiency Conservation Block Grant (EECBG) formula award as well as the City's share of an ARRA EECBG competitive award to the cities of Milwaukee, Madison and Racine totaling approximately $20 million. Milwaukee's portion of this competitive award will be about $12 million.

This position is critical in light of the increased grants activity by the OES. Since the office was created just four years ago, the OES has secured over $20 million in grant awards and continues to aggressively pursue new opportunities for federal and other grants.

Tremendous opportunities exist in the field of environmental sustainability largely due to these new resources and the increased federal commitment to environmental issues. These new dollars flowing into City government provide a unique opportunity for Milwaukee to elevate its efforts on environmental sustainability and position itself as a leader on environmental sustainability. Growing the capacity of the OES and creating the new Energy Policy Coordinator/Deputy Director position is critical to accomplishing this objective.

This position will require collaboration with the Director on strategic planning and reinvigorating the Green Team. Because we have many environmental goals and priorities within City government and city-wide (i.e., green sector job/economic development, energy conservation, water conservation, storm water management, solar technologies, recycling, waste management, etc.), it is impractical for the Director to have the sole responsibility to advance each and every one of our priority areas.

Room 606 – City Hall, 200 E. Wells Street, Milwaukee, Wisconsin 53202
Phone (414) 286-3647 • Fax (414) 286-8547
www.milwaukee.gov

Therefore, the incumbent in this position will be tasked with "owning" and being "the face" on certain policy areas assigned by the Director. In this regard, the position will require direct interaction with the Mayor, Common Council, City and other government officials, community organizations, the private sector, foundations, etc. on such issues. It will also require representing the OES when the Director is not immediately available.

I am attaching a copy of the job description and associated qualifications required to fulfill the responsibilities of this position. Clearly, the OES is committed to elevating its efforts to improve the environmental performance of City government and city-wide. Given the immediate need for this position, I ask for your favorable and prompt consideration. If you have any questions, please contact me at 414-286-3828.

Thank you for considering my request.

Sincerely,

Sharon Robinson
Director

Attachment (Energy Policy Coordinator/Deputy Director Job Description)

c: Alderman Michael Murphy
Patrick Curley, Chief of Staff, Office of the Mayor

City of Milwaukee
CS-25, Rev. 12/09

JOB DESCRIPTION

FOR DER USE ONLY	
Vacancy No. _____	
City Service Commission: _____	Finance Committee: _____
Fire & Police Commission: _____	Common Council: _____

Instructions: Complete all sections. Refer to the *Guidelines for Preparing Job Descriptions* for instructions on completing specific items.

1. Date Prepared/ Revised: June 8, 2010 (Revised June 7, 2010 draft)	**2. Present Incumbent:** New Position- DOA Director has assigned duties to BMD staff pending approval of this position	**Is incumbent underfilling position?** YES ☐ NO ☒ *If YES, indicate Underfill Title in box 10.*
3. Date Filled: Classification/Council Approval Pending	**4. Previous Incumbent:** New Position	
5. Department: Administration, Dept. of	**Bureau:** Office of the Director **Division:**	**Unit:** Office of Environmental Sustainability **Section:**
6. Work Location: City Hall, Room 603	**Telephone:** **Email:**	**Work Schedule:** Hours: 8-5 / Days: Mon-Fri
7. Represented by a Union? ☐ *Yes* ☒ *No*	**8. Bargaining Unit:** Management, General City **If in District Council 48, which local?**	**9. FLSA Status** *(check one)*: ☐ Exempt ☒ Non-Exempt

10.		Pay Range	Job Code	EEO Code
	Official Title: Environmental Policy Coordinator/ Deputy Director	11		
	Underfill Title *(if applicable)*:			
	Requested Title *(if applicable)*:			
	Recommended Title (DER Use Only): Approved by: _____ Date:			

11. BASIC FUNCTION OF POSITION:

The position reports directly to the Environmental Sustainability Director and is a key management position housed within the Office of Environmental Sustainability. The position assists the Director with establishing strategic plans, initiatives, public outreach, and performance monitoring for the Office of Environmental Sustainability. The scope of the Environmental Sustainability Office is substantial and includes energy policy, green jobs, stormwater management, recycling and waste reduction issues, urban agriculture, and other emerging issues. This position will have particular leadership duties relative to the City's Energy Efficiency and Conservation Block, the $20 million Milwaukee Energy Efficiency (ME2) initiative, and other duties as assigned by the Director. The position will play a key role in assisting the Director with forging effective public-private partnerships to advance the City's environmental goals in assigned areas.

12. DESCRIPTION OF JOB (Check if description applies to **Official Title** ☒ or **Underfill Title** ☐):

A. ESSENTIAL FUNCTIONS/Duties and Responsibilities: *(Refer to the "Guidelines for Preparing Job Descriptions" for instructions on determining Essential Functions.)*

% of Time	ESSENTIAL FUNCTION
20	• Work with the Environmental Sustainability Director, the community-led "Green Team," and leaders from other City departments to implement strategies and initiatives of the Office of Environmental Sustainability. The position will play a lead role in assisting the Director with ensuring coordination of policy implementation across City Departments, particularly with regard to energy policy and green infrastructure.
20	• EECBG Formula/Competitive grant/ME2 Administration; The ME2 program, described in Council file 100007, is a City led program to drastically expand the market for energy efficiency and green jobs city wide. This multi-faceted program requires work in neighborhood-based marketing, private capitalization of loan funding, green workforce development, contractor development, public outreach, and experience in budget analysis and performance monitoring.
15	• Conduct community outreach and coordinate successful partnerships with other units of government, the private sector, non-profit organizations, and workforce development agencies in assigned areas. This includes educating the public on the city's environmental efforts and initiatives and creating opportunities to leverage non-city resources to advance the City's sustainability goals.

The above statements are intended to summarize the nature and level of work and typical responsibilities and duties being performed by the incumbent(s) of this job. They are not intended to be an exhaustive list of all responsibilities, duties, and tasks required of the position.

% of Time	ESSENTIAL FUNCTION
15	• Research new grant opportunities relevant to the Office of Environmental Sustainability, write grant proposals, and coordinate a broad cross-section of community partners to strengthen these applications.
10	• Management of the Energy Efficiency and Conservation Formula/Competitive Block Grant programs and other energy-related grants and City funded energy initiatives as assigned by the Director.
10	• Conduct policy and legislative research across all levels of government, including Federal, State, and local government entities, to understand how emerging policies will affect the city and make recommendations to policy makers.
5	• Assist Director with staff management and budget planning for the Office of Environmental Sustainability.
5	• Represent the Office of Environmental Sustainability when the Director of Environmental Sustainability during extended periods of absence.
	•
	•

B. PERIPHERAL DUTIES:

% of Time	PERIPHERAL DUTY
	•
	•
	•
	•
	•
	•
	•
	•
	•
	•

C. NAME AND TITLE OF <u>IMMEDIATE</u> SUPERVISOR:

Director of Environmental Sustainability

D. SUPERVISION RECEIVED: (Describe the extent to which work assignments and methods are outlined, reviewed, and approved by this position's supervisor.)

Although the position reports directly to the Director of the Office of Environmental Sustainability, this is a key management role that requires minimal supervision and strong management and leadership skills.

E. SUPERVISION EXERCISED:
Total number of employees for whom responsible, either directly or indirectly = **<u>1 FTE</u>**.

<u>Direct Supervision:</u> List the number and titles of personnel directly supervised. Specify the kind and extent of supervision exercised by indicating one or more of the following:

a. Assign duties	e. Sign or approve work
b. Outline methods	f. Make hiring recommendations
c. Direct work in progress	g. Prepare performance appraisals
d. Check or inspect completed work	h. Take disciplinary action or effectively recommend such

Number Supervised	Job Title	Extent of Supervision Exercised *(Select those that apply from list above, a - h)*
1	Energy Block Grant Monitor	a-h
1	periodic intern staff	a-h
	NOTE: The position assists the Environmental Sustainability Director with staff management including the Energy Block Grant Monitor and interns as needed. However, the Director oversees all staff and OES operations.	

The above statements are intended to summarize the nature and level of work and typical responsibilities and duties being performed by the incumbent(s) of this job. They are not intended to be an exhaustive list of all responsibilities, duties, and tasks required of the position.

a. Assign duties	e. Sign or approve work
b. Outline methods	f. Make hiring recommendations
c. Direct work in progress	g. Prepare performance appraisals
d. Check or inspect completed work	h. Take disciplinary action or effectively recommend such

Number Supervised	Job Title	Extent of Supervision Exercised *(Select those that apply from list above, a - h)*

F. MINIMIMUM QUALIFICATIONS REQUIRED: (Indicate the MINIMUM qualifications required to enter the job.)

i. Education and Experience:
Bachelor's Degree from an accredited college or university with a major in business administration, public policy and administration, environmental science, engineering, architecture or related field. A related graduate degree is highly desirable. Five years of leadership experience related to this position. Working with or for Federal, State or Local Government is desirable. NOTE: Equivalent combinations of education and experience will be considered.

ii. Knowledge, Skills and Abilities:
Knowledge of environmental issues, stormwater management, energy efficiency, other natural resource management issues, public policy, and sustainable development.; Strong organizational and planning skills and the ability to direct and coordinate programs and activities; Ability to be creative, resourceful and industrious; Strong oral and written communication skills and the ability to present ideas and recommendations clearly and convincingly; Ability to establish and maintain effective working relationships with elected officials, other City employees, citizens, media, community organizations, the foundation community, the private sector and other agencies; Ability to exercise sensitive judgment and maintain composure under stress; Ability to analyze complex situations, diagnose problems, and formulate recommendations; Ability to compile and analyze reports and statistical data and be committed to accuracy.

iii. Certifications, Licenses, Registrations:

iv. Other Requirements:

13. PHYSICAL AND ENVIRONMENTAL DEMANDS: TOOLS AND EQUIPMENT USED

The Americans with Disabilities Act of 1993 requires job descriptions to provide detailed information regarding the physical demands required to perform the essential functions of a job; the conditions under which the job is performed; and the tools and equipment the employee will be required to use on the job. Reasonable accommodations may be made to enable qualified individuals to perform the essential duties and responsibilities of the job for each of the categories listed below.

G. PHYSICAL ACTIVITY OF THE POSITION: (List the physical activities that are representative of those that must be met to successfully perform the essential functions of the job).

CHECK ALL THAT APPLY:

☐	**Climbing:** Ascending or descending ladders, stairs, scaffolding, ramps, poles, and the like; using feet and legs and/or hands and arms. Body agility is emphasized. Check only if the amount and kind of climbing required exceeds that required for ordinary locomotion.
☐	**Balancing:** Maintaining body equilibrium to prevent failing when walking, standing or crouching on narrow, slippery or erratically moving surfaces. Check only if the amount and kind of balancing exceeds that needed for ordinary locomotion and maintenance of body equilibrium.
☐	**Stooping:** Bending body downward and forward by bending spine at the waist. Check only if it occurs to a considerable degree and requires full use of the lower extremities and back muscles.
☐	**Kneeling:** Bending legs at knee to come to a rest on knee or knees.
☐	**Crouching:** Bending the body downward and forward by bending leg and spine.
☐	**Crawling:** Moving about on hands and knees or hands and feet.

The above statements are intended to summarize the nature and level of work and typical responsibilities and duties being performed by the incumbent(s) of this job. They are not intended to be an exhaustive list of all responsibilities, duties, and tasks required of the position.

☐	**Reaching:** Extending Hand(s) and arm(s) in any direction.
☐	**Standing:** Particularly for sustained periods of time.
☐	**Walking:** Moving about on foot to accomplish tasks, particularly for long distances.
☐	**Pushing:** Using upper extremities to exert force in order to draw, press against something with steady force in order to thrust forward, downward or outward.
☐	**Pulling:** Using upper extremities to exert force in order to draw, drag, haul or tug objects in a sustained motion.
☐	**Lifting:** Raising objects from a lower to a higher position or moving objects horizontally from position-to-position. Check only if it occurs to a considerable degree and requires substantial use of the upper extremities and back muscles.
☒	**Fingering:** Picking, pinching, typing or otherwise working primarily with fingers rather than with the whole hand or arm, as in handling.
☒	**Grasping:** Applying pressure to an object with fingers and palm.
☐	**Feeling:** Perceiving attributes of objects such as size, shape, temperature or texture by touching with the skin, particularly that of the fingertips.
☒	**Talking:** Expressing or exchanging ideas by means of the spoken word. Those activities which demand detailed or important instructions spoken to other workers accurately, loudly or quickly.
☐	**Hearing:** Perceiving the nature of sounds with no less than a 40 db loss. Ability to receive oral communication and make fine discriminations in sound.
☒	**Repetitive Motions:** Substantial movements (motions) of the wrist, hands, and/or fingers.
☒	**Driving:** Minimum standards required by State Law (including license).

H. PHYSICAL REQUIREMENTS OF THE POSITION: (List the physical requirements that are essential functions of the job.)

CHECK ONE:

☐	**Sedentary Work:** Exerting up to 10 pounds of force occasionally and/or negligible amount of force frequently or constantly to lift, carry, push, pull or otherwise move objects. Sedentary work involves sitting most of the time. Jobs are sedentary if walking and standing are required only occasionally and all other sedentary criteria are met.
☒	**Light Work:** Exerting up to 10 pounds of force occasionally and/or negligible amount of force constantly to move objects. If the use of arm and/or leg controls requires exertion of forces greater than that for sedentary work and the worker sits most of the time, the job is rated for Light Work.
☐	**Medium Work:** Exerting up to 50 pounds of force occasionally and/or up to 20 pounds of force frequently, and/or up to 10 pounds of force constantly to move objects.
☐	**Heavy Work:** Exerting up to 100 pounds of force occasionally, and/or up to 50 pounds of force frequently, and/or up to 20 pounds of force constantly to move objects.
☐	**Very Heavy Work:** Exerting in excess of 100 pounds of force occasionally, and/or in excess of 50 pounds of force frequently, and/or in excess of 20 pounds of force constantly to move objects.

I. VISUAL ACUITY REQUIREMENTS: (List the visual acuity requirements that are essential functions of the job.)

CHECK ONE:

☐	**Operators (Electronic Equipment), Inspection, Close Assembly, Clerical, Administrative:** This is a minimum standard for use with those whose job requires work done at close visual range (i.e. preparing and analyzing data and figures, accounting, transcription, computer terminal, extensive reading, visual inspection involving small parts, operation of machines, using measurement devises, assembly or fabrication of parts).
☐	**Machine Operators, Mechanics, Skilled Tradespeople:** This is a minimum standard for use with those whose work deals with machines where the seeing job is at or within arm's reach. This also includes mechanics and skilled tradespeople and those who do work of a non-repetitive nature such as carpenters, technicians, service people, plumbers, painters, mechanics, etc. (If the machine operator also inspects, check the "Operators" box.)
☐	**Mobile Equipment Operators:** This is a minimum standard for use with those who operate cars, trucks, forklifts, cranes, and high lift equipment.
☐	**Other:** This is a minimum standard based on the criteria of accuracy and neatness of work for janitors, sweepers, etc.

J. THE CONDITIONS THE WORKER WILL BE SUBJECT TO IN THIS POSITION:
List the environmental/working conditions to which the employee may be exposed while performing the essential functions of the job. Include scheduling considerations such as on-call for emergencies, rotating shift, etc. **Approximate Percentage of time performing field work: _____%**

CHECK ALL THAT APPLY:

The above statements are intended to summarize the nature and level of work and typical responsibilities and duties being performed by the incumbent(s) of this job. They are not intended to be an exhaustive list of all responsibilities, duties, and tasks required of the position.

☒	**None:** The worker is not substantially exposed to adverse environmental conditions *(such as typical office or administrative work).*
☐	**The worker is subject to inside environmental conditions**: Protection from weather conditions but not necessarily from temperature changes *(i.e. warehouses, covered loading docks, garages, etc.)*
☐	**The worker is subject to outside environmental conditions:** No effective protection from weather.
☐	**The worker is subject to extreme cold:** Temperatures below 32 degrees for period of more than one hour.
☐	**The worker is subject to extreme heat:** Temperatures above 100 degrees for periods of more than one hour.
☐	**The worker is subject to noise:** There is sufficient noise to cause the worker to shout in order to be heard above the surrounding noise level.
☐	**The worker is subject to vibration**: Exposure to oscillating movements of the extremities or whole body.
☐	**The worker is subject to hazards**: Includes a variety of physical conditions, such as proximity to moving mechanical parts, electrical current, working on scaffolding and high places or exposure to chemicals.
☐	**The worker is subject to atmospheric conditions:** One or more of the following conditions that affect the respiratory system or the skin: Fumes, odors, dust, mists, gases or poor ventilation.
☐	**The worker is subject to oil:** There is air and/or skin exposure to oils and other cutting fluids.
☐	**The worker is required to wear a respirator.**

K. MACHINE, TOOLS, EQUIPMENT, ELECTRONIC DEVICES, SOFTWARE, ETC. USED BY POSITION: List equipment needed to successfully perform the essential functions of the job. Reasonable accommodations may be made to enable qualified individuals with disabilities to perform the essential functions.)

CHECK ALL THAT APPLY:

☐ Camera and photographic equipment	☐ Office Equipment (desk, chair, telephone, etc.)
☐ Cleaning supplies	☐ Office supplies (pens, staplers, pencils, etc.)
☐ Commercial vehicle	☐ Packing materials (boxes, shrink wrap, etc.)
☐ Data processing equipment	☐ PC equipment (monitor, keyboard, printer, etc.)
☐ Handcart	☐ PC software
☐ Hand tools ***(please list):***	
☐ Office Machines ***(check all that apply):*** ☐ Copier ☐ Facsimile ☐ Calculator ☐ Cash register	
☐ Other ***(please list):***	

L. SUPPLEMENTARY INFORMATION: (Indicate any other information which further explains the importance, difficulty, or uniqueness of the position, such as its scope of responsibility related to finances, equipment, people, information, etc. Also indicate success factors such a personal characteristics that contribute to an individual's ability to perform well in the job, and any other special considerations.)

The creation of this position was recommended by the panel of interviewers for the recent Environmental Sustainability Director recruitment (which included the Administration Director, Chairman of the Finance and Personnel Committee and members of the Mayor's Green Team) and will be funded by ARRA grants and non-property tax sources of funds. Because the Office of Environmental Sustainability has successfully won grant dollars and subsquently expanded its programming, there is a need for additional leadership in the Office on the various programs and issue areas. Please see the attached cover letter for more information.

M. I believe that the statements made above in describing this job are complete and accurate.

Karen Robinson 6-9-10

Signature of Department Head or Designated Representative

The above statements are intended to summarize the nature and level of work and typical responsibilities and duties being performed by the incumbent(s) of this job. They are not intended to be an exhaustive list of all responsibilities, duties, and tasks required of the position.

HELEN BADER Foundation

July 14, 2010

President Willie Hines

City of Milwaukee Common Council

200 East Wells Street

Milwaukee, WI 53202

Dear President Hines:

I am writing to express my support for the wok of the City of Milwaukee's Office of Environmental Sustainability and particularly their efforts to leverage the recently awarded Retrofit Ramp Up grant with workforce development strategies.

As you may know, the Helen Bader Foundation provides funding to support a variety of workforce development projects and organizations which work to provide career advance and training to low-income and low-skilled individuals. We view the opportunity to work collaboratively with the City's ME2 project as an excellent way to develop job opportunities in the residential and commercial retrofit market and to connect Milwaukee's residents to those opportunities. To that end, the Board of the Helen Bader Foundation will be considering a grant to support staffing within the Office of Environmental Sustainability to facilitate and coordinate the workforce development outcomes of the ME2 project.

We look forward to continued collaboration with the City and to the leadership of the Council in supporting this work.

Sincerely,

Kathryn Dunn

Community Investment Officer

233 N. Water Street, Fourth Floor • Milwaukee, WI 53202 • 414-224-6464 • Fax 414-224-1441 • www.hbf.org

Milwaukee Area
WORKFORCE FUNDING
alliance

600 East Mason Street Suite 302
Milwaukee WI 53202

TEL 414-221-9500
FAX 414-225-8996

www.milwaukeewfa.org

July 6, 2010

President Willie Hines
City of Milwaukee Common Council
200 East Wells Street
Milwaukee, WI 53202

Dear President Hines:

As an affinity group of Donors Forum of Wisconsin, the statewide regional association of grantmakers, Milwaukee Area Workforce Funding Alliance (WFA) brings together the consortium of private and public funders of workforce development dedicated to increased employment that benefits both workers and employers in the Milwaukee region.

Formed in 2008, we developed goals to:

- Fund agencies, programs and projects that provide career advancement support to low-income and low skilled people and
- Develop a better coordinated workforce development system of public and private collaboration that enhances regional competitiveness.

To accomplish this, we:

- Support workforce intermediaries to provide efficient coordination of services to employers, community-based organizations and workers alike,
- Fund services that fill the gaps in the recruitment, training, and support services for low-income workers and reduce barriers to successful employment, and
- Coordinate our efforts to advocate for public policies and practices that "widen" career path options for low-income, low-skilled workers.

All our members align a portion of grantmaking toward the industry sectors we select and/or priorities of the Alliance. We share information on grantees and their programs and projects as well as information on grantee outcomes for reporting.

Convener:

Donors Forum of Wisconsin

Private Funders

Helen Bader Foundation
Jane Bradley Pettit Foundation
Greater Milwaukee Foundation
Manpower Foundation
Harley-Davidson Foundation
JP Morgan Chase Foundation
Faye McBeath Foundation
Northwestern Mutual Foundation
Zilber Family Foundation
Foundation of the Wisconsin Auto and Truck Dealers Association
Rockwell Automation Foundation
United Way of Greater Milwaukee
Milwaukee 7 Regional Workforce Alliance / WIRED
Brico Fund
Annie E Casey Foundation

Public Funders

Milwaukee Mayor Tom Barrett
Housing Authority of City of Milwaukee
Milwaukee Area Workforce Investment Board
City of Milwaukee Community Development Grants Administration
City of Milwaukee Municipal Court
Waukesha-Ozaukee-Washington Workforce Investment Board

Employers

Metropolitan Milwaukee Sewerage District
MillerCoors
Froedtert Hospital
Wheaton Franciscan Healthcare System
Columbia St. Mary's Hospitals
Aurora Healthcare System
Children's Hospital of Wisconsin

Since November 2009, WFA has had a relationship with City of Milwaukee's Office of Environmental Sustainability (OES) and Erick Shamberger, its interim director.

As you may know, Milwaukee Area Workforce Funding Alliance (WFA) is 1 of 25 National Fund for Workforce Solutions (NFWS) sites. Milwaukee is 1 of only 5 sub-grantees on an ARRA Pathways Out of Poverty grant from U. S. Department of Labor which will test and document processes for job training, placement, career pathways and retention.

In our efforts to develop career pathways for low-income and low-skilled individuals, we intend to partner with OES as well as the State of Wisconsin's work in the Sector Alliance for the Green Economy (SAGE) project.

We are pleased to support the Milwaukee Energy Efficiency (ME^2) program and to provide leveraged resources through our Pathways Out of Poverty project.

As a subgrantee in NFWS and Jobs For the Future (JFF), its Implementation Partner, Milwaukee has access to training curriculum from Wider Opportunities for Women (WOW), a nationally recognized technical assistance provider working to get more women and people of color into trades and Working For America, the national non-profit technical assistance arm of AFL-CIO.

In addition, members of the WFA will be considering future funding to support OES and its green workforce development work in conjunction with "greening" Milwaukee.

Milwaukee Area Workforce Funding Alliance plans to work collaboratively on ME^2 and align WFA resources and investments to support efforts for low-income, low skilled workers in Milwaukee's central city to enter the new and expanding green jobs fields and the expanding career opportunities they offer.

We support a Community Workforce Agreement for the ME^2Retrofit Ramp-Up grant if it aligns with the goals of the Milwaukee Area Workforce Funding Alliance, especially as it pertains to low-income, low-skilled individuals, as indicated above. The Alliance looks forward to working with the Office of Environmental Sustainability to implement energy efficiency programs and create family-sustaining wage jobs.

Please contact me at 414-755-4372 with any questions or an opportunity to discuss this partnership in more detail.

Sincerely,

Kathryn J Dunn

Kathryn Dunn
Community Investment Officer
Helen Bader Foundation

Chairperson
Milwaukee Area Workforce Funding Alliance

ME^2: Affordable Energy Efficiency Services for Residential and Non-Residential Property Owners

Presentation to Milwaukee's Common Council to Accept U.S. DOE EECBG Retrofit Ramp-Up Grant

- Matt Howard & Erick Shambarger, Milwaukee Office of Environmental Sustainability (OES)
- George Edgar, Policy Director, Wisconsin Energy Conservation Corp (WECC)
- Sue Hanson, WE^2 Program Manager, Wisconsin Energy Conservation Corp (WECC)

July 23, 2010

ME^2 Objectives & Strategies

- Objectives:
  - Cut energy bills for property owners and tenants
  - Stimulate jobs creation as the market for energy efficiency projects grows
  - Reduce air pollution and greenhouse gasses
  - Upgrade Milwaukee's building stock
- Key Strategies:
  - Build on existing and successful Focus on Energy programs, including Home Performance with ENERGY STAR®
  - Use federal funds (via a loan loss reserve) to leverage private capital for consumer financing → allows consumers to afford the high upfront cost of energy efficiency improvements and "pay as they save" on their energy bills
  - Increase marketing and use Energy Advocates to educate the public and help homeowners navigate the process
  - Implement a Community Workforce Agreement to address high unemployment in the City of Milwaukee

ME^2 Governance

- ME^2 is Milwaukee's localized implementation of the U.S. DOE's Retrofit Ramp-up Program.
- ME^2 is fully consistent with DOE grant guidelines.
- The Wisconsin Energy Conservation Corporation (WECC) and City of Milwaukee Office of Environmental Sustainability (OES) will administer the program per a Cooperation Agreement
- Subsequent Council approval needed to approve financing and marketing strategy
- Consultation with Economic Stimulus Task Force as needed
- Other Partners: Milwaukee Common Council, Wisconsin Office of Energy Independence, Milwaukee Workforce Funding Alliance, Wisconsin Regional Training Partnership, area contractors, Emerging Business Enterprise Office, We Energies, etc.

Why WECC?

- WECC is an independent, not-for-profit organization
- WECC currently administers the Focus on Energy Program as regulated by the Public Service Commission
- WECC is a national leader in the design and implementation of award-winning energy savings programs for utilities, municipalities, and regulators across the U.S. and Canada
- WECC has an excellent track record of administering energy programs in Wisconsin, including Focus on Energy's Home Performance with ENERGY STAR Program and the State of Wisconsin's Home Energy Plus
- In just one year (July 1, 2008 – June 30, 2009), WECC's residential programs saved:
  - 310,680,423 kWh 6,641,404 therms 1,682,544,815 pounds of CO2
- Ability to eventually go statewide
- WECC brings this expertise to Milwaukee as a ME^2 partner!

Why Build on Focus on Energy Model?

- Uses an existing resource and avoids need to spend program funds to recreate a delivery model
- Uses a network of building science professionals (consultants and contractors) and allows expansion of skilled delivery infrastructure through training, support, etc.
- Combustion safety incorporated
- Quality assurance from both program and independent professionals
- Allows customers to get financial incentives from the Focus program to augment value from ME^2 program

Retrofit Ramp-Up Grant

- Grant application submitted by WECC on behalf of Cities of Milwaukee, Madison, and Racine
- The Milwaukee, Madison, Racine award was one of 25 nationally
  - Hundreds of applications totaling $3.5B for $452M of available funds
- Final grant award is $20M across all three Partner Cities ($12M for Milwaukee)
- Leverage $120M investment in energy efficiency ($72m in Milwaukee)

Required & Flexible Program Elements

Required by grant/City goal	Flexible
Innovative financing structure for energy efficiency and associated loan loss reserve, including 5:1 leverage requirement	Type of Financing; various options are preferred by DOE; WECC and Partner Cities will be working with utilities to explore utility financing; Plan to Council in September
WECC as administrator of grant	Services that will be procured directly by WECC vs services that will be procured through partnership with cities
No City tax dollars involved in program	Approach to marketing program (seek broad participation across the City neighborhoods)
City indemnified	Approaches for capitalizing the loan fund (e.g. private equity vs City revenue bonds)
Retrofits are for existing buildings, not new construction	Community Workforce Agreement provisions
Program is for energy retrofits that provide net savings to homeowner	Cash flows of financing to homeowners (e.g. % of audit costs funded out of pocket vs. through loan options and direct subsidy)
Must strive for a sustainable program in years 4, 5, and 6	Contractual budget (e.g. some legal costs may be redirected)

Retrofit Ramp-Up & ME^2

- ME^2 will rely on Retrofit Ramp-up dollars to fund 8 critical activities:
  - $5.4M loan loss reserve to leverage $70M private capital for customer financing and legal setup for financing
  - Start-up cost for innovative customer financing mechanism(s)
  - Energy Advocates to market the program, educate the public, and assist customers through the program and paperwork
  - IT software to standardize consultant reports and streamline existing process
  - Marketing and advertising
  - Contractor training, support, and quality assurance
  - Program design, implementation, and admin for City OES and WECC
  - Community Workforce Agreement administration and enforcement
- Contractual budget may be revised; some legal costs will likely be reprogrammed

Existing
Focus on Energy
Programs & Rewards

+

- Consumer financing option
- Energy Advocates for marketing and customer support
- Community Workforce Agreement
- Contractor development and coordination with worker training partnerships
- Standardized consultant reports to improve customer experience
- Additional community-based advertising

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ME^2
Program

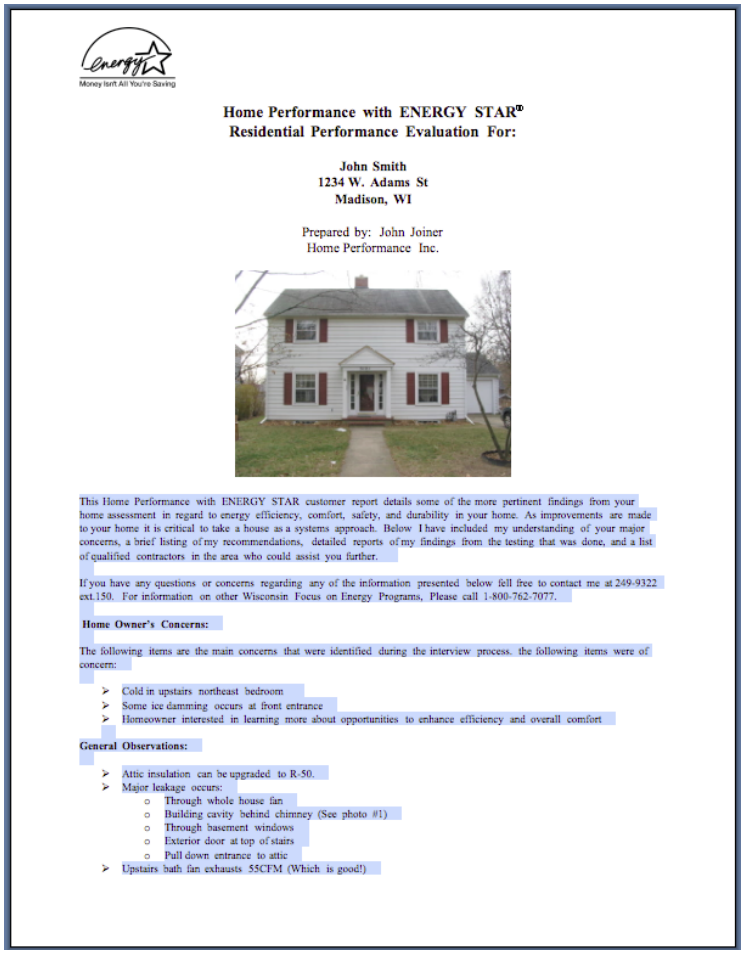
The Homeowner Experience

1. Energy Advocate provides initial customer outreach, initial walk through consultation, describes program and financing options, reviews Consultant assessment*
2. Home assessment by Consultant (blower door test, infrared review, etc.)
3. Consultant provides and reviews assessment report with property owner
4. Homeowner selects from list of recommended measures; elects a contractor from an approved list; completes work
5. Final inspection and quality assurance check on contractor work with Consultant
6. Contractor is paid through consumer financing option*
7. Homeowner repays loan as they reap energy savings*

*ME^2 enhancements to existing program

Consultant Report

- Homeowners report includes:
  - Existing conditions
  - Test data
  - Recommended measures
  - Projected energy savings
  - List of Qualified Contractors
  - Cash-Back Rewards opportunities
- Residential measures may include air sealing, insulation, furnaces, AC, hot water heater, etc
- Commercial measures include lighting, HVAC, many others



Money Isn't All You're Saving

Home Performance with ENERGY STAR®
Residential Performance Evaluation For:

John Smith
1234 W. Adams St
Madison, WI

Prepared by: John Joiner
Home Performance Inc.

This Home Performance with ENERGY STAR customer report details some of the more pertinent findings from your home assessment in regard to energy efficiency, comfort, safety, and durability in your home. As improvements are made to your home it is critical to take a house as a systems approach. Below I have included my understanding of your major concerns, a brief listing of my recommendations, detailed reports of my findings from the testing that was done, and a list of qualified contractors in the area who could assist you further.

If you have any questions or concerns regarding any of the information presented below fell free to contact me at 249-9322 ext.150. For information on other Wisconsin Focus on Energy Programs, Please call 1-800-762-7077.

Home Owner's Concerns:

The following items are the main concerns that were identified during the interview process. the following items were of concern:

- Cold in upstairs northeast bedroom
- Some ice damming occurs at front entrance
- Homeowner interested in learning more about opportunities to enhance efficiency and overall comfort

General Observations:

- Attic insulation can be upgraded to R-50.
- Major leakage occurs:
  - Through whole house fan
  - Building cavity behind chimney (See photo #1)
  - Through basement windows
  - Exterior door at top of stairs
  - Pull down entrance to attic
- Upstairs bath fan exhausts 55CFM (Which is good!)

Homeowner Value

- More comfortable home and long-term energy savings with limited up-front costs
- Less hassle than going through the process on your own
- Quality workmanship and real energy savings through accredited consultants and contractors using proven technologies with warranties
- Innovative financing package the links repayment with energy
- Effective underwriting criteria to mitigate risk of fraud

ME^2 Eligibility & Other Options

- ME^2 has no income requirements per se; property owners only need to meet underwriting criteria
- Focus on Energy provides Targeted Home Performance with ENERGY STAR for people with incomes 60 to 80% of the State Median Income
- Other Home Energy Options Based on Customer Income (Not administered by WECC)
  - Low income weatherization services include: insulation of attics, walls, and crawlspaces; air sealing; mechanical work
  - WHEAP services include: regular benefits; crisis assistance; emergency furnace repair
- Energy Advocates can advise homeowners of all options

ME^2: Whole-House Energy Retrofit Market Transformation Elements

- Leverage private capital via loan options to finance work and limit up-front cost to homeowner
- Neighborhood-based marketing to increase customer demand (not one size fits all)
- Workforce and contractor development for supply
- Quality Assurance to ensure quality retrofits (aim to ensure customers gets the savings they are paying for)
- Coordination across various local, state, and federal programs

Sources of Local Leverage

- ME^2 is a financing program with property owners ultimately paying for improvements to their property
- Focus on Energy Cash-Back Rewards and incentives
- Innovative financing options (PACE, on-utility bill, etc) overcome the limits of traditional loans by allowing positive cash flow, remove concerns about moving prior to receiving the benefits of a retrofit loan and not having to use existing equity in a home
- Leverage for property loans comes from national private-equity firms, national or local banks, or City revenue bond
- Property owners have option to finance energy efficiency on their own
- $1.2M from EECBG formula grant (subsidy for homeowner consultants)
- No tax-levy support of grant
- **WECC will submit financing strategy at next Council cycle for subsequent Common Council approval**

Community Workforce Agreement

- Implement a CWA for trades work in ME^2
  - 40% Resident Preference Program Participation
  - Davis-Bacon wages for projects
  - Workers as employees of the contractor
  - OSHA safety training
- Other Contractor requirements:
  - Must be licensed and insured
  - Waste disposal plan
  - Existing Focus on Energy requirements
  - Bonding required on non-residential projects
- City to coordinate with local worker training partnerships and outreach to EBE firms
- City review of CWA May 1, 2011 and every six months thereafter

Cooperation Agreement with WECC

- Cooperation Agreement addresses ME^2 as an independent subset of the larger grant with the three Partner Cities
- Milwaukee may partner with Madison and Racine, but retains control of ME^2 portion of grant and may act independently
- City retains grant decision making authority on major elements
- Additional Common Council resolution necessary to approve financing and marketing plan
- No City General Fund match for program and no city liability for contractor workmanship
- Effectuates Community Workforce Agreement

Roles & Relationships

- WECC primary roles
  - Grant fund administrator
  - Provide expert program design and implementation
  - Contractor assistance and CWA enforcement
  - Quality assurance
  - Employ Energy Advocates
- City primary roles
  - Local marketing with established community based organizations
  - Alignment with local priorities and programs
  - Decision approvals and oversight
  - Community Workforce Agreement
  - Approval of financing option
  - Contractor and workforce development coordination
  - Outreach to businesses

Incorporation of Council Feedback

- Comptroller and Council review of financing and marketing package
- No sole-source vendors for contractor work
- Utilize City Clerk marketing staff as practical; effective community-based marketing/outreach rather than an expensive broad marketing approach by a big firm
- Subsidize cost of customer audits
  - (for example, customer cost share of $99, refundable upon work being completed)
- Coordination with foreclosure initiatives (NSP and Select Milwaukee grant) if possible
- Community Workforce Agreement - Review Clause
- Outreach to stakeholders

CC-170 (REV. 6/86)

CITY OF MILWAUKEE FISCAL NOTE

A) DATE July 20th, 2010 **FILE NUMBER:** 100007

Original Fiscal Note ☐ Substitute ☒

SUBJECT: Substitute resolution authorizing acceptance of a subgrant from the United States Department of Energy for the Energy Efficiency and Conservation Block Grant Retrofit Ramp-up Program and a Cooperation Agreement with the Wisconsin Energy Conservation Corporation.

B) SUBMITTED BY (Name/title/dept./ext.): Erick Shambarger, City Economist, DOA, x8556

C) CHECK ONE:

- ☒ ADOPTION OF THIS FILE AUTHORIZES EXPENDITURES
- ☐ ADOPTION OF THIS FILE DOES NOT AUTHORIZE EXPENDITURES; FURTHER COMMON COUNCIL ACTION
- ☐ NEEDED.
- ☐ LIST ANTICIPATED COSTS IN SECTION G BELOW.
- ☐ NOT APPLICABLE/NO FISCAL IMPACT.

D) CHARGE TO:

- ☐ DEPARTMENT ACCOUNT(DA)
- ☐ CAPITAL PROJECTS FUND (CPF)
- ☐ PERM. IMPROVEMENT FUNDS (PIF)
- ☐ OTHER (SPECIFY)
- ☐ CONTINGENT FUND (CF)
- ☐ SPECIAL PURPOSE ACCOUNTS (SPA)
- ☒ GRANT & AID ACCOUNTS (G & AA)
- ☐

E) PURPOSE	SPECIFY TYPE/USE	ACCOUNT	EXPENDITURE	REVENUE	SAVINGS
SALARIES/WAGES:	OES Salaries and benefits for local				
	coordination and marketing support over 3 yrs		520,000		
FRINGE BENEFITS	To support OES staff		260,000		
SUPPLIES:	Office expenses		40,000		
MATERIALS:					
NEW EQUIPMENT:					
EQUIPMENT REPAIR:					
OTHER	Subcontracts or internal salary expenses for marketing, contractor support and development, City Attorney costs for Cooperation Agreement and Community Workforce Agreement, audit subsidies, other		$613,400		
TOTALS			$1,433,400		

F) FOR EXPENDITURES AND REVENUES WHICH WILL OCCUR ON AN **ANNUAL** BASIS OVER SEVERAL YEARS CHECK THE APPROPRIATE BOX BELOW AND THEN LIST EACH ITEM AND DOLLAR AMOUNT **SEPARATELY**.

☒ 1-3 YEARS ☐ 3-5 YEARS

☐ 1-3 YEARS ☐ 3-5 YEARS

☐ 1-3 YEARS ☐ 3-5 YEARS

G) LIST ANY ANTICIPATED FUTURE COSTS THIS PROJECT WILL REQUIRE FOR COMPLETION:

The project will require no City tax-levy supported expenditures. $1.2 million from the City's formula based Energy Efficiency Conservation Block grant that had been budgeted for ME2 will be used to support this project.

H) COMPUTATIONS USED IN ARRIVING AT FISCAL ESTIMATE:

PLEASE LIST ANY COMMENTS ON REVERSE SIDE AND CHECK HERE ☐

CC-170 (REV. 6/86)

CITY OF MILWAUKEE FISCAL NOTE

A) DATE May 12th, 2010 **FILE NUMBER:** 100007

Original Fiscal Note ☐ Substitute ☒

SUBJECT: Substitute resolution authorizing acceptance of a grant from the United States Department of Energy for the Energy Efficiency and Conservation Block Grant Retrofit Ramp-up Program

B) SUBMITTED BY (Name/title/dept./ext.): Erick Shambarger, Acting Director of Environmental Sustainability, DOA, x8556

C) CHECK ONE:

- ☐ ADOPTION OF THIS FILE AUTHORIZES EXPENDITURES
- ☒ ADOPTION OF THIS FILE DOES NOT AUTHORIZE EXPENDITURES; FURTHER COMMON COUNCIL ACTION NEEDED.
- ☐ LIST ANTICIPATED COSTS IN SECTION G BELOW.
- ☐ NOT APPLICABLE/NO FISCAL IMPACT.

D) CHARGE TO:

- ☐ DEPARTMENT ACCOUNT(DA)
- ☐ CAPITAL PROJECTS FUND (CPF)
- ☐ PERM. IMPROVEMENT FUNDS (PIF)
- ☐ OTHER (SPECIFY)
- ☐ CONTINGENT FUND (CF)
- ☐ SPECIAL PURPOSE ACCOUNTS (SPA)
- ☒ GRANT & AID ACCOUNTS (G & AA)
- ☐

E) PURPOSE	SPECIFY TYPE/USE	ACCOUNT	EXPENDITURE	REVENUE	SAVINGS
SALARIES/WAGES:	OES Salaries and benefits for local				
	coordination and marketing support over 3 yrs		757,000		
SUPPLIES:	Office supplies and marketing materials		192,000		
MATERIALS:					
NEW EQUIPMENT:					
EQUIPMENT REPAIR:					
OTHER:	The grant will support up to $13 million in grant costs in Milwaukee. The split that will be spent by WECC on behalf of Milwaukee and the amount that will be sub-granted directly to the City of Milwaukee (eg. loan loss reserve funds legal set-up costs, and other marketing costs) is currently being negotiated				
TOTALS			$949,000+		

F) FOR EXPENDITURES AND REVENUES WHICH WILL OCCUR ON AN **ANNUAL** BASIS OVER SEVERAL YEARS CHECK THE APPROPRIATE BOX BELOW AND THEN LIST EACH ITEM AND DOLLAR AMOUNT **SEPARATELY**.

☒ 1-3 YEARS ☐ 3-5 YEARS

☐ 1-3 YEARS ☐ 3-5 YEARS

☐ 1-3 YEARS ☐ 3-5 YEARS

G) LIST ANY ANTICIPATED FUTURE COSTS THIS PROJECT WILL REQUIRE FOR COMPLETION:

The project will require no City tax-levy supported expenditures. $1.2 million from the City's formula based Energy Efficiency Conservation Block grant that had been budgeted for ME2 will be used to support this project.

H) COMPUTATIONS USED IN ARRIVING AT FISCAL ESTIMATE:

The grant funding breakdown is still under negotiation with the US Department of Energy and the Wisconsin Energy Conservation Corporation. Once a direct budget for the City of Milwaukee has been negotiated, a Council resolution establish grant & aid accounts will be submitted to Council for approval.

PLEASE LIST ANY COMMENTS ON REVERSE SIDE AND CHECK HERE ☐

FILE NUMBER: 100007
Steering & Rules Committee

NAME	ADDRESS	DATE SENT		
Eric Shambarger	DOA	5/6/10	7/13/10	