



## **M E M O R A N D U M**

**To:** Veronica Lara, Director, DSMBR  
Deanna Brown, Business Development Counselor, DSMBR

**From:** Fred Yebra, P.E., Director, Energy Efficient Services

**Cc:** Debra Dibble, Assistant Direction, DSMBR  
Laura Moreno, Business Development Counselor Assoc., DSMBR  
Amelie Gonzalez-Flores, Business Development Counselor, DSMBR  
Elton Price, Division Manager, DSMBR  
Karl Rábago, Vice President, Distributed Energy Services

**Date:** January 24, 2011

**Subject:** Weatherization Committee Action Items

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Thank you for summarizing the action items from the Weatherization Committee meeting on January 3, 2011. I have reviewed the action items list with my staff and prepared the attached response. Please distribute this action item response memo to the Weatherization Committee members.

I am prepared to review and discuss this response memo at the next meeting of the committee on January 26, 2011. In the meantime, please let me know if there are any further questions or items of clarification.

Should you require additional information or clarification of the information provided, please contact me at 512-482-5305 or at [Fred.Yebra@austinenergy.com](mailto:Fred.Yebra@austinenergy.com).

**Austin Energy  
Response to Action Items of the  
Weatherization Committee Meeting on January 3, 2011**

**January 24, 2011**

**Action Item #1: The Committee requested a monthly report that included list of all contractors on projects, number of assignments awarded each contractor and %, dollar amount of each assignment (award), number of completed assignments per contractor and dollar amount paid out.**

See attached table.

**Action Item #2: The Committee also requested Austin Energy to look at the administrative costs and let them know why it has not decreased over the life of the project – is it going to decrease?**

The administrative cost for the ARRA Weatherization Assistance Program grant award is capped at 5%, which is a total of \$292,298.00. The administrative costs were used to hire the four (4) grant funded positions authorized in the grant award to provide program support and inspection review, as well as the purchase of computers, printing, and other approved administrative costs as identified within the Code of Federal Regulation (10 CFR). The salary for the staff, printing of educational materials, and training expenses will be ongoing.

We will continue to look for ways to reduce administrative expenditures over the life of the grant because we are committed to maximizing the funds to reach more customers. Under no circumstances will we exceed the 5% percent cap.

**Action Item #3: The Committee would also like to know how many minority firms submitted proposals for the Audit & Inspection work and how many were selected to perform services (as a prime), and how many were certified.**

Test In (Energy Audit): One (1) certified WBE firm submitted a proposal and received a contract. One other firm (WBE) submitted a proposal but its evaluation scored was too low to be awarded a contract for this service. Five (5) other minority firms submitted proposals but were not considered because they were not certified with the City of Austin.

Test Out (Inspections): One (1) certified WBE firm submitted a proposal and received a contract. One other firm (WBE) submitted a proposal but its evaluation scored was too low to be awarded a contract for this service. Five (5) other minority firms submitted a proposal but were not considered because they were not certified with the City of Austin.

Weatherization: One (1) certified MBE/WBE firm submitted a proposal and received a contract (Valdez Remodeling & Weatherization, Inc.)

**Action Item #4: The Committee also asked that SMBR and Austin Energy work with all the associations to analyze how future MBE/WBE contractors could benefit from this program.**

A key priority in receiving the ARRA Weatherization Grant is enhancing the participation of the local minority contractors. Austin Energy worked with DSMBR to enhance opportunities for MBE/WBE contractors. From the beginning of the weatherization grant program, we committed to and developed a weatherization training program for increasing the contractor pool. Austin Energy's Business Development and Contract Compliance Director assisted in development of the training program and soliciting companies to participate. In addition, Austin Energy conducted numerous presentations at local contractor meetings including the Black Contractors Association, the Hispanic Contractors Association, and other similar trade associations.

Austin Energy continues to make a priority of reaching out and engaging minority firms to participate in the Austin Energy Weatherization Assistance program, as well as the other Austin Energy programs offered to residential, multi-family, and commercial electric customers. AE and DSMBR will be pursuing additional trainings for M/WBEs who would like to pursue weatherization work, specifically in the areas of energy efficiency, and will work to develop additional courses for that purpose.

**Action Item #5: The Committee asked Karl Rábago (Austin Energy) to go back and confirm the language on the RFP, check to see what was requested regarding the "owner" or "staff" having to have the certification to meet requirements.**

The Test-in RFQS (Request for Qualification Statement) contained the following language:

"Contractor shall submit proof that a minimum of one employee assigned to work on each unit dwelling for this contract shall have certification from either Building Performance Institute (BPI), Residential Energy Services Network (RESNET), NEAT and TDHCA Training Academy Basic and Advanced training. Certification shall be current and proof of certification for employees assigned to this project shall be submitted with response in order to be considered responsive and eligible for award. Contractor will be responsible for maintaining all such certifications throughout the contract term, and failure to do so may result in contract termination."

The Weatherization and Test-Out RFQS' contained the following language:

"Contractor shall submit proof that a minimum of one employee assigned to work on each unit dwelling for this contract shall have certification from either Building Performance Institute (BPI) or Residential Energy Services Network (RESNET). Certification shall be current and proof of certification for employees assigned to this project shall be submitted with response in order to be considered responsive and eligible for award. Contractor will be responsible for maintaining all such certifications throughout the contract term, and failure to do so may result in contract termination."

### Action Item #1: ARRA Weatherization Contractors Table

ARRA Weatherization Contractors												
Contractor	# of Jobs Completed and Paid	Amt Paid for completed jobs	Ave cost/job completed and paid	% of Jobs completed and paid		# of Jobs assigned but not paid	Value of jobs assigned but not Completed/Paid	Total # Jobs Assigned to Contractor	% of total Jobs assigned to contractors	# of Jobs Above or Below Ave (169)	Total Value of All Jobs Assigned to Contractor	% of Dollars Allocated to Contractor
AIRTECH	41	\$ 126,336.00	\$ 3,081.37	9%		97	\$300,209.00	138	14%	(31)	\$ 426,545.00	12%
Climate Mechanical	104	\$ 348,677.00	\$ 3,352.66	22%		72	\$268,597.00	176	17%	7	\$ 617,274.00	18%
Go Green	55	\$ 135,592.00	\$ 2,465.31	12%		103	\$362,036.00	158	16%	(11)	\$ 497,628.00	15%
McCullough**	126	\$ 376,269.00	\$ 2,986.26	27%		87	\$411,870.00	213	21%	53***	\$ 788,139.00	23%
Valdez*	58	\$ 174,764.00	\$ 3,013.17	12%		99	\$338,067.00	157	15%	(12)	\$ 512,831.00	15%
WMG	82	\$ 268,991.00	\$ 3,280.38	18%		91	\$305,845.00	173	17%	4	\$ 574,836.00	17%
	<b>466</b>	<b>\$ 1,430,629.00</b>	<b>\$ 3,070.02</b>			<b>549</b>	<b>\$1,986,624.00</b>	<b>1,015</b>	<b>100%</b>		<b>\$ 3,417,253.00</b>	

\*\*22 Heat pump units assigned to McCullough on Aug 3, 2010 valued at \$96K based on ability to perform scope of work at contract price

\*22 Heat pump units assigned to Valdes from McCullough based on ability to perform scope of work and contract price.

**Note (column "K"):** if all 1015 jobs distributed equally, each contractor would have received 169 jobs.