

Progress Report on the Expenditure of American Recovery and Reinvestment Act Energy-Related Funds

**Report to the Minnesota State Legislature
Submitted Pursuant to 2009 Minnesota
Law, Chapter 138, Article 5, Section 2**

January 15, 2010

**Office of Energy Security
Minnesota Department of Commerce**

I. INTRODUCTION

On February 17, 2009, President Obama signed into law the American Recovery and Reinvestment Act (ARRA). In May 2009 the Minnesota Legislature passed, and Governor Pawlenty signed S.F. 657, legislation that designates Minnesota's share of the ARRA energy dollars into various programs.

This report is the second required by the Laws of Minnesota for 2009, Chapter 138. Article 5, Sec. 2., **ACCOUNTABILITY AND TRANSPARENCY REPORTING**, requires that:

The commissioner, after compiling information supplied by the commissioners of administration, education, and employment and economic development, and the Office of Higher Education, shall report on the progress of the programs funded by this act to the house of representatives and senate committees with jurisdiction over energy finance and workforce development policy by September 1, 2009, January 15, 2010, April 1, 2010, and September 1, 2010. The report must include a complete accounting of all federal stimulus money spent on the programs funded to the extent allowable by federal law, including, but not limited to:

- (1) the specific projects funded, including the building owner and project manager, and, for nonresidential projects only, the project location;
- (2) for weatherization projects, the number of units weatherized, including number of rental units weatherized, energy usage information, income data, and type, cost, and funding source of the weatherization measure installed;
- (3) the number of jobs retained or created by each project, including data on hiring from communities experiencing disproportionately high rates of unemployment, including, but not limited to, low-income, rural, tribal communities, and communities of color;
- (4) the total calculated and actual energy savings for each project;
- (5) the remaining balances in each stimulus account;
- (6) the non-stimulus money leveraged by stimulus money for each project;
- (7) the training courses provided, including the location and provider of courses offered, the funding source for each training course, and the total number of trainees; and
- (8) compliance with state prevailing wage, veterans, and disadvantaged business enterprise requirements.

The reports must be made available to the public on the Office of Energy Security Web site.

There has been much activity on the various programs detailed in Chapter 138. The barriers described in the first report are being overcome, one by one. The most significant ones involved the resolution of Davis-Bacon wage classifications and the

interpretation of the National Environmental Policy Act (NEPA) as it pertains to the implementation of commercial/industrial and renewable energy projects. These barriers and their resolutions – partial and whole – will be outlined in more detail in a separate section.

This report summarizes not only the work that has been done to date but also provides detail on the data points set out in Chapter 138. The first reporting date required by the federal government was October 10, 2009 with quarterly reporting thereafter. We include the January numbers, covering the 4th quarter of 2009, in this report.

II. OES PREPARATIONS—SPACE, STAFFING, REPORTING

In preparation for the expenditure of ARRA funds, the Office of Energy Security (OES) has increased capacity, in terms of both space and staff. OES leased an additional 2,500 square feet on the second floor of the Golden Rule Building to accommodate additional weatherization monitoring staff as well as additional grants staff that are needed to effectively oversee the spending of ARRA funds. This additional space became available on August 1, 2009.

The majority of staff has been hired. To handle the additional oversight of the Weatherization Assistance Program, seven field monitors, as well as two fiscal monitors have been added to the existing staff of three. Two of the field monitors were staff laid off by the Construction Codes Division at the Minnesota Department of Labor and Industry (DOLI).

A Grants Specialist and a Training and Workforce Development Coordinator started work in mid-August. A Utility Coordinator, a Writer, and a Management Analyst with expertise in databases are also in place. The hiring process is almost complete for a staff person to handle State Historic Preservation duties, but still ongoing for a compliance officer, a grants/data specialist, and someone to handle the energy assurance duties.

OES submitted all of the required ARRA related reports on time to the appropriate parties (U.S. Office of Management and Budget (OMB) and Minnesota Management and Budget (MMB)) for the federal January reporting. OES is required to submit a copy of its ARRA Section 1512 report to MMB, along with a project level detail report, no later than the 7th business day after the end of each quarter. Once MMB has reviewed and approved the documents, OES submits the ARRA Section 1512 reports to FederalReporting.gov. The information submitted to FederalReporting.gov is then used to update Recovery.gov on all ARRA related activities across the country. All of this

reporting is in addition to our regular quarterly reporting reports, which are due 30 days after the end of the quarter. OES staff works in close cooperation to ensure that information provided in all of these various reports, including this report, are consistent with each other.

III. FUNDING

Since February 2009, OES has submitted applications and received funding for multiple programs, including the Weatherization Assistance Program (both regular formula and ARRA), the State Energy Program (both regular formula and ARRA), the Energy Efficiency and Conservation Block Grant Program, the Energy Efficiency Appliance Rebate Program, Energy Assurance Planning, and the Save Energy Now grant. All of these awards, with the exception of the Save Energy Now grant, are formula grants from USDOE.

The Legislature appropriated funds through Chapter 138 for the programs funded through ARRA; other funds will be appropriated as needed through the Legislative Advisory Commission. Specific information follows for each of those programs:

Regular Formula Funding

OES's State Energy Office receives program funds each year ("regular formula funding") for ongoing energy efficiency and renewable energy activities.

State Energy Program - \$573,000 (FY 2010)

- Funds support the promotion of renewable energy and energy efficiency in all buildings through public outreach activities and targeted technical assistance
- Submitted application: May 15, 2009
- Received Notice of Financial Assistance Award (NFAA): June 29, 2009 (100% of program dollars awarded)
- This is the third year of a five-year award
- Federal funding for this program has been reduced the last several years. Last year (FY 2009) Minnesota received \$716,000.

Weatherization Assistance Program (\$15,972,943)

- Funds support the installation of energy conservation measures in eligible low-income homes. A total of 32 local service providers cover the entire state. Average (set by USDOE) fund amount that can be expended per home is \$6,500.

- Held public hearing: April 27, 2009
- Submitted application: May 1, 2009
- Received NFAA: July 1, 2009 (provided \$15,972,943 – 100% of FY10 award)
- This is the first year of a five-year award.
- The allocation this year includes not only the annual appropriation but a supplemental appropriation from Congress dating from the autumn of 2008. Typically, Minnesota receives closer to \$9 million each year for weatherization.

ARRA Funding

Following are descriptions of both ARRA formula and competitive grant funding.

State Energy Program – \$54,172,000

- Funds support public buildings retrofits, residential energy financing, renewable energy programs, energy education, training, data collecting, emerging technologies, and more.
- Submitted initial application: March 23, 2009
- Submitted comprehensive application: May 12, 2009
- Received initial NFAA: April 20, 2009 (provided \$5,417,200 – 10% of award)
- Received second NFAA: June 24, 2009 (provided \$21,668,800 – 40% of award; changed Terms and Conditions)
- Received third NFAA: September 19, 2009 (provided \$27,086,000 – remaining 50% of award; changed Terms and Conditions)
- Received fourth NFAA: December 10, 2009 (revised National Environmental Policy Act (NEPA) Requirements provision and SEP Narrative Worksheets)

Reporting Period	SEP ARRA funds expended (amounts are cumulative)	SEP ARRA jobs created/retained (FTEs are not additive over quarters)
04/20/2009 – 09/30/2009	\$113,507	4.30
10/01/2009 – 12/31/2009	\$1,162,979	36.58

Weatherization Assistance Program – \$131,937,411

- Funds support the installation of energy conservation measures in eligible low-income homes. A total of 32 local service providers cover the entire state. Average (set by USDOE) fund amount that can be expended per home is \$6,500.
- Submitted initial application: March 20, 2009
- Held public hearing: April 27, 2009

- Submitted comprehensive application: May 12, 2009
- Received first NFAA: March 26, 2009 (provided \$13,193,741 – 10% of award)
- Received second NFAA: April 10, 2009 (changed Terms and Conditions, corrected USDOE clerical errors)
- Received third NFAA: July 2, 2009 (provided \$52,774,964 – 40% of award)
- Received fourth NFAA: September 19, 2009 (provided \$65,968,706 – remaining 50% of award, changed Terms & Conditions)

Reporting Period	WAP ARRA funds expended (amounts are cumulative)	WAP ARRA jobs created/retained (FTEs are not additive over quarters)
04/20/2009 – 09/30/2009	\$5,044,059	169.50
10/01/2009 – 12/31/2009	\$13,502,882	346.48

Energy Efficiency and Conservation Block Grant (EECBG) – \$10,644,100

- Funds will support three activities: mandatory EECBG sub-grants, energy efficiency improvement sub-grants, and public outreach/program administration.
- Submitted application: June 25, 2009
- Received NFAA: September 14, 2009 (provided \$10,644,100 – 100% of award)

Reporting Period	EECBG ARRA funds expended (amounts are cumulative)	EECBG ARRA jobs created/retained (FTEs are not additive over quarters)
04/20/2009 – 09/30/2009	\$0	0
10/01/2009 – 12/31/2009	\$18,523	1.20

Save Energy Now – Competitive Grant, Request for \$875,568

Includes partial (\$349,985 or 40%) ARRA FUNDING

- Funds will support a full package of industrial energy efficiency resources to assist MN business and industry to implement energy efficient technologies and practices in order to realize energy savings.
- Submitted application: October 16, 2008
- Notice application was not among those initially selected: February 25, 2009
- Notice application would be funded with ARRA funds: June 11, 2009
- Revised budget forms submitted: July 30, 2009
- Revised budget forms submitted: August 18, 2009
- Received NFAA: November 16, 2009 (provided \$349,985 – 40% of award)

Reporting Period	SEN ARRA funds expended (amounts are cumulative)	SEN ARRA jobs created/retained (FTEs are not additive over quarters)
10/01/2009 – 12/31/2009	\$0	0

Energy Assurance Planning – \$678,986

- Funds will support development of greater capacity within OES and other agencies to 1) strengthen and expand State and local government energy assurance planning and resiliency efforts, 2) create jobs and 3) build in-house State and local government energy assurance expertise.
- Submitted application: July 30, 2009
- Received NFAA: August 17, 2009 (received \$678,986 – 100% of award)

Reporting Period	Energy Assurance ARRA funds expended (amounts are cumulative)	Energy Assurance ARRA jobs created/retained (FTEs are not additive over quarters)
04/20/2009 – 09/30/2009	\$0	0
10/01/2009 – 12/31/2009	\$0	0

State Energy Efficient Appliance Rebate Program – \$5,009,000

- Funds will establish and/or supplement established Energy Star appliance rebate programs.
- Submitted initial application: August 14, 2009
- Comprehensive application due: October 15, 2009
- Received initial NFAA: August 25, 2009 (received \$500,900 – 10% of award)
- Received second NFAA: December 11, 2009 (received \$4,508,100 – balance of award; changed Terms and Conditions)

Reporting Period	Appliance Rebate ARRA funds expended (amounts are cumulative)	Appliance Rebate ARRA jobs created/retained (FTEs are not additive over quarters)
04/20/2009 – 09/30/2009	\$0	0
10/01/2009 – 12/31/2009	\$0	0

IV. BARRIERS TO IMPLEMENTATION

Davis Bacon Act (DBRA)

Prevailing wage requirements of the Davis-Bacon Act and Davis-Bacon Related Acts (DBRA) are applicable to construction contracts for work in excess of \$2,000 funded in whole or in part with ARRA funds. As noted in our September report, DBRA compliance presented significant barriers to implementation of WAP and SEP residential programs. USDOE and U.S. Department of Labor (USDOL) have provided determinations and guidance that largely address those barriers.

USDOL issued initial WAP-related wage determinations for Minnesota on September 3, 2009. While corrections to some determinations have been necessary, weatherization activities have moved forward quickly.

On November 19th, USDOL issued an opinion that prevailing wage requirements under ARRA do not apply to financial assistance provided directly to individual homeowners. In addition, USDOE issued guidance on this issue for SEP, EECBG and Appliance Rebate projects on December 30, 2009.

National Environmental Policy Act (NEPA)

NEPA requires USDOE to assess the potential environmental impact of activities financed in whole or in part with federal funds. Under 10CFR Part 1021, USDOE may determine that some broad categories of activities, by their nature, will likely not have an adverse environmental impact and do not require review (a categorical exclusion.) An activity that is not categorically excluded cannot proceed without further review by USDOE to determine whether an Environmental Assessment (EA) or Environmental Impact Statement (EIS) is warranted. USDOE has cautioned the states that activities that require an EA or EIS could be significantly delayed.

In approving Minnesota's SEP plan, USDOE categorically excluded program administration, residential energy efficiency programs, utility coordination and training and workforce development activities. USDOE prohibited implementation of renewable energy programs, commercial/industrial programs, and public building retrofit programs pending submission of additional information it deemed necessary to make NEPA determinations.

Based on USDOE guidance and negotiations with USDOE NEPA compliance staff, OES requested and received categorical exclusions for the following additional activities:

Commercial/industrial

- Energy-efficiency grants and shared savings agreements
- Small-scale solar, wind and ground-source heat pump grants
- Biomass facility feasibility study grant

Government building energy-efficiency grants

Schools/local government renewable energy grants

- Small-scale solar, wind and ground-source heat pump grants

Residential and small business renewable energy rebates

- Small-scale solar, wind and ground-source heat pump rebates

Renewable energy activities under the categorical exclusions are limited to:

- Installation of small renewable energy sources located on or contiguous to existing buildings or existing facilities.
- Photovoltaics – appropriately sized units on existing rooftops and parking shade structures; or 60kW systems or smaller installed on the ground within the boundaries of an existing facility;
- Solar thermal hot water --- appropriately sized units for residences or small commercial buildings;
- Wind turbines – 35 kW or smaller;
- Ground-source heat pumps – 5.5 tons of capacity or smaller.

Activities of a type or scale not categorically excluded are still prohibited. Any such activity proposed would require USDOE review and approval. OES will request such review for short-listed proposals for Emerging Renewable Energy Industries grants. However, given the potential of review requests from more than 2,000 SEP and EECBG grantees nationwide, and the limited capacity of USDOE NEPA compliance staff, it may not be feasible to undertake any other activities not categorically excluded.

V. PROGRAM UPDATES

Article 2 – Energy Efficiency

Weatherization Assistance Program

OES continues to work with 32 weatherization assistance service providers to increase the number of multi-family and rental units weatherized using ARRA funds. OES has contracted with a New York company for access to software which will permit 60 electronic multi-family audits and have these available to service providers. Two webinars have been held to train auditors on the use of the multi-family audit, known as EA-Quip. A multi-family audit training was held on December 14 and 15, 2009.

Unfortunately, USDOE and United States Housing and Urban Development (HUD) have not released the promised guidelines for a Memorandum of Understanding between the two federal agencies that would allow USDOE grantees to recognize existing HUD household eligibility for Weatherization Assistance Program purposes. Using HUD eligibility could potentially decrease time and effort otherwise needed to qualify renters for Weatherization services.

As directed by State legislation, OES raised the income eligibility for WAP to 200% of Federal Poverty Income Guidelines (FPIG). eHEAT, the software shared with the Low Income Energy Assistance Program that is used to identify eligibility has been adjusted to recognize these households. All eligible households are prioritized using USDOE guidelines, including: disability, elderly, households with children under the age of 19, high energy use, and high energy burden.

Minnesota's Davis Bacon wage determinations were not released until September 3, 2009. Amendments to those wages were released on December 11, 2009 but will not go into effect until early January 2010. According to the Davis Bacon amendment to the USDOE Weatherization grant to OES, the State of Minnesota is designated to receive and retain the original signed weekly Davis Bacon wage reporting documents for a three year period. OES designed a form specific to Minnesota for this purpose and is now receiving the weekly wage reports. OES is required to complete a random sample review of these reports to confirm that the correct Davis Bacon wages are used to pay workers. All inquiries about Davis Bacon wages must be addressed to USDOE.

On Thursday, January 13, 2010, the Minnesota Weatherization Assistance Program was recognized by USDOE for outstanding performance in the number of low-income homes it has weatherized using ARRA funds. Gil Sperling, currently a senior advisor to DOE Assistant Secretary Cathy Zoi, and former manager of the Weatherization and Intergovernmental Program in the Office of Energy Efficiency and Renewable Energy (EERE), presented the award. Sperling recognized Minnesota as a national leader in weatherization and a role model for other states. Weatherization workers, managers and executive directors from many community action agencies from across the state attended the award ceremony.

Residential Energy Efficiency Programs

Energy Saver

Chapter 138 requires OES to coordinate with the Minnesota Housing Finance Agency (MHFA) to use stimulus funds in conjunction with existing MHFA financing programs. It also allows other entities to develop additional programs that may include loans, grants and rebates.

OES and MHFA created a residential rebate program for energy efficiency improvements to use with MHFA's existing home improvement loans. Through this program, participating homeowners may receive an Energy Saver Rebate for 35 percent of the cost of the eligible improvements financed with a Fix-up Fund loan, up to \$10,000.

The program is designed to help homeowners with household income up to \$96,500 improve home energy efficiency. Eligible components include the replacement of select heating and cooling appliances, exterior doors and windows, attic air sealing, wall and attic insulation, water heaters and light fixtures. The program is focused on ensuring that many rebate-eligible improvements will also qualify for the Federal Tax Credit for energy efficiency improvements.

The Energy Saver program rolled out on December 7, 2009 and is expected to be complete by September 15, 2010. This program will provide approximately \$4.1 million for residential energy efficiency improvements.

Project ReEnergize

In an effort to reach additional market segments, OES worked with the Builders Association of Minnesota (BAM) to create a residential program that provides rebates to homeowners who make energy efficiency improvements, including air sealing, insulation along with window and water heater replacements in their homes. The program was structured on providing Minnesota's existing network of licensed builders and remodelers incentive tools that could be leveraged to achieve residential energy savings and put builders and remodelers to work.

Educational programs for contractors were developed and held throughout the state. The contractor programs provided training on program eligibility, rebate process along and general energy education. The separate performance testing training provided for contractors and insulation sub-contractors focused on best practices for air sealing attics, recording energy savings and improving occupant safety. Fourteen (14), 2-hour contractor training programs and twelve (12), 8-hour performance testing training

programs were held throughout the State providing the opportunity for 996 licensed contractors to expand their scope of services and market energy efficiency projects.

Project ReEnergize requires contractors to pre-notify BAM of the projects that are under construction. As of December the pre-notifications indicate the following:

Energy Efficiency Measures	Pre-notified Rebate Amounts
Attic Air Sealing	\$188,000
Wall Insulation	\$39,200
Attic Insulation	\$167,000
Windows in combination with air sealing	\$393,900
Windows without attic air sealing	\$1.9 million
Water heater replacements	\$71,250
Total pre-notified rebate amounts	\$2.8 million

This unreserved rebate program was available to homeowners beginning October 1, 2009. As of January 4, 2010, rebates totaling \$982,650 have been issued for 491 houses and include among other eligible improvements, the replacement of 3529 windows. Specific details regarding the rebates issued are below:

Energy Efficiency Measures	Pre-notified Rebate Amounts
Attic Air Sealing	\$28,000
Wall Insulation	\$2,400
Attic Insulation	\$28,000
Windows in combination with air sealing	\$34,500
Windows without attic air sealing	\$882,250
Water heater replacements	\$7,500
Total Rebate Amounts	\$982,650

In addition to homeowner rebates, the Project ReEnergize program includes the creation of an interactive incentive finder website that will allow a single point source for existing and potential homeowners and the building community to identify possible incentives related to energy efficiency in residential homes. This long term tool will provide Minnesotans the ability to easily receive a relevant and detailed list of energy efficiency incentives based on their geographic location.

Project ReEnergize will ultimately provide more than \$2.5 million in direct rebates to Minnesotans who make residential energy efficiency improvements.

***Innovative Energy Residential Efficiency Program /
Small City Energy Efficiency Grant***

OES continues to work with both Duluth and Park Rapids in development of these programs. OES anticipates execution of a grant contract with the City of Duluth by the end of January. The City of Park Rapids and its project partners are exploring a 2-phase project. Project participants are currently drafting a scope of work for phase one.

Outreach Activities to Increase Residential Participation in Energy Efficiency Activities

Article 2, Section 5 requires OES to award grants for residential energy conservation outreach services to maximize new households participating in stimulus-funded programs. A Request for Proposals was issued on October 5, 2009 and closed November 6, 2009. OES has selected three applicants for grant award and is currently negotiating contract terms.

Energy Efficiency and Conservation Block Grants to Local Governments

The plan submitted in June 2009 was approved by USDOE on September 14, 2009. Progress was made on receiving guidance from USDOE regarding the NEPA requirements for certain eligible activities and a template of categorical exclusions was provided. A summary of activity for each sub-project follows.

Mandatory sub-grants

OES issued the RFP for the mandatory grants (Laws of Minn. 2009, Ch 138, Art. 2, Sec 6.) on December 14, 2009. Proposals are due January 25, 2010. The grants will be awarded to the most competitive cities, counties and townships that were not one of the 23 cities and 10 counties that received direct EECBG funding from USDOE. Eligible activities are divided into two application categories: direct energy saving projects and indirect energy saving programs.

Up to \$6,386,480 is available and will be awarded on a competitive basis with consideration of geographic location and population size. The maximum award under this solicitation is \$100,000 for projects and \$50,000 for programs. Grants are expected to begin in April 2010 with completion for projects by March 31, 2011 and completion for programs on June 30, 2012.

OES anticipates that between 100 and 250 applicants will be selected to receive these EECBG funds. Minimum funds are reserved for both smaller populations as well as non-metro communities in order to ensure equitable competition and statewide distribution. A minimum of 15% is reserved for competitive applicants with populations less than 2,000; 15% is reserved for competitive applicants with populations between 2,000 and 10,000; and no less than 40% of the funds will be distributed to competitive applicants outside the metro area. All remaining funds are available for all eligible applicants regardless of size or location.

All applications will go through a three phase evaluation process. The first phase is a pass/fail administrative review. Each application will be screened to ensure minimum eligibility criteria are met; applications are complete; and that projects will be completed within the given timeframe. All applications that pass this phase will be subject to a technical review to ensure that numbers provided for energy savings and jobs created are accurate. All applications will then be ranked in order of the most energy saved, jobs created, and greenhouse gas emissions reduced per \$1,000 requested. OES expects to notify successful applicants no later than March 12, 2010.

Local Government and School District Renovations Energy-Efficiency Improvement Subgrants

OES will use up to \$6 million for a Facility Cost-share Program. Funds will be awarded to make cost-effective energy improvements to existing facilities. Minnesota school districts, park districts, towns, cities, counties, townships, or any combination of these units operating under an agreement to exercise powers jointly will be eligible for the program. Emphasis will be placed on projects that have a pay-back of between two and ten years that are ready for immediate implementation. Projects will be evaluated and selected based on energy-savings per grant dollar, jobs created and retained, and geographic distribution. Grant funds will provide up to 25% of the improvement costs up to a maximum of \$100,000. A minimum percentage of the funds will be set aside for each group of applicants and the remaining funds will be available to all eligible applicants on a competitive basis: 25% will be reserved for school districts; 10% for cities; 10% for counties; and 5% for townships.

The RFP for the Facility Cost-share Program is planned for release in mid February 2010; proposals will be due six weeks after the RFP is issued.

EECBG Coordination, Outreach and Administration

Most of this period was taken up with communication between OES, USDOE and prospective grant recipients. OES, in cooperation with the League of Minnesota Cities, Association of Minnesota Counties, and the Clean Energy Resource Teams, held a

webinar to inform local government units about the programs being planned and to respond to questions. Communication with U.S. DOE focused on solidifying information regarding NEPA categorical exclusions and using the resulting list to develop eligible activities for the competitive RFP that was issued in December.

Local and State Government Building Renovations Public Building Enhanced Energy Efficiency Program (PBEEEP)

Local Government Component

OES has been working with the primary delivery contractor, Center for Energy and Environment (CEE) to develop the Public Building Enhanced Energy Efficiency Program (PBEEEP). CEE has developed a website to disseminate information to eligible local governments and interested contractors (www.pbееep.org). They have also conducted several informational presentations to primary stakeholder groups.

A primary focus of PBEEEP this quarter has been on developing formal program guidance documentation. Technical standards have been drafted and are in the final stages of review. OES and CEE are also working on developing a formal Request for Qualifications that will be used to establish a master contract that local governments can use to obtain engineering services for the program. OES anticipates that the PBEEEP program will begin taking applications in the spring of 2010.

OES plans to use additional ARRA funds to assist participants with the screening and investigation phases of the program. OES anticipates that the PBEEEP program will begin taking applications in the spring of 2010 and that additional funding details will be available in the next quarter.

State Government Component

CEE is also the primary contractor for the state government portion of the PBEEEP program. Program guidelines are completed and are available from CEE on the program website. Financial guidelines are still in development and will be finalized prior to the completion of the investigation phase of the first buildings enrolled in the program. Five applications were received during the last quarter; there are now ten applicants in the program representing 190 buildings and 4.9 million square feet.

Applicant	# Buildings(ft²)	Date	Status
Minneapolis Veteran's Home	18 (361,394 ft ²)	8/6/2009	Investigation
MnSCU: Southwestern State	27 (1,140,000ft ²)	8/7/2009	Screening
Corrections: St. Cloud	50 (595,876 ft ²)	8/17/2009	Screening
MnSCU: Rochester CTC	31 (739,000ft ²)	8/19/2009	Screening
DNR	10 (739,000ft ²)	9/23/2009	Screening
Corrections: Oak Park Heights	12 (398,342 ft ²)	10/30/09	Investigation
Corrections: Red Wing	7 (184,050 ft ²)	11/02/09	Screening
Corrections: Rush City	6 (415,953 ft ²)	11/04/09	Screening
MnSCU: Century College	25 (722,000 ft ²)	11/04/09	Screening
Minnesota Academies	17 (340,013 ft ²)	11/24/09	Screening

Article 3 – Renewable Energy

Renewable Electric Generation and Geothermal Facility Rebates

OES has worked with USDOE and received final determinations in December on NEPA requirements for renewable energy rebates. USDOE initially prohibited implementation of renewable energy programs pending submission of additional information it deemed necessary to make NEPA determinations. USDOE issued draft guidance on August 17, 2009 providing size limits for various technologies that would likely permit USDOE to grant categorical exclusions for those activities. Those limits included wind turbines of 20 kW or smaller and ground-source heat pumps of 10 tons capacity or smaller. USDOE subsequently revised limits on ground source heat pumps to closed-loop systems of 5.5 tons capacity or smaller. OES submitted a request to the DOE for an increase to the wind turbine size limit from 20kW to 40kW since the 40kW limit was identified in the rebate program authorized under 2009 Laws, Chapter 138, Art. 3, Sec. 2 and these size categories have nearly identical environmental impacts. OES provided USDOE with requested information on wind installation characteristics and USDOE indicated that it would provide categorical exclusion for small wind projects up to 35kW in rated capacity.

This autumn USDOL clarified the issue of requiring federal prevailing wage requirements of Davis-Bacon and Related Acts (DBRA) for homeowners. Although initially it appeared that prevailing wage requirements would apply to homeowners, which would have presented a significant barrier to implementing a residential renewable energy rebate program, USDOL issued a determination indicating that prevailing wage requirements will not apply to energy efficiency and renewable energy programs for homeowners. USDOE and USDOL have since indicated that federal prevailing wage requirements will apply to renewable energy rebates for small

businesses. The USDOL must yet determine appropriate job classifications and prevailing wages for renewable energy project installers, designers, etc.

The applicability of National Historic Preservation Act and State Historical Preservation Office (SHPO) guidelines to small wind and ground source heat pump projects may also be a barrier to implementing this grant program.

Draft program guidelines are currently under review. OES has requested performance data and other information from small wind turbine and tower manufacturers. OES has done further analysis of other state and utility incentive programs for small wind and geothermal systems to establish precedent for guidelines. OES plans to issue an RFP in the spring of 2010 for a third party organization to administer the rebate program.

Solar Rebate Program / Solar Cities Program

State Solar Programs funded by ARRA

OES plans to launch the ARRA funded solar electric and solar thermal programs in February 2010. Approximately 200-225 solar electric rebates will be provided with the \$2 million allocated.

Solar Electric Rebates

Proposed funding levels for the Solar Electric Rebate Program are as follows:

Solar Contractor Qualifications	Applications submitted by March 31, 2010	Applications submitted April 1- June 30, 2010	Rebate amount after July 1, 2010
Licensed electrical contractor with at least two solar PV installations of at least 0.5 kW in previous 12 months	Project completed and claim submitted by Sept 30, 2010: \$1.75 per watt	\$1.50 per watt	TBD
Licensed general contractor with at least two solar PV installations of at least 0.5 kW in previous 12 months	Claim submitted after Sept 30, 2010: \$1.50 per watt		
Above plus NABCEP certified PV installer	Project completed and claim submitted by Sept 30, 2010: \$2.00 per watt	\$1.75 per watt	TBD
	Claim submitted after Sept 30, 2010: \$1.75 per watt		

* Available while funds last. Rebate levels subject to being adjusted to provide maximum benefit.

Maximum System Size	
Small business, multi-family	10 kW
Residential—single family	5 kW
Larger systems are eligible, but rebates will be based on the above system size limits.	

As of December 31, 2009 fifty five applicants were in queue for solar electric rebate funding.

Solar Thermal Rebates

OES anticipates funding between 150-200 solar thermal rebates utilizing \$800,000 in grant funds. Solar thermal rebates will go to both solar hot water and solar air heat systems.

Solar Hot Water Rebates

Proposed funding levels for the Solar Hot Water Program are as follows:

Solar Contractor Qualifications	Rebate amount through June 30, 2010	Rebate amount after July 1, 2010
Licensed plumbing contractor or licensed general contractor	Residential single family: \$25 per sq foot net aperture; \$2,000 maximum. Businesses and multi-family dwellings: \$15 per sq foot net aperture; \$20,000 maximum	TBD
Above plus NABCEP certified solar thermal installer	Residential single family: \$25 per sq foot net aperture; \$2,000 maximum. Businesses and multi-family dwellings: \$15 per sq foot net aperture; \$20,000 maximum	TBD

Solar Air Heat Rebates

Proposed funding levels for the Solar Air Heat Program are as follows:

Solar Contractor Qualifications	Rebate amount through June 30, 2010	Rebate amount after July 1, 2010
Licensed contractor	Residential single family: \$25 per sq foot net aperture; \$2,000 maximum. Businesses and multi-family dwellings: \$15 per sq foot net aperture; \$20,000 maximum	TBD

Solar America Cities

The Solar America Cities of Minneapolis and Saint Paul are in the process of developing their plan for the \$3 million appropriation to fund solar projects along the Central Corridor. The cities have outlined the following priorities for projects to be funded:

- Maximize job creation
- Strike a geographic balance between the cities and across the corridor
- Maximize visibility
- Target projects that enable market transformation
- Have a component of public education when possible
- Combine energy efficiency and solar
- Leverage additional funding

Projects that include energy storage will be considered as well per the appropriation language.

School District and Local Government Renewable Energy Grant Programs

OES is developing technical parameters and evaluation and scoring criteria for competitive renewable energy grants to school districts and local government pursuant to Chapter 138, Article 3, Section 5. OES will limit eligibility to solar, wind and ground-source heat pump applications that meet the NEPA requirements noted in an earlier section of this report. OES anticipates release of a Request for Proposals in mid-February and notification of successful applications by May 1, 2010. Proposals will be evaluated based on reliability, cost-effectiveness, extent of energy efficiency and conservation measures implemented, and other criteria established under Chapter 138.

Emerging Renewable Energy Industries Grant Program

MN Laws 2009, Chapter 138, Article 3, Section 6, directs \$2,000,000 to the “Emerging Renewable Energy Industrial Grant Program.” The purpose of this grant program is to provide funding for a portion of the cost of one or more activities necessary to enable an applicant to enter into the manufacture in Minnesota of an eligible technology, to improve or expand an existing Minnesota manufacturing activity, or to modify a manufacturing facility or activity in Minnesota to enable greater utilization of Minnesota suppliers. By providing funding for this purpose, the State intends to promote improved economic performance of both the direct recipient and its Minnesota suppliers and customers.

OES issued the RFP for this grant program on October 19, 2009 and applications were due on December 18, 2009. Currently, the proposals are being evaluated with grants targeted to begin by May 1, 2010.

Individual grants awarded by OES under this solicitation, must go through a NEPA interpretation process prior to disbursements to grantees.

Article 4 – Commercial and Industrial Sector Energy Projects

Grants to Commercial and Industrial Facilities

OES and the Saint Paul Port Authority (SPPA) are currently finalizing a contract that will provide \$5 million in seed money to the SPPA to create a Revolving Loan Fund (RLF) for energy efficiency improvements in commercial and industrial buildings. This RLF is the primary component of the SPPA's *Trillion BTU Program* with additional funding through Xcel Energy's 2009 and 2010-2012 Conservation Improvement Programs.

The *Trillion BTU Program* will leverage American Recovery and Reinvestment Act (ARRA) funding provided to the SPPA with local economic development agencies (EDA) and municipalities in Xcel Energy's electric and gas service territories to create a revolving loan fund, expand existing Economic Development Agency (EDA) loan programs, and provide technical assistance to prospective participating businesses.

Loans will be made to borrowers with significant potential energy cost savings from the RLF, consistent with standard prudent lending practices. As loans are repaid by the borrowers, the money will be returned to the RLF to make additional loans.

A second component of the program consists of integrating energy efficiency into the Lean Manufacturing framework (a production practice that considers the expenditure of resources for any goal other than the creation of value for the end customer to be wasteful, and thus a target for elimination) and developing recommendations for utility program integration.

CEE will administer the Program in partnership with the SPPA and Xcel. Other partners include the Minnesota Technical Assistance Program (MnTAP), which will provide technical expertise in facility benchmarking, and energy analysis, and Enterprise Minnesota, which will coordinate development of the Lean Manufacturing 2.0 Pilot. SPPA will manage the revolving loan fund.

Energy Programs in Commercial and Industrial Buildings

On December 24, 2009, an RFP was issued that provides \$4.1 million to owners of commercial and industrial facilities, nonprofit organizations and EDAs for energy efficiency improvements in commercial facilities. Proposals are due on February 12, 2010, with a projected grant start date of May 3, 2010.

This program focuses on providing funding incentives for energy efficiency installations that provide direct energy demand reductions, energy cost savings and employment opportunities. Additionally, this RFP provides EDAs and nonprofits the opportunity to receive seed money, in order to create revolving loan fund programs. Revolving loan funds will provide access to capital to borrowers who might not have other resources, reduce borrowing costs, and create jobs while providing long-term sustainability of benefits.

Funding provided in the commercial/industrial facilities program will be matched, at a minimum 1:1 (dollar for dollar), by program participants. Additional leverage of grant funds is expected and is available to recipients through utility conservation improvement programs and federal tax credits.

Article 5 – Miscellaneous

Statewide Training Plan

In the fourth quarter of 2009, with the additional staffing resource of a training coordinator, OES identified multiple areas of concentration for the initial development of a comprehensive state-wide training plan and procedures:

- Survey multiple stakeholders in the training sector, identifying current training and curriculum resources and current unmet and future needs.
- Analyze current energy policies and potential job/training implications
- Determine methods of outreach mechanisms, emphasizing low-income populations
- Identify and leverage additional resources

Current Training Needs and Resources

OES gathered information through face to face meetings with existing training providers and industry leaders to establish a baseline of existing offerings and needs. Interactions were made through industry meetings, tours, conferences, and other presentations.

OES also shared best practices with the Michigan Department of Energy, Labor, and Economic Growth staff, with emphasis on Michigan's successful curriculum alliances. Additional research was conducted on New Mexico, California, Wisconsin, and Maryland green jobs and training programs.

Additional Training Needs

Current energy policy analysis reflects the need for additional training for line workers and other positions related to the future development of transmission lines.

The following are a couple of key points regarding state, regional, and interconnection wide grid developments over the next 15 years. Many of these projected developments are driven by policy objectives (e.g. current state Renewable Energy Standards, pending federal RES and carbon legislation, etc).

- The Minnesota RES and other regional grid needs could require up to \$3.5 billion of EHV transmission (up to 1450 miles of 345 kV) by 2025 including near term needs \$1.5 Billion of EHV by 2016 (CapX Group I, Certificates of Need approved by MN Public Utilities Commission). See Section 8 of the *2009 Minnesota Biennial Transmission Projects Report* www.minnelectrans.com/reports.html
- The Midwest ISO's Regional Generation Outlet Study (RGOS, will be completed Dec 2009) is projecting that in order to implement current state Renewable Energy Standards, in a six state region (ND, SD, MN, IA, MN, WI, IL) in the upper Midwest, could require about \$15 Billion of EHV transmission (about 7500 miles of 345 kV) by 2025.

As additional transmission is developed, the need for an increased number of skilled workers is anticipated. Additional research is being done by OES and DEED to better assess what these needs will be for the future.

Information Sharing

OES has identified multiple measures for information sharing this quarter including:

- Development of an energy "Career Resources" web page within www.Energy.mn.gov for current and future employment, job training, home energy auditing, weatherization, outreach, and other opportunities.
- Established relationship with MN's workforce on-line outreach mechanism, iSeek – Energy: a portal of energy related careers, training, and certifications: www.EnergyCareers.org. Initial conversations have begun regarding future inclusion of additional training and certification information as well as development of interactive MN specific career pathways in energy efficiency and renewable energy.
- Inclusion of outreach measures to low-income populations as a requirement in the Weatherization Training Solicitation, ensuring that the programs that are most effective at reaching a low-income population are fully engaged.

Leveraging of Additional Resources

In conjunction with our partners, OES worked towards the leveraging of additional resources. Efforts included the following:

- Supported MN participation in the DOE - Solar Installer Train the Trainer Program. This grant of over \$3M has been awarded to the Midwest Renewable Energy Association with partners in MN including the Minnesota Renewable Energy Society, Riverland College, and Century College, among others. Ongoing support will continue as a MN Solar Advisory Member for MRES.
- Worked in conjunction with the Governor's Workforce Development Council to submit a \$6M grant application to the State Energy Sector Partnership Grant solicitation by the Department of Labor.
- Ongoing work at DEED is taking place on the development of the framework of job projections, workforce development needs and barriers, and understanding of funding opportunities for existing and future work- job vacancy survey.

Next Steps

- **Career Pathways Development:** OES and partners are in initial discussion regarding the development of interactive on-line career pathways in renewable energy and energy efficiency. iSEEK – Energy currently holds one of the few fully developed career pathways in the nation on biofuels. They will soon hold one on wind energy careers. The Energy Training Partnership will engage workforce development and energy specialists in the formation of additional energy efficiency and renewable energy career pathways, providing an interactive resource for job seekers that will include job descriptions, training opportunities, wage rates, and additional helpful employee information. This program will leverage DEED – DOL funds.
- **Energy Code Compliance Training:** OES is working with the Department of Labor and Industry and other training organizations to assess where the need is greatest for additional energy code compliance.

Training Access and Affordability

To prepare low-income persons for residential weatherization and to support job training opportunities for low-income persons in residential and commercial energy efficiency and renewable energy-related trades, up to \$1 million was appropriated. This funding will be made available to training providers through existing weatherization service providers.

In accordance with this charge, OES announced a Solicitation for Funding in October 2009 for Weatherization Assistance Providers and partnering training providers. Three well qualified applications were selected for funding. Each of the successful project teams includes a Weatherization Service Provider as the Lead Agency, an existing weatherization training provider and a low-income advocacy agency. The sum of the selected projects will have statewide coverage, including one tribal nation, and offer training in both rural and urban areas. Over 350 low-income individuals will be trained in weatherization techniques. Over \$700,000 is anticipated to be awarded by February 1, 2010 once contract negotiations are completed.

There will be another competitive solicitation of up to \$1 million, that will be targeted toward curriculum development and training for energy efficiency in commercial buildings as well as renewable energy.

Chapter 138 also required OES to work with DEED to maximize the receipt of federal stimulus funding that is available for training and workforce development through the Workforce Investment Act (WIA).

OES is working together with DEED to offset costs of the training through the use of WIA funds. WIA certification is designed to bring a system of "quality controls" into the federally-funded training program system. A training provider may apply to have one or more *eligible training programs* evaluated for WIA certification. An *eligible training program* consists of one or more courses that, upon successful completion, lead to credentials such as a diploma, industry-recognized certificate or licensure, an associate degree, or a baccalaureate degree. The process provides standards that training providers must meet in order to receive WIA training dollars. As part of their contracts, the weatherization training providers will be applying to become an eligible training program.

All funded projects will include hands-on training and on-the-job training, providing access of participants to future employment opportunities. In addition, each project team includes a placement partner with expertise in supporting low-income participants with outreach, support, and support services to ensure placement into green energy-related jobs.

Accountability & Transparency Reporting

(1) The specific projects funded, including the building owner and project manager, and, for nonresidential projects only, the project location:

Contracts were executed to the Builders Association of Minnesota (\$3 million) and MHFA (\$4.4 million). Both projects provide rebates to homeowners for installing energy efficiency measures in their homes.

(2) For weatherization projects:

- **The number of units weatherized (1392) including number of rental units weatherized (214)**
 - Refer to Attachment B: Total Counts – All Agencies
- **Energy usage information**
 - Please see discussion under (4), Energy Savings
- **Income data**
 - Refer to Attachment C: Annual Income for ARRA Weatherized Households
- **Type, cost, and funding source of the weatherization measure installed**
 - Funding source is ARRA funds.
 - Dwellings are inspected and completed through 12/31/2009
 - Following categories include:
 - Number of dwellings having the measure category installed
 - Total cost of all measures of the category installed
 - Average cost of measure category per dwelling
 - Counts and averages are based on number of dwellings, e.g. if multiple insulation measures were implemented in a single dwelling, the dwelling is only counted once.

Baseload

(The measurement of electric use or the constant energy demands of a dwelling unit.)

524 dwellings

\$67,395 total cost

\$129 average cost per dwelling

Building Insulation

(Insulation placed in attics, walls, and around windows to reduce heat transfer.)

1,392 dwellings

\$2,598,206 total cost

\$1,867 average cost per dwelling

Doors and Windows

(Replacement or repair of windows and doors to reduce air leakage or lower heat loss.)

181 dwellings

\$136,209 total cost

\$753 average cost per dwelling

Air Sealing

(Term for work completed to alleviate air leaks in homes.)

1,258 dwellings

\$666,360 total cost

\$530 average cost per dwelling

HVAC Systems (Heating, Ventilation and Air Conditioning)

(A general industry term describing replacement or repair of furnaces, boilers and hot water heaters systems.)

570 dwellings

\$1,189,171 total cost

\$2,086 average cost per dwelling

Health and Safety

(Weatherization work referring to completing non-insulation activities such as installing or replacing ventilation fans or installing smoke detectors. This work may also include mechanical system repairs or replacement due to health and safety considerations.)

1,612 dwellings

\$944,603 total cost

\$586 average cost per dwelling

General Repairs

(Repairs that protect the effectiveness of weatherization materials or allow for properly installed energy conservation materials.)

239 dwellings

\$85,278 total cost

\$357 average cost per dwelling

(3) The number of jobs retained or created by each project:

We have been instructed to report jobs as having been "created/retained/not lost". Each quarter's FTEs are calculated separately and, in accordance with OMB/MMB instructions, are not additive over the quarters.

	<u>October</u>	<u>January</u>
WAP	169.5	346.48
SEP	4.3	36.58
EECBG	0	1.2
Appliance Rebate	0	0
Energy Assurance	0	0

- **Including data on hiring from communities experiencing disproportionately high rates of unemployment, including, but not limited to, low-income, rural, tribal communities, and communities of color.**

Weatherization Assistance Program:

To provide information on hiring in low-income and rural communities, we requested hours employed by zip code. **Attachment D: Hiring by County** is a table that shows the number of hours reported as being hired/contracted employees from economically disadvantaged counties (based on zip code), along with a flag indicating whether the county is a labor surplus area or disadvantaged through the 70% of statewide median income designation.

To get to data on hiring from tribal communities and communities of color, we requested information from the service providers on their proposed hiring practices and actual hiring outcomes. **Attachment E: Proposed Hiring Practices and Actual Hiring Outcomes** is a summary provided by each service provider outlining its proposed hiring practices and actual hiring outcomes. Almost all agencies provided information detailing their efforts to market employment opportunities to organizations representing minorities and low-income populations. Although specific data pertaining to gender and ethnic background

can be requested of employees, providing the information is voluntary so the data is not complete. Some examples follow:

Six metro Community Action Agencies pooled their resources in developing a Request for Proposals for contractors. 65 proposals were received, with a final pool of 63 contractors. Of that number 30 were small firms with 1 crew, 33 had at least 2 crews and were considered large firms. 17% were minority contractors, 16% were women owned businesses. Large minority firms represented 8% of the responders; small minority contractors represented 10% of the responders. 10% of the women owned contractors were large firms and 6% were small firms. The 63 responders were grouped according to their readiness and the top third were assigned according to their geographic preference and size fit for each of the participating agencies. At that point each agency negotiated their contract with the contractors.

Bi-County Community Action Program advertised for contractors in 18 various media resources, specifically listing targeted qualifications. Bi-County awarded contracts to all contractors who met the eligibility requirements as advertised.

Otter Tail-Wadena Community Action Council reports having one female minority vendor , one handicapped contractor, and one minority contractor. All of its contractors are small businesses and are in economically disadvantaged areas.

Prairie Five Community Action Council reported new hires that are Hispanic and veteran.

Tri-County Action Programs reports that of 20 new contractors, six qualified as a targeted group.

White Earth Reservation Tribal council currently utilizes eight local Indian-owned contractors.

Builders Association of Minnesota/MHFA

No data was received from MHFA or BAM because those projects consist of homeowner rebates.

(4) The total calculated and actual energy savings for each project:

Weatherization Assistance Program:

Oakridge National Laboratory develops a formula for USDOE so that energy savings may be calculated by states. The formula, set forth in our grant contract with USDOE when the average amount per household was approximately \$3000, is appropriate for this quarter because agencies are spending, on average, \$3000-3500 per household. Using this formula, savings per household for the ARRA grant are determined to be 30.4 MBTU per household.

1,392 dwellings X 30.4 million BTU/dwelling = 42,316.8 million BTU saved

1 Therm = 0.1 million BTU

Savings in Therms is 423,168, which is \$423,168 at \$1.00 per Therm.

Average annual savings per weatherized household is estimated to be \$304.

Actual energy savings can be calculated only after a sufficient amount of time (at least one year) has passed so that energy use can be compared for time periods before and after weatherization measures have been implemented, and so that yearly variation in weather conditions can be taken into account.

Project ReEnergize

Currently, seven percent of the projects in Project ReEnergize have performed air sealing. Performance activities take more time and it is anticipated that this percentage will increase as the program proceeds. The 31 projects that have been completed and measured have saved approximately 124 MBTUs with an average annual cost savings to each participant of \$56.00. The energy savings data collected indicates that while these early projects had fairly tight homes the air sealing and added insulation still increased home performance.

Window replacements have been extensive in the Project ReEnergize program. Current estimates for an "average house" with single pane windows that are replaced with Energy Star windows will save a homeowner approximately six percent on their overall energy costs. BAM and OES are currently developing a methodology to more accurately determine energy savings when all window replacement and window insert data is collected.

Energy Savers

Program started in early December; no data to report.

(5) The remaining balances in each stimulus account:

	Grant Award	Expenditures to date	Balance
WAP	\$131,937,411	\$18,546,941	\$113,390,470
SEP	\$54,172,000	\$1,276,486	\$52,895,514
EECBG	\$10,644,100	\$18,523	\$10,625,577
Appliance Rebate	\$5,009,000	\$0	\$5,009,000
Save Energy Now	\$349,985	\$0	\$349,985
Energy Assurance Planning	\$678,986	\$0	\$678,986
TOTAL	\$202,791,482	\$19,841,950	\$182,949,532

(6) The non-stimulus money leveraged by stimulus money for each project:

Weatherization Assistance Program

\$427,790 in CIP dollars has been leveraged to date.

\$680,876 in other federal funds (Low Income Heating Assistance Program (LIHEAP), Community Development Block Grant (CDBG) have been leveraged to date.

Builders Association of Minnesota

Approximately 500 rebates averaging \$1,992 have been sent to Minnesotans participating in the Project ReEnergize program. The average corresponding contract amount is \$10,478. Current rebates in this program have leveraged more than \$3.8 million in total residential energy improvement projects with rebate recipients adding approximately \$4 to every rebate dollar.

Information regarding Federal Tax Credits for energy improvements was provided to contractors during the training component of the program. Currently, 91% of projects upgraded the windows installed in order to qualify for this credit.

(7) The training courses provided, including the location and provider of courses offered, the funding source for each training course, and the total number of trainees:

Refer to Attachment F, Training Courses, for more detailed information about training courses to date.

Weatherization number of trainees = 750

Project ReEnergize number of trainees = 996

(8) Compliance with state prevailing wage, veterans, and disadvantaged business enterprise requirements:

Attachment G, Compliance – Veterans and Disadvantaged Business details compliance summaries for veterans and disadvantaged businesses from the weatherization service providers. We did not require them to provide information for state prevailing wage because Chapter 138 calls out for state prevailing wage in solar electric installation only. Davis Bacon federal prevailing wage is required for WAP. All agencies provided information detailing their efforts to market employment opportunities to veterans and disadvantaged businesses.

Competitive Energy Activities / Other Inquiries Handled by OES Staff

September through December 2009

OES staff assisted over 170 clients in understanding guidelines, parameters and funding opportunities related to the American Recover and Reinvestment Act (ARRA) during the September 2009 through December 2009 period. This report reflects data from OES client logs that include records of clients who required more assistance than a simple referral could satisfy. The assistance provided by OES staff to ARRA-related clients can be broken down into four main categories. The following provides a description of those categories and includes the portion of inquiries within each:

Clients who contacted OES for financial and grant assistance were seeking funding represented the following sectors:

- 40% - County and local government
- 36% - Businesses
- 13% - Non-Government Organizations
- 10% - Individuals

Clients who contacted OES for financial and grant assistance were seeking funding for the following types of projects:

- 30% - Building efficiency funding
- 23% - Building efficiency funding and renewable energy funding
- 26% - Renewable energy project funding
- 1% - Letters of support for Minnesota applications for federal grants

The primary category of interest for the clients inquiring about ARRA opportunities was:

- 44% - Business development
- 29% - Energy projects in public buildings
- 10% - Assistance with energy related inventions & emerging technologies
- 7% - Training development
- 7% - Training related to green jobs and energy
- 4% - Energy conservation in commercial or industrial buildings

Fifty-one of the clients who contacted OES with their primary purpose as business development were private sector business representatives of various energy technology or energy service companies who were interested in understanding how the flow of ARRA money in the state might provide them with marketing opportunities. These inquiries comprised 67% of the inquiries with businesses development as the primary purpose. The other inquiries for business development tended to come from non-profit organizations and economic development authorities who were passing the information on to their clients and communities.

In addition to general inquiries, and client assistance, OES staff conducted a number of pro-active outreach activities around the state to let targeted organizations know about ARRA funds so they could, in turn, let their clients know about the programs. Many of these activities included presentations on the various national level funding of ARRA programs, as well as the state specific competitive programs that were being setup for energy conservation and renewable energy projects. The following is a list of the ARRA related presentations that OES staff gave during September 2009 through December 2009.

Presentations on ARRA funds

- September 28, 2009 - OES program staff gave a presentation at the Solar Minnesota meetings to 40 solar stakeholders about ARRA funds for solar.
- October 9, 2009 - OES program staff gave 45 minute presentation on various funding opportunities in energy and environment with a focus on ARRA funds and EECBG, Public Building Cost-share program and other funding

- opportunities to forty-four participants at a Region Nine Economic Development Commission meeting. Region Nine includes counties, cities, townships and schools throughout south central Minnesota.
- November 10, 2009 - OES program staff conducted a half day Webinar for local governments on plans for competitive EECBG and the Public Facility Cost-share programs. There were approximately 200 lines connected to the Webinar, a number of which were located at public meeting centers to accommodate groups.
 - November 12, 2009 - OES Energy Information Center staff gave a presentation to approx 100 employees of the Donaldson Co. in Bloomington. Topics covered: Energy efficiency, conservation and resources (including tax credits, rebates, incentives, and low-income programs) to help finance energy improvements.
 - November 14, 2009 - OES staff gave a presentation on ARRA funds with a focus on its renewable energy components to a group of 30 people at a Minnesota Renewable Energy Society meeting.
 - November 30, 2009 - OES program staff updated Solar Minnesota stakeholders meetings with about 40 participants about ARRA funds for solar.
 - December 9, 2009 - OES Energy Information Center staff gave a presentation to 20 Metro Clean Energy Resource Teams (CERTs) staff and volunteers in St. Paul. Topics covered: Energy efficiency, conservation and resources (including tax credits, rebates, incentives, and low-income programs) to help finance energy improvements.
 - December 10, 2009 - OES training staff gave a 30 minute presentation on ARRA Training for a New Energy Career at Women Ventures, Minneapolis, MN to an audience of about 25 people, most of whom were interested in pursuing green careers.

In addition to the direct assistance that OES provides, OES also compiles lists of current funding opportunities in the fields of energy and environment that it pro-actively sends to a Listserv of 627 Minnesotans. The Listserv has grown slowly from a start of 56 participants eight years ago to its present size. Since ARRA was passed, interest in funding had grown significantly, with a full 134 of the members on the Listserv requesting participation just in the last 5 months, since the ARRA funding announcement.

The OES website also received 10,386 web hits from individual visitors from September 1 through December 31, 2009. Of these web visits:

- 100% or 10,386 linked to "Funding" section
- 66% or 6,873 linked to "Economic Stimulus" section
- 54% or 5,614 linked to "Grants" Section

VI. OTHER INFORMATION

Following are descriptions of the other two formula grants that arrived after the Minnesota legislative session had ended.

Enhancing Government Energy Assurance Capabilities and Planning for Smart Grid Resiliency

The OES is the primary entity within the state of Minnesota responsible for the development of a State Energy Emergency or Energy Assurance Plan. OES will lead the execution of a project funded under the ARRA that seeks to enhance the state's overall capabilities with respect to energy assurance and energy system resiliency, and will engage a number of state agencies in the refinement of the state's existing plans and procedures. The goals of the State Enhanced Energy Assurance Capabilities Project will be to develop greater capacity within the OES and other agencies to 1) strengthen and expand state and local government energy assurance planning and resiliency efforts by incorporating response actions for new energy portfolios and Smart Grid applications; 2) create jobs, and 3) build in-house state and local government energy assurance expertise.

These goals will be achieved by hiring new personnel to lead project activities and coordinate the involvement of other state agencies and entities; hosting workgroups and conducting individual state agency and energy stakeholder interviews to engage, inform and train project partners; revising the state's existing Energy Assurance plan to incorporate feedback from participating state agencies and stakeholders; establishing an ongoing state agency workgroup focused on energy assurance efforts; incorporating cyber security measures and procedures for protecting state utility smart grid investments; enhancing the energy emergency response procedures that are currently in place in Minnesota Rules; providing multiple energy emergency training sessions for both state agencies and local emergency response professionals; and conducting a minimum of two energy emergency exercises that fully test the state Energy Assurance plan within the state and regionally.

This last quarter staff has had ongoing discussions with the state's Office of Homeland Security and Emergency Management (HSEM) to discuss HSEM's involvement with the Energy Assurance project. Staff has also had discussions with representatives of the University of Minnesota's Technology Leadership Institute and Xcel Energy to identify strategies for addressing the Smart Grid and Renewable Energy Integration requirements of the grant. There has been some internal planning for hiring an individual to conduct the day to day program management for this grant.

State Energy Efficient Appliance Rebate Program

Targeted for a March 1, 2010 launch, OES received final approval from USDOE regarding its proposal for Minnesota's Trade-in & Save Appliance Program, part of the American Recovery and Reinvestment Act (ARRA). This program will offer 25,450 Minnesota homeowners a rebate to replace their old appliance with a qualifying ENERGY STAR model purchased from a Minnesota retailer. The program is estimated to create 59 jobs and annually save 2,200,412 KWh in energy, 43,729,920 gallons of water and 4,705,065 lbs of carbon (CO₂). In December USDOE awarded the remaining \$4,508,100 to the state (10% of the total funding of \$5,009,000 was awarded to the state in October).

Minnesota's allocation of \$5,009,000 includes funding for:

- 6,035 clothes washers (\$200 rebate)
- 6,005 dishwashers (\$150 rebate)
- 1,999 freezers (\$100 rebate with purchase and "proof of demanufacturer", \$50 for purchase only)
- 11,411 refrigerators (\$200 rebate with purchase and "proof of demanufacturer", \$100 for purchase only)

The program is targeted to launch in March and will run until the funds run out. It has been named the "Minnesota Trade In & Save" Appliance Program with tag line "earn a rebate for replacing your energy hog." In addition, OES solicited \$391,900 from official partners that have offered in-kind support for retailer training, marketing, communications and recycling from: Sears Holdings Corporation, Best Buy, Warners' Stellian, Castanea Labs Inc., Great River Energy (GRE), Whirlpool Corporation, BSH Home Appliances Corporation (Bosch), and Minnesota Power.

A rebate fulfillment vendor has been selected with final contract negotiations taking place. Staff has also partnered with Minnesota Clean Energy Resource Teams (CERTS) and Appliance Recycling Centers of America Inc. (ARCA) to hold a conference call engaging smaller electric co-ops and municipalities about the benefits of a refrigerator bounty program and how running such a program during this time frame could assist

them in meeting their energy conservation goals. ARCA will run a number of bounty programs beginning in 2010 for the investor owned utilities; Otter Tail Power is an example of one utility that changed their program timeframe to coincide with the rebate program. Outreach to chambers of commerce and trade associations is currently taking place to ensure small independent dealers are informed about the program and the recycling component of the program. Staff is preparing a program presentation to statewide retailers and utilities through a webinar.

A program-specific website at www.mnApplianceRebate.com will be launched February 1, 2010 and contain both retailer and resident program guides along with rebate eligibility requirements. On March 1, 2010 residents will be able to reserve a rebate application at this website or by calling a toll free line staffed by the rebate processor who will provide all necessary forms and instructions. Residents will be asked to self-certify that they have recycled their dishwasher or clotheswasher but to earn the increased rebate amount on refrigerators and freezers, residents must demonstrate “proof of demanufacturer,” ensuring OES that these units have been fully removed from the grid, decommissioned and the CFCs recycled.

Request for Proposals Chart

Please refer to Attachment A.

REQUEST FOR PROPOSALS CHART

Attachment A

Name of RFP	Type	Posting Date	Closing Date	# of RFP Downloads	# of Proposals Received	Evaluation Completed	Notes
Increase Residential Participation in Energy Efficiency Activities	G	10/05/2009	11/06/2009	204	10	11/30/2009	Negotiations with highest ranking responders underway
Weatherization Training Providers	G	10/14/2009	10/30/2009		3	12/02/2009	Negotiations with highest ranking responders underway
Emerging Renewable Energy Industries	G	10/19/2009	12/18/2009	337	26	Ongoing	
Appliance Rebate Fulfillment Vendor	PT	11/09/2009	11/23/2009	55	6	12/09/2009	Negotiations with highest ranking responders underway
EECBG – 60% Competitive	G	12/14/2009	01/25/2010	468 (as of 01/13/2010)	12 (as of 01/13/2010)	NA	
EECBG – 40% Facility Cost-Share	G	01/25/2009 (Est)	03/06/2010 (Est)				Still under development
Energy Programs in Commercial and Industrial Programs	G	12/21/2009	02/12/2010	429 (as of 01/13/2010)	0 (as of 01/13/2010)	N/A	

*Type: G = Grant; PT = Professional Technical Contract

Attachment B - TOTAL COUNTS - ALL AGENCIES

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Program Year
<u>1. Units By Dwelling Type</u>					
Owner-Occupied Single Family Site Built	366	689	0	0	1055
Renter-Occupied Single Family Site Built	42	165	0	0	207
Multi-Family (5 or more units per building)	0	3	0	0	3
Owner-Occupied Mobile Home	13	107	0	0	120
Renter-Occupied Mobile Home	1	6	0	0	7
Shelter	0	0	0	0	0
Other	0	0	0	0	0
UNCATEGORIZED	0	0	0	0	0
TOTAL DOE Units:	422	970	0	0	1392

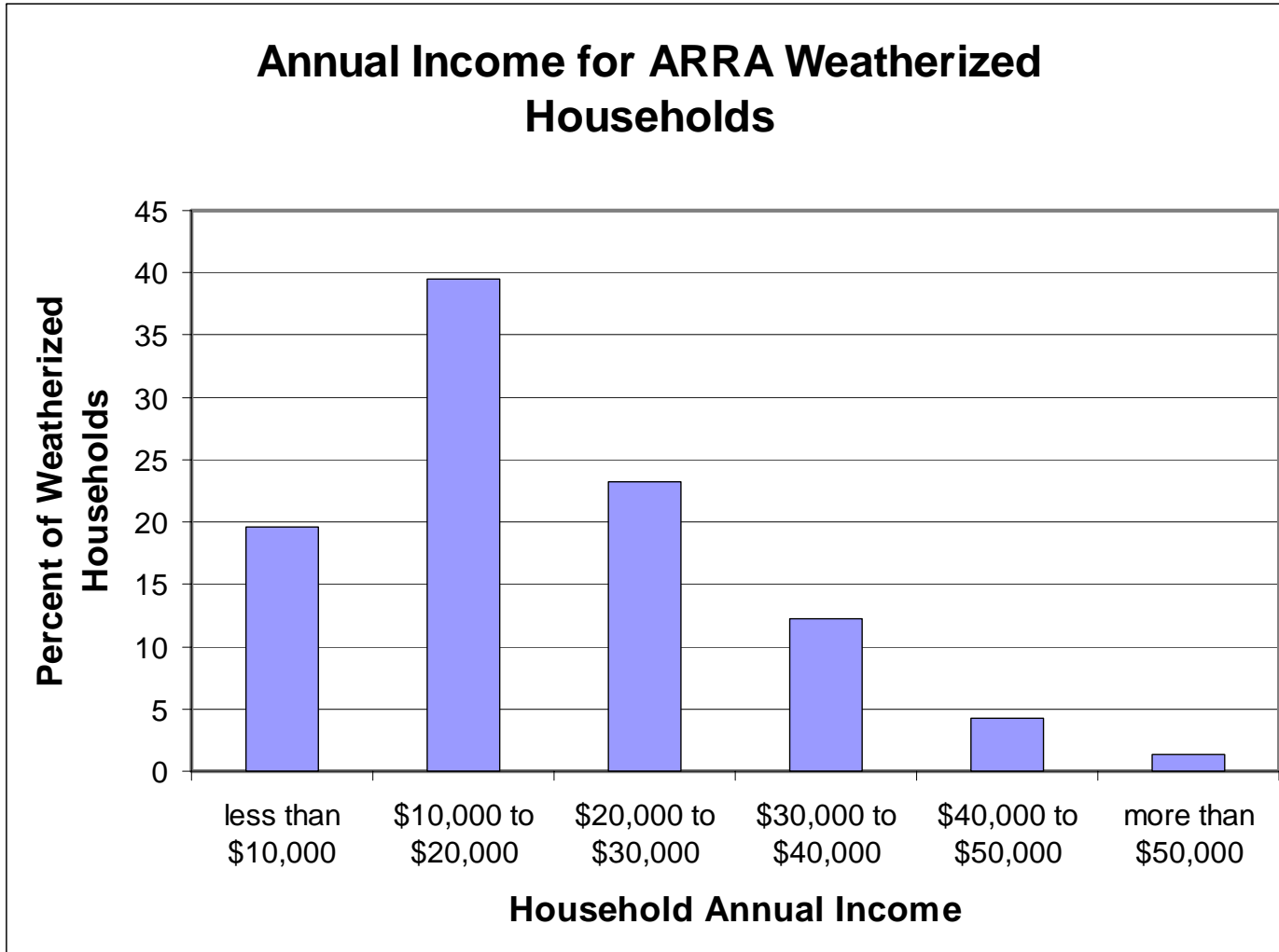
<u>2: Units By Primary Heating Fuel Type</u>					
Natural Gas	288	673	0	0	961
Fuel Oil	74	104	0	0	178
Electricity	10	39	0	0	49
Propane/LPG	40	137	0	0	177
Kerosene	0	0	0	0	0
Wood	3	15	0	0	18
Other	7	2	0	0	9
UNCATEGORIZED	0	0	0	0	0

<u>3: Units By Occupancy</u>					
Elderly-Occupied	174	333	0	0	507
Disabled-Occupied	105	274	0	0	379
Native American-Occupied	9	39	0	0	48
Children-Occupied	166	486	0	0	652
High Energy Use	267	591	0	0	858
High Energy Cost Burden	0	11	0	0	11

<u>4. Other Unit Categories</u>					
ReWeatherized	12	7	0	0	19
Low Cost / No Cost	0	1	0	0	1
TOTAL Other Units:	12	8	0	0	20

<u>5. Total People Assisted with Grant Funds</u>					
Elderly	209	398	0	0	607
Persons with Disabilities	121	323	0	0	444
Native American	16	98	0	0	114
Children	365	1142	0	0	1507
TOTAL Occupants:	1029	2716	0	0	3745

ATTACHMENT C - Annual Income for ARRA Weatherized Households



Attachment D - Hiring by Economically Disadvantaged Counties

County	Hours Employed 4 th Qtr 2009	Labor Surplus Area	70% of Statewide Median Income
Aitkin	349	X	X
Anoka ¹	3682	X	
Becker	55	X	X
Beltrami	2273	X	
Benton ²	1487	X	
Cass	565	X	X
Chippewa	954		X
Chisago	543	X	
Clearwater	2561	X	X
Cottonwood	76		X
Crow Wing	368	X	
Douglas	732		X
Faribault	33		X
Fillmore	862		X
Grant	1202	X	X
Isanti	2104	X	
Itasca	3447	X	
Kanabec	4107	X	X
Kittson	197		X
Koochiching	309	X	X
Lac Qui Parle	449		X
Lake of the Woods	1097		X
Le Sueur	40	X	
Mahnomen	128	X	X
Meeker	307	X	X
Mille Lacs	1018	X	
Morrison	1998	X	X
Otter Tail	3542		X
Pine	3484	X	X
Pope	446		X
Redwood	5		X
Renville	5		X
Sherburne ²	460	X	
St. Louis ³	20836	X	
Stearns ²	1798	X	
Swift	706		X
Todd	323		X
Wadena	2853	X	X

¹ except Andover, Blaine, Coon Rapids, Fridley

² except St. Cloud

³ except Duluth

ATTACHMENT E - Proposed Hiring Practices and Actual Hiring Outcomes

Pursuant to the Legislative Citation, provide a brief summary of the language in your agency's Request For Proposal or other worker procurement procedure that addresses the effort to hire from the communities referenced.

Proposed Hiring Practices

Arrowhead

Northeast Minnesota, including St. Louis, Lake and Cook Counties experienced high unemployment rates in 2009, exceeding state and national averages. The national economic recession impacted the iron mining industry resulting in closure of all regional mines for a good share of 2009. This shut down impacted mining related industries and resulted in region wide high unemployment rates impacting all area communities and within AEOA's service and job recruitment area. Outreach to these communities for job recruitment purposes was completed through the seven area Workforce Centers and through advertisements with local newspapers.

AEOA is a partner in Minnesota's Workforce Center system and utilizes the Minnesota Works job bank and job posting system as its primary job recruitment system. Workforce Centers are located within seven communities throughout AEOA's service area. In addition to the seven regional Minnesota Workforce Centers, AEOA typically uses community newspapers to announce job openings. All job advertisements through print and electronic means state AEOA's commitment to equal employment opportunity and affirmative action. AEOA also works closely and collaboratively with numerous organizations representing minority and low-income populations, sending job announcements and encouraging recruitment from minority and low-income populations.

Anoka

Anoka County Community Action, Inc. joined with other metro weatherization providers to issue a Request for Proposal for contractors who wished to participate in our program. This was the result of months of meetings in which many of the metro agencies participated. During those sessions, we determined what our needs would be for the stimulus funding, including unit counts and timing. We looked at raw capacity: number of trucks, numbers of blower doors, average time to complete a project, optimum number of crew members, realistic numbers of units that could be completed by a contractor in a week, time studies for dense packing cellulose in wall cavities and other common activities, specific step by step procedures required of weatherization crews, best practices and sharing of pricing schedules from each agency. We settled on Request for Proposal rather than Bids, or Request for Qualifications. The RFP process allowed us ask a series of questions of each proposer that would help us determine, not if they were qualified, but whether they were ready to go, needed additional help or equipment, or needed a lot of instruction and to purchase equipment. It was not our aim to exclude contractors, but to establish an inclusive pool of contractors and to assess their readiness.

ATTACHMENT E - Proposed Hiring Practices and Actual Hiring Outcomes

The following organizations participated in the discussions: Community Action of Minneapolis; Community Action Partnership for Ramsey and Washington Counties; Dakota County Community Development Agency; CAP Agency; Three Rivers Community Action; Anoka County Community Action Programs (ACCAP); and Sustainable Resources Center, Inc. The group then prepared the Request for Proposal, hiring a construction attorney to review the document. The metro agencies hired two impartial reviewers who had experience in weatherization and in contracting with minority contractors. We received 65 proposals. Of the pool of 65, 2 were considered non-responsive giving us a working total of 63 contractors. Of that number 30 were small firms with 1 crew, 33 had at least 2 crews and were considered large firms. 17% were minority contractors, 16% were women owned businesses. Large minority firms represented 8% of the responders; small minority contractors represented 10% of the responders. 10% of the women owned contractors were large firms and 6% were small firms. Statewide, minority contractors make up 3% of the contracting workforce, so for this RFP, minority firms had a better than average representation (17%). The 63 responders were grouped according to their readiness and the top third were assigned according to their geographic preference and size fit for each of the participating agencies. At that point each agency negotiated their contract with their contractor. Training and Hiring Contractor agrees to participate in, and to make employees of contractor and any subcontractors performing services under this agreement available for, training. The content and amount of training will be determined by Agency. Training may include classroom and on the job instruction.

Bi County Community Action Program

We have language in RFP referencing recruitment of individuals who meet targeted communities definition.

Bois Forte Reservation Tribal Council

Subject to Indian preference, the Reservation Tribal Council is an equal opportunity employer and will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, national origin, age, or disability. It is the policy of the Reservation Tribal Council, pursuant to tribal and federal law, to give preference to qualified Indians in all employment in programs operated by the Reservation Tribal Council including but not limited to all programs, services, functions, and activities performed under the Indian Self-Determination and Education Assistance Act, and the Native American Housing Self-Determination Act.

To be eligible for Indian preference, an applicant may be required to submit proof of tribal membership with his/her application for employment and must possess the knowledge, skills, and abilities required by the position.

A job opening with the tribal government is publicly posted in the form of a "Job Announcement" for a minimum of 10 working days except for term job openings which shall be posted for 3 days. Job announcements are posted on community bulletin boards at public building with the Reservation and also on the Reservation Tribal Council

ATTACHMENT E - Proposed Hiring Practices and Actual Hiring Outcomes

website. At the direction of the appropriate Commissioner, the position may be advertised in the newspaper.

Community Action of Minneapolis

There were 6 metro Community Action Agencies that pooled their resources in developing an "RFP" (Request for Proposal) The RFP was reviewed and developed by Kenneth s Engel & Associates, Professional Corporation. 4555 IDS Center. 80 South 8th Street. Mpls. We actively solicited weatherization contractors that included small businesses and women and minority owned businesses in the RFP process. The RFP was sent to the National Association of Minority Contractors, Insulation Contractor's Association and the Associated General Contractors of Minnesota. 150 Contractors attended the pre-bidders conference meeting at Sabathani Center at 310 East 38th on June 19th, 2009. In the end a scoring process was utilized to prioritize, based on the documentation of the RFP, those 63 contractors submitted into "Third". Top Third (presumably ready to go), Middle third (need some training) and bottom third (no experience). Production started end of July and beginning of August.

Community Action Partnership of Ramsey and Washington Counties

Community Action Partnership of Ramsey & Washington Counties Energy Conservation Department is located in the Twin Cities Metropolitan area of Minnesota. Six (6) Metropolitan Community Action Agencies procured the services of a construction law attorney to assist in writing a RFP. We actively solicited weatherization contractors that included small businesses and women and minority owned businesses in the RFP process. The RFP was sent to the National Association of Minority Contractors, Insulation Contractor's Association and the Associated General Contractors of Minnesota. A pre-bidders conference meeting was held and a scoring process was utilized in the selection process.

Minnesota mechanical contractors who were either contacted by our Agency or expressed interest in working with our Agency have been given the opportunity to receive contracts. Contractors must show due diligence in equal opportunity and affirmative action and are selected based on their ability to perform the work, have all the proper licenses, insurance, bonding and comply with the state mechanical codes.

When hiring staff, our agency posts positions on our agency's website, Minnesota non-profit websites, Minnesota Workforce website, the Carpenter's Union Hall, colleges, and minority newspapers that outreach to African Americans, Hispanic, Asians and women. Agency carpenters are members of the Carpenter's Union and Community Action participates in the State registered Apprenticeship Program.

All of our weatherization and mechanical contractors, and Agency carpenters comply with the Davis Bacon Act.

ATTACHMENT E - Proposed Hiring Practices and Actual Hiring Outcomes

Dakota County Community Development Agency

Used joint RFP process with other metro weatherization service providers.

Heartland Community Action Agency

Heartland used newspaper ads (also in Spanish) to solicit services from contractors. When advertising for employees Heartland also utilized electronic advertising through the MN Workforce Center, other web based companies, local newspapers and in-house (Agency) advertising. All Heartland vacancy announcements have the statement "Heartland is an EOE/ADA/AA Employer".

Kootasca Community Action

KOOTASCA Community Action Inc. is an Equal Opportunity/Affirmative Action Employer and is considered a federally assisted construction contractor. A contractor performing work for KCA may also need to apply the following employment law if the contractor meets the definitions outlined by the State of Minnesota and/or the federal government.

- A. The Contractor, if required under Minnesota Statute Section 363A.36 and 363A.37, certifies that it has received a Certificate of Compliance from the Commissioner of Human Rights.
- B. Per Federal Regulation 41 CFR Chapter 60: The Contractor who, during the performance of this contract involving a Federal grant, contract, loan, insurance or guarantee under this program and is not exempt from the equal opportunity clause:
 - a. Will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.
 - b. The Contractor will take affirmative action to ensure the applicants are employed and employees are treated during employment without regard to their race, color, religion, sex, or national origin.
 - i. Such action shall include, but is not limited to, the following: Employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
 - c. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex or national origin.

Lakes and Pines Community Action Council

Link to Lakes & Pines web site provided. Women and minorities encouraged to apply. Special disability accommodations available upon request.

ATTACHMENT E - Proposed Hiring Practices and Actual Hiring Outcomes

Mahube Community Council

RFP advertisement sent to local newspapers in our three county serve area (serving Mahnomen, Hubbard and Becker Counties).

Per RFP, "Preference will be given to targeted contractors to include: locally owned businesses as well as women/veteran/minority and businesses owned by physically challenged persons."

Mille Lacs Band of Ojibwe Indians

MLB Housing Department is currently attempting to work with Mille Lacs Band Government securing funding to have in place a training component to educate Mille Lacs Band members to become long term employees to work in weatherization for the Tribal homes.

Minnesota Valley Action Council

MVAC posts all open positions at Work Force centers, and notifies all staff that work with MFIP, DWP, and other work programs about the job availability. MVAC also conducted recruitment for weatherization workers through Youth programs.

Northwest Community Action

All of the advertisements placed by Northwest Community Action for weatherization contractors were placed in newspapers from economically disadvantaged counties. Economically disadvantaged counties include (1) a county in which the median income for married couples is less than 70 percent of the state median income for married couples and/or (2) counties which have been designated a labor surplus area by the United States Department of Labor.

Otter Tail – Wadena Community Action Council

The Agency encourages small businesses, women, veterans, persons with substantial physical disabilities, and minority owned businesses to respond to this RFP.

Prairie Five Community Action Council

Prairie Five CAC, Inc. shall hire on the basis of qualifications without regard to race, religion, color, sex, age, national origin, or a disability unrelated to the job in question. Preference will be given to women, minority and section 3 businesses.

Scott-Carver-Dakota CAP Agency

Used joint RFP process with other metro weatherization service providers.

ATTACHMENT E - Proposed Hiring Practices and Actual Hiring Outcomes

SEMCAC

While the selection process is by nature subjective, the following factors will be considered:

1. The Contractor's qualifications, including experience in performing work of a similar nature.
2. The Contractor's efforts of equal employment opportunity and affirmative action.
3. Time performance--whether the Contractor has demonstrated the ability to perform in time frame available.
4. Equipment quality and inventory (see attached inventory list that will be needed).
5. Agree to Semcac's Data Privacy Policy and for a criminal background check of all employees and /or subs.

Southwestern Minnesota Opportunity Council

Excerpt from agency procurement policies, entitled "Proposed Hiring Practices".

Proposed Hiring Practices (an excerpt from SMOC's Procurement Policy Manual

- 6.5 The following affirmative steps shall be taken to assure that small and minority businesses are utilized when possible as sources of supplies, equipment, construction and services. These steps are:
 - A. Including qualified small and minority businesses on solicitation lists.
 - B. Assuring that small and minority businesses are solicited whenever they are potential sources.
 - C. When economically feasible, dividing total requirements into smaller tasks or quantities so as to permit maximum small and minority business participation.
 - D. Where the requirement permits, establishing delivery schedules which will encourage participation by small and minority businesses.
 - E. Using the services and assistance of the Small Business Administration, the Office of Minority Business Enterprises of the Department of Commerce and the Community Services Administration as required.
 - F. If any subcontracts are to let, requiring the prime contractor to take affirmative steps listed above in A-E.
- 6.6 SMOC, Inc. shall take similar appropriate affirmative action in support of women's business enterprises.
- 6.7 SMOC, Inc. is encouraged to procure goods and services from labor surplus areas.

Sustainable Resource Center

Sustainable Resources Center, Inc. joined with other metro weatherization providers to issue a Request for Proposal for contractors who wished to participate in our program. This was the result of months of meetings in which many of the metro agencies

ATTACHMENT E - Proposed Hiring Practices and Actual Hiring Outcomes

participated. During those sessions, we determined what our needs would be for the stimulus funding, including unit counts and timing. We looked at raw capacity: number of trucks, numbers of blower doors, average time to complete a project, optimum number of crew members, realistic numbers of units that could be completed by a contractor in a week, time studies for dense packing cellulose in wall cavities and other common activities, specific step by step procedures required of weatherization crews, best practices and sharing of pricing schedules from each agency. We settled on Request for Proposal rather than Bids, or Request for Qualifications. The RFP process allowed us ask a series of questions of each proposer that would help us determine, not if they were qualified, but whether they were ready to go, needed additional help or equipment, or needed a lot of instruction and to purchase equipment. It was not our aim to exclude contractors, but to establish an inclusive pool of contractors and to assess their readiness. The following organizations participated in the discussions: Community Action of Minneapolis; Community Action Partnership for Ramsey and Washington Counties; Dakota County Community Development Agency; CAP Agency; Three Rivers Community Action; Anoka County Community Action Programs (ACCAP); and Sustainable Resources Center, Inc. The group then prepared the Request for Proposal, hiring a construction attorney to review the document. The metro agencies hired two impartial reviewers who had experience in weatherization and in contracting with minority contractors. We received 65 proposals. Of the pool of 65, 2 were considered non-responsive giving us a working total of 63 contractors. Of that number 30 were small firms with 1 crew, 33 had at least 2 crews and were considered large firms. 17% were minority contractors, 16% were women owned businesses. Large minority firms represented 8% of the responders, small minority contractors represented 10% of the responders. 10% of the women owned contractors were large firms and 6% were small firms. Statewide, minority contractors make up 3% of the contracting workforce, so for this RFP, minority firms had a better than average representation (17%). The 63 responders were grouped according to their readiness and the top third were assigned according to their geographic preference and size fit for each of the participating agencies. At that point each agency negotiated their contract with their contractor. We included the following paragraph in our contracts.

“Training and Hiring

Contractor agrees to participate in, and to make employees of contractor and any subcontractors performing services under this agreement available for, training. The content and amount of training will be determined by Agency. Training may include classroom and on the job instruction.

Prior to hiring any persons to perform services under this agreement, who are not employees of Contractor as of July 1, 2009, Contractor will provide Agency with a plan to recruit individuals who are unemployed, especially targeting communities experiencing disproportionately high rates of unemployment, including, but not limited to, low-income, youth, rural, or tribal communities and individuals in construction trades and crafts. No new hires will be made without approval of the plan by Agency. Agency will provide assistance with developing the plan if requested by Contractor.”

To date, all SRC contractors have submitted a hiring plan to SRC.

ATTACHMENT E - Proposed Hiring Practices and Actual Hiring Outcomes

Second, SRC realized early on that new contractors were not prepared to succeed in this program, so we committed resources to Summit Academy OIC and to the field training experience. SRC contracted with Summit to develop and test-teach a two-week curriculum to train workers that were underemployed or unemployed to become weatherization insulators. We also set aside time for our Technical Director to work in the field with each new contractor. We allowed time to do 4-5 units, including a variety of different situations. Depending on the ranking of SRC's assigned contractors, they were required to send their workers to Summit for the two-week training and to participate in the 4-5 units of field training. Almost without exception, contractors needed to do this work, including our experienced contractors.

Three-Rivers Community Action

From RFP page 5 of 66 - # 6 Targeted Groups. Advertised in local newspapers. Also, met with The Welcome Center in Rice County to develop a proposal to the SE MN Initiate Foundation to assist a Latino or/and Somali individuals in developing a small business or trained weatherization workers.

Tri-County Action Programs

Tri-CAP conducted a Contractor RFP using a RFP document and scoring process created by an attorney hired by the MNCAP. The scoring allowed extra points for the targeted groups. The RFP was advertised with several media sources such as the St. Cloud Times and a local Spanish language newspaper. It was also posted at our web site along with a mailing to all contractors currently working with us and any who had called expressing an interest.

Tri-County Community Action

TCC advertises throughout its service area, including Todd County which is a low median income area. TCC's contractor procurement policy is attached.

Tri-Valley Opportunity Council

Tri-Valley markets all employment opportunities through the Minnesota Workforce Center and through our website, therefore allowing all staff to be aware at a glance of open positions so that clients may be notified.

West Central Minnesota Communities Action

Contractor shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex affection preference, disability or other handicap, age, marital status, political affiliation or belief, status with regard to public assistance, or application for or participation in any program funded in whole or in part with funds made available pursuant to this. Every consideration will be given to providing employment opportunities to low-income persons of the WCMCA

ATTACHMENT E - Proposed Hiring Practices and Actual Hiring Outcomes

service area who have been denied the benefit of formal education and who are willing to learn to perform new functions. The attainment of high level educational qualifications, unless required by state, federal or, local law, or program standards/guidelines shall not be made a requirement for employment.

Western Community Action

Targeted Groups: The Agency will, consistent with all applicable Laws, make efforts as vigorous as possible to include qualified small businesses and women-, veteran-, person with substantial physical disability-, and minority-owned businesses on solicitation lists, and will as vigorously as possible make efforts to reach out to other targeted group businesses, as designated by the Minnesota commissioner of administration, as defined under Minn. Stat. §16C.02. Minnesota Senate File No. 657 (Appropriations of Federal Stimulus Funds for Energy Programs), effective May 22, 2009, requires that weatherization contracts, if any, to be awarded pursuant to this RFP must, to the extent practicable, ensure that bidding contractors are qualified and participate in available apprentice and training programs for all work performed, and that bidding for such contracts must, to the extent practicable, use the process established in Minn. Stat. § 16C.16, subdivisions 4, 5, 6, and 7 related to targeted group businesses, which includes veteran preferences enacted in Minnesota House File No. 1122 (Agriculture and Veterans Affairs Omnibus Bill).

White Earth Reservation Tribal Council

White Earth Reservation/Housing Authority has 2 1/2 fulltime employees that work on Weatherization. We have utilized the TERO (Tribal Employment Rights Organization) small works roster that we hiring local contractors from. We currently utilize about 8 local Indian owned contractors.

Wright County Community Action

WCCA continues to accept bids from licensed and insured contractors regardless of geographic location or disadvantaged areas. WCCA has been in contact with nine general contractors that have expressed interest in providing weatherization services and is currently working with existing weatherization, electrical and mechanical contactors to submit required Davis Bacon prevailing wage information.

ATTACHMENT E - Proposed Hiring Practices and Actual Hiring Outcomes

Actual Hiring Outcomes

Bi County Community Action Program

Our advertisements for contractors in 18 various media resources listed targeted qualifications required of the contractors. We were able to award contracts to all contractors who met the eligibility requirements as advertised.

Bois Forte Reservation Tribal Council

When an applicant is granted an interview, a background investigation will be run, & then their interview will be scheduled. The interview committee is comprised of 10 employees appointed by the Reservation Tribal Council. The interview committee rates the applicants as to the knowledge, skills, and abilities of each candidate as they relate to the position. Afterwards, the Human Resources Director collects the interviewers' ratings & in conjunction with other HR personnel compile the results of the interview & submit a ranking to the Reservation Tribal Council. Once an applicant is selected for the position they must undergo a pre-employment drug test & if the drug test comes back clean they are officially offered the job.

Community Action of Minneapolis

Sixty-three (63) weatherization contractors responded to the Metro-wide weatherization RFP. Community Action of Minneapolis currently hired 11 contractors based on the requirements/qualifications in the RFP. 7 of the 11 that were hired, worked previously. 4 of the 11 were chosen were found to be needing tremendous training. The targeted communities include women owned, minority owned, small business owned and carpenter union. These 11 contractors have 57 members who are represented into 19 trucks. The crew sizes vary from 1 to 3 per truck. We are currently working with 17 mechanical contractors who employ 68 trucks. Crews vary in size from one to two people.

Community Action Partnership of Ramsey and Washington Counties

Sixty-three (63) weatherization contractors responded to the Metro-wide weatherization RFP. Community Action Partnership of Ramsey & Washington Counties chose two union minority (African American and Hispanic) owned contractors based on the requirements/qualifications in the RFP and our agreement with the Carpenter's Union. Both of these contractors participate in the State registered Apprenticeship Program. Between these two chosen weatherization contractors, they employ 11 carpenters to perform our weatherization work.

We are currently working with nine mechanical contractors who employ 68 crews. Crews vary in size from one to two people.

ATTACHMENT E - Proposed Hiring Practices and Actual Hiring Outcomes

Dakota County Community Development Agency

The CDA identified ten (10) contractors from the top 50% of those that scored the highest from the metro RFP process. The CDA had been working with three (3) contractors previous to ARRA funding. Contracts have been entered into with eight of the ten contractors.

Heartland Community Action Agency

Heartland is now working with 5 additional contractors and 2 additional full time auditors, retained 2 (part-time) auditors, and 1 new full time Housing Specialist, and 1 retained (part-time) Housing Manager to complete the ARRA WX projects.

Kootasca Community Action

Pursuant to Legislative Citation KOOTASCA Community Action, Inc. has contracted with: Prestige Building Contractors, Expert Building Services, Integrity Plus Construction and Rapid Garage Door & Awning. These contractors are actively working utilizing ARRA funds.

Lakes and Pines Community Action Council

Hired 13 new people mostly out of work carpenters and owner operator contractors and retained/supplemented the jobs of 22 persons.

Mahube Community Council

Contractor proposal packets were mailed to 8 contractors new to Mahube -- 5 5 Weatherization and 3 HVAC. Three of the aforementioned weatherization contractors are currently bidding on and completing work on weatherizaion projects for Mahube; One weatherization contractor has submitted an incomplete packet (waiting for insurance information); and another weatherization contractor has not returned the packet. The 3 HVAC contractors are included on our current bid list for mailing HVAC bids.

Mille Lacs Band of Ojibwe Indians

Still in development to hire MLB trainees for the first quarter in 2010. We are actively recruiting to secure funding in order to employee trainees for the weatherization.

Minnesota Valley Action Council

MVAC received over 70 applications for two energy auditor position and over 80 applications for two additional weatherization crew workers. A majority of the applicants were unemployed at the time of application due to the economy. Two of the four hires were working through their local work force center to assist them in obtaining

ATTACHMENT E - Proposed Hiring Practices and Actual Hiring Outcomes

employment. MVAC did employ a youth worker on a weatherization crew, which did not work out.

Northwest Community Action

All (100%) of the contractors that NWCAA established contractual relationships with to perform weatherization work were from documented disadvantaged counties. These included: (1) counties in which the median income for married couples is less than 70 percent of the state median income for married couples and/or (2) counties which have been designated a labor surplus area by the United States Department of Labor.

Otter Tail – Wadena Community Action Council

We have one female minority vendor. We have one handicapped contractor. We have one minority contractor. All of our contractors are small businesses (mom and pop shops) and are in economically disadvantaged areas as well as labor surplus areas however none are certified by MMD.

Prairie Five Community Action Council

Three crew members were hired. One was a veteran, one was Hispanic. Contracted with 22 vendors for electrical and furnace. None indicated that they were minority or section 3 businesses or veterans.

Scott-Carver-Dakota CAP Agency

Used joint RFP process with other metro weatherization service providers.

SEMCAC

WX Contractors - 8
Mechanical Vendors – 67

Three-Rivers Community Action

4 - Weatherization Contractors - all small business; 15 Mechanical Contractors (12 small business, 3 large business and 1 veteran); 1 contract Auditor - 1 veteran

Tri-County Action Programs

Tri-CAP signed contracts with 20 contractors to complete ARRA work orders. 6 of the 20 qualify as a targeted group.

ATTACHMENT E - Proposed Hiring Practices and Actual Hiring Outcomes

Tri-County Community Action

Three WX inspectors were hired, including one who resides in Todd County, a low median income area. Twelve new contractors were obtained, including two from Todd County, MN a low median income area.

Tri-Valley Opportunity Council

Virtually all of the hires made by Tri-Valley since ARRA became law have come from communities referenced in the statute.

West Central Minnesota Communities Action

Presently we have 46 Weatherization Mechanical Contractors working with the ARRA Program. We distributed 46 new Weatherization Contractor packets and have 12 active contractors participating. We have an open process where any contractor interested in working with our agency is encouraged to complete the application paperwork.

Western Community Action

A letter was sent to every contractor on our contractor list as well as a public advertisement in all of our major newspapers. Two meetings were set up, one in our northern county, and one in our southern county. After each meeting, contractors were invited to fill out a RFP for the weatherization work to be done. When we received the RFP's, we sent them to a 3rd party for scoring. Once we received the scoring results, we selected the highest scored contractors to perform work to be done. We then sent contracts to those selected contractors to perform all weatherization work. Only those selected contractors will be hired to perform any weatherization work under the ARRA funding source.

White Earth Reservation Tribal Council

White Earth Reservation/Housing Authority has hired 4 contractors to complete weatherization jobs. These contractors have a total of 187 hours of labor.

Wright County Community Action

All current weatherization and auditing contractors have added additional staff. Presently contractors employ twelve people. Five of these people are new hires.

Attachment F - Training Courses

Training Course Name / Opportunity	Training Course Location	Training Course Provider	Number of Trainees - ARRA Funded
Dunwoody Certified Energy Auditor Course	Dunwoody Community College, MN	Dunwoody Community College	5
Mechanical Systems Workshop	Community Action Minneapolis	Office of Energy Security	7
Multi Family Audit/EAQuip webinar	Webinar	Association for Energy Affordability Inc.	2
Basic WA software training	ACCAP Blaine	Brian Foust	7
Davis Bacon Training	Radisson Hotel, St. Cloud, MN	Wipfli	3
National NASCSP conference	Bloomington, MN	NASCSP	2
Davis Bacon Training	Webinar	ACCAP	2
Auditor and Contractor Hands On	Client homes	Brian Foust	18
Auditor and Contractor Hands On	Cross Street Anoka	ACCAP	18
Mechanical Training	Mn. State Community and Technical College Wadena	COSA	13
Lead Renovator Initial Training	Hibbing Mn.	Northern Mn Builders As.	16
Lead Renovator Initial Training	Mt. Iron Mn.	Northern Mn Builders As.	16
Auditor Training	Fon du lac College, Cloquet and Bemidji MN.	COSA	5
Furnace Training	Bemidji, MN	K. S. Kimball - Ken Kimball	5
Microsoft Office 2007 Software Training	Bemidji, MN	L. Moe	1
Dunwoody Certified Energy Auditor Course	Dunwoody Community College, MN	Dunwoody Community College	4
Weatherization Train the Trainer	Community Action Minneapolis	CA of Mpls	8
Mechanical Systems Workshop	Community Action Minneapolis	Office of Energy Security	5
Multi Family Audit/EAQuip webinar	Webinar	Association for Energy Affordability Inc.	3
Basic WA software training	Sustainable Resources Center	Office of Energy Security	2
Davis Bacon Training	Radisson Hotel, St. Cloud, MN	Wipfli	3
National NASCSP conference	Bloomington, MN	NASCSP	6
Multi Family Audit training	St. Cloud, MN	Office of Energy Security	3
Davis Bacon Training for Contractors	Sabathani Community Center, Minneapolis, MN	CAM/SRC	45
Renovation, Repair and Painting (Lead Safety Course)	SRC	SRC	16
Healthy Homes Training	SRC	SRC	2
Weatherization Assistant Basic Training	SRC	State-Dpt of Energy	5.25
Lead Abatement Training for Supervisors	Midwest Environmental Consulting, LLC	Midwest Environmental Consulting LLC	2.25
CPR/AED/First Aid Training	MCIT	MN Safety Council	21
Advanced Beginning Spanish	Ramsey JR	St. Paul Community Education	0.75
Access DB Expert Training	CAPRW	Alexandria Technical College	1.5
Residential Auditor Training	Dunwoody	Dunwoody	1.5
Phone Training	CAPRW	Integra-Telecom	12.75
Customer Service Training	Carpenters and Joiners Training Center	Sandler Training	6
Safety Training	Carpenters and Joiners Training Center	MN Safety Council	17.25
Multi-Family Training	St. Cloud Civic Center	State-Dpt of Energy	4.5
Davis Bacon Training	St. Cloud, MN	Agency Personnel	1
Mechanical (furnace Inspection process)	Wadena	MOES	4
Mechanical (furnace Inspection process)	St. Cloud	Ken Kimbal	4
Davis-Bacon Act Requirements	St. Cloud	Wipfli	1
Davis-Bacon Act Requirements	Dallas, Texas	Wipfli	1
Mechanical (furnace Inspection process)	Wadena	MOES	4
Residential Energy Auditor	Dunwoody College	Dunwoody College	4
Initial Lead Inspector Training	Cambridge, MN	Midwest Environmental	2
Weatherization Assistance Program and the Davis Bacon Act	St Cloud MN	WIPFLI CPA's and Consultants	3
NASCSP Conference	Bloomington	NASCSP	2
NASCSP FI Conference	Bloomington	NASCSP	2
Auditor Certification Training/Test	Cloquet	Dunwoody Tech College	3
Auditor Certification Training/Test	St Paul	Dunwoody Tech College	1
monthly safety/job duties training	Mora and Kettle River Warehouses	Lakes and Pines Field Managers	15
DOC/MLB Weatherization Software	Mille Lacs Band Weatherization/Audits	Dept. of Commerce	3
Weatherization ARRA Budget and Program	Mille Lacs Band Weatherization/Audits	Dept. of Commerce	15
Davis Bacon	St. Cloud Holiday INN	Dept. of Commerce	3
National Weatherization Conference	Indianapolis, Ind.	National Conference	2
Davis Bacon	St. Cloud	Wipfli	2
Multi-Family Audit tool	St. Cloud	DOC	3
WX Client Education	St. Paul	DOC	2
Combustion Analyzer Testing	Wadena	Department of Commerce	1
WA Contractor Training	NWCA Badger	Northwest Community Action	18
WA Software Training	Bemidji	Department of Commerce	3
Davis Bacon Act Training Webinar	NWCA Badger	OES	3
Procurement Webinar	NWCA Badger	OES	4
Davis Bacon Act Training	St. Cloud	MN CAP/OES	2
CAPLAW Davis Bacon Update	NWCA Badger	CAPLAW	3
Multi-Family WX Training	NWCA Badger	OES	4
MN Auditor Certification	Brainerd College	Dunwoody	3
Multi Family Dwelling	St Cloud Civic Center	MN Dept. of Commerce	4
Multi Family Housing	St. Cloud Civic Center	State	4
Mechanical Training	Minneapolis Community Action	State	6
NASCSPs National Conference	Minneapolis Marriot	NASCSP's Presentators	3
Davis Bacon Training	Radisson Hotel, St. Cloud	State	2
Internal office procedures	Semcac, Rushford	Agency Personnel	25
Mechanical Training	Minneapolis CAP	Minneapolis CAP	4
MN WX Advisory Group	St. Cloud, MN	State Updates	2
Davis Bacon Training	St. Cloud, MN	Davis Bacon Training	4
Residential Auditor Training	North Mankato	South Central College	1
Dunwoody Certified Energy Auditor Course	Dunwoody Community College, MN	Dunwoody Community College	5
National Weatherization Conference	Indianapolis Convention Center	U.S. Department of Energy	12
Mechanical Systems Workshop	Community Action Minneapolis	Office of Energy Security	7

Attachment F - Training Courses

Training Course Name / Opportunity	Training Course Location	Training Course Provider	Number of Trainees - ARRA Funded
Multi Family Audit/EAQup webinar	Webinar	Association for Energy Affordability Inc.	6
Basic WA software training	Sustainable Resources Center	Office of Energy Security	4
Davis Bacon Training	Radisson Hotel, St. Cloud, MN	Wipfli	3
National NASCSP conference	Bloomington, MN	NASCSP	2
Multi Family Audit training	St. Cloud, MN	Office of Energy Security	8
Davis Bacon Training for Contractors	Sabathani Community Center, Minneapolis, MN	CAM/SRC	30
Renovation, Repair and Painting (Lead Safety Course)	SRC	SRC	15
Healthy Homes Training	SRC	SRC	3
Residential Energy Auditor	Dunwoody College	Dunwoody	4
Mechanical 101	Wadena Tech College	State of Minnesota	3
Residential Audit Procedures	TCC	agency personnel	3
Internal office procedures	TCC	agency personnel	3
WX Contractor Training	TCC	agency personnel	2
Davis Bacon 9/3/09	Zumbrota	Three Rivers Community Action	6
Multi Family WX Training	St. Cloud	Don Hynek- Wisc Energy Serv.	1
Auditor Software Training - WX assistant	Wilmar	Mark McLaughlin	1
Davis Bacon 1/23/09	St. Cloud	Wifli	3
Davis Bacon Training	Zumbrota Webinar	Wifli	3
Davis Bacon Training	Fergus Falls Best Western	West Central MN Communities Action	4
Davis Bacon Training For Tri-CAP contractors	Tri-CAP office	Tri-CAP	24
Auditor Multi-Family Audit Training	Civic Center, St Cloud	Office of Energy Security	3
Tri-CAP Bidders Conference	Civic Center, St Cloud	Tri-CAP	45
Auditor Mechanical Training	Tri-CAP office	Tri-CAP	13
Minnesota Residential Building Contractor	BLN Office Park Bloomington	Kaplan	1
Minnesota Weatherization Auditor	Dunwoody Institute	Dunwoody	2
Multifamily Training	St. Cloud Civic Center	MN Office of Energy Security	1
Davis Bacon Wage & Hour Speaker (logistics)	Bigwood Event Center Fergus Falls	Senior Investigator Advisor	32
Energy Auditor Certification	Brainerd MN	Dunwoody	4
Auditors Roundtable-Multi Family	St Cloud, MN	MN Dept of Commerce	1
Infrared Camera Training	Elbow Lake MN	24-7 Power	5
NASCAP	Minneapolis, MN	National NASCASP	1
Multi Family Audit Training	St. Cloud, MN	MN Dept of Commerce	3
Community Development Software Training	Silverton, OR	Cursor Control Inc.	2
Davis Bacon Training	St. Cloud, MN	MN Dept of Commerce	3
Housing Moisture / Mold Training	Marshall, MN	Western Community Action	3
MWAG Training / Meeting	St. Cloud, MN	MWAG	2
Weatherization Training	Wilmar, MN	Heartland Community Action	3
Multi Family Training	Marshall, MN	Western Community Action	4
Weatherization Asst. Program and the Davis Bacon Act	Wipfli Webinar: WCCA Maple Lake, MN 55358	Wipfli CPAs and Consultants	4
Weatherization Asst. Program and the Davis Bacon Act	Radisson Suite Hotel St. Cloud, MN	Wipfli CPAs and Consultants	3
		Weatherization Training Total	750
Project ReEnergize Contractor Training	Builders Association of the Twin Cities	Builders Assoc/MNGreenstar	41
Project ReEnergize Contractor Training	Builders Association of the Twin Cities	Builders Assoc/MNGreenstar	71
Project ReEnergize Contractor Training	Hennepin Tech in Brooklyn Park	Builders Assoc/MNGreenstar	91
Project ReEnergize Contractor Training	MSCTC	Builders Assoc/MNGreenstar	46
Project ReEnergize Contractor Training	St Cloud Library	Builders Assoc/MNGreenstar	89
Project ReEnergize Contractor Training	Builders Association of the Twin Cities	Builders Assoc/MNGreenstar	66
Project ReEnergize Contractor Training	Hennepin Tech in Eden Prairie	Builders Assoc/MNGreenstar	65
Project ReEnergize Contractor Training	Southeast Technical College	Builders Assoc/MNGreenstar	46
Project ReEnergize Contractor Training	Builders Association of the Twin Cities	Builders Assoc/MNGreenstar	69
Project ReEnergize Contractor Training	Rochester Eagles Club	Builders Assoc/MNGreenstar	69
Project ReEnergize Contractor Training	South Central	Builders Assoc/MNGreenstar	52
Project ReEnergize Contractor Training	Northwest Technical College	Builders Assoc/MNGreenstar	34
Project ReEnergize Contractor Training	Central Lakes College	Builders Assoc/MNGreenstar	52
Project ReEnergize Contractor Training	Hermantown Public Works Facility	Builders Assoc/MNGreenstar	63
Project ReEnergize Performance Testing	Minneapolis (pilot class)	Builders Association of MN	10
Project ReEnergize Performance Testing	Minneapolis	Builders Association of MN	13
Project ReEnergize Performance Testing	Bemidji	Builders Association of MN	11
Project ReEnergize Performance Testing	Wadena	Builders Association of MN	15
Project ReEnergize Performance Testing	Rochester	Builders Association of MN	13
Project ReEnergize Performance Testing	Minneapolis	Builders Association of MN	12
Project ReEnergize Performance Testing	Minneapolis	Builders Association of MN	11
Project ReEnergize Performance Testing	Duluth	Builders Association of MN	14
Project ReEnergize Performance Testing	Minneapolis	Builders Association of MN	12
Project ReEnergize Performance Testing	Roseville	Builders Association of MN	12
Project ReEnergize Performance Testing	Wilmar	Builders Association of MN	9
Project ReEnergize Performance Testing	Minneapolis	Builders Association of MN	10
		ReEnergize Training Total	996

ATTACHMENT G - Compliance - Veterans and Disadvantaged Business

Chapter 138 - S.F. No. 657

Article 5, Section 2 - ACCOUNTABILITY AND TRANSPARENCY REPORTING.

Paragraph (8) - "compliance with state prevailing wage, veterans, and disadvantaged business enterprise requirements."

Compliance - Veterans

Arrowhead

AEOA, as a Community Action Agency and Employment and Training Service Provider, has established itself as an active partner in Minnesota's Workforce Center system. AEOA staff is housed in regional Workforce Centers and collaborate daily with state staff, including ' Veterans Employment Services' staff. AEOA utilizes the 'Minnesota Works' job bank when posting job openings, providing the job availability information, job applications and process to staff providing services to veterans. This public job announcement ensures full and easy access for veterans to AEOA's job application and hiring process.

Anoka

When and to the extent possible, ACCAP complies with veterans and disadvantaged business enterprise requirement.

Bi County Community Action Program

Our advertisements placed in 18 media resources did delineate our requirement to comply with Veteran's preference requirements.

Community Action of Minneapolis

As a part of the Agency's job application process, applicants are invited, if they are a veteran, by completing an Equal Opportunity/Affirmative Action Data form. This form is an insert which is included in all Applications for Employment.

Community Action Partnership of Ramsey and Washington Counties

As a part of the Agency's job application process, applicants are invited to self identify if they are a veteran by completing an Equal Opportunity/Affirmative Action Data form. This form is an insert which is included in all Applications for Employment and is posted on the Agency's website as well. Submission of this form is voluntary.

Dakota County Community Development Agency

Used joint RFP process with other metro weatherization service providers.

ATTACHMENT G - Compliance - Veterans and Disadvantaged Business

Fond Du Lac Reservation Business Council

Work is contracted out to the Arrowhead Economic Opportunity Agency.

Heartland Community Action Agency

Advertisements were placed in local newspapers, Workforce Center, and other local media.

Inter-County Community Council

We currently have not completed our procurement procedure so we don't have any numbers regarding status of workers. One of our current contractors is a Veteran however. The Weatherization Program Coordinator is a Vietnam Veteran.

Kootasca Community Action

We have an Affirmative Action Plan and we are an Equal Opportunity Employer.

KOOTASCA practices nondiscrimination and takes affirmative action in employment with respect to covered veterans.

We do meet requirements on affirmative action for federal contractors by including affirmative action notices in contracts with our sub-contractors.

We do fulfill job listing requirements under the Jobs for Veterans Act by advertising all of our job openings on the State of Mn WorkForce agency job bank website.

We do invite applicants the opportunity to self-identify as a veteran in any of the protected groups after an employment offer is made but before they begin their employment duties. The notice includes the statement it is voluntary and they may request to benefit from our affirmative action policies for covered veterans can be made immediately or at any time in the future. The notice includes confidentiality statement and that it is voluntary. Each special group of the Veteran's status is defined on this form.

KOOTASCA also follows USERRA. This law is intended to minimize the disadvantage to reservists and National Guard members who need temporary leave from their civilian jobs to serve in the military. Basically, this requires us to re-employ a worker having a military-related absence of less than 5 years to their same job or one with similar status, seniority, benefits and pay. Under USERRA we do not discriminate in hiring, firing, promotion or benefits based on an employee's past, current or future military obligations.

Mahube Community Council

RFP advertisement sent to local newspapers in our three county serve area (serving Mahnomen, Hubbard and Becker Counties).

Per RFP, "Preference will be given to targeted contractors to include: locally owned businesses as well as women/veteran/minority and businesses owned by physically challenged persons."

ATTACHMENT G - Compliance - Veterans and Disadvantaged Business

Mille Lacs Band of Ojibwe Indians

The Mille Lacs Band actively searches out for veterans that may qualify for weatherization program in our service area. The Mille Lacs Band Tribal Government has strong desire to accommodate Mille Lacs Band veterans.

Minnesota Valley Action Council

MVAC actively solicited additional contractors for Weatherization work, by public posting and hosting eight contractor meetings to discuss the weatherization program and all related requirements per ARRA funding. MVAC also contacted potential contractors

Northwest Community Action

Northwest Community Actions Employment Application inquires about Veteran Status. In evaluating the qualifications of applicants, Northwest Community Action will, when applicants are equally qualified, give preference to Veterans.

Otter Tail – Wadena Community Action Council

Notice of Request for Proposals for Weatherization Contractors specifically requesting responses from Veterans were sent to local newspapers: Fergus Falls, Perham, New York Mills, Wadena, and Menasha. Government offices: Division of Rehabilitation-Fergus Falls, Rural MN-CEP-Detroit Lakes, White Earth Reservation, Rehabilitation Services-Wadena, Veterans Employment-Wadena, MN Workforce-Wadena. To all contractors that contacted our agency previous to the RFP being sent out.

Prairie Five Community Action Council

Prairie Five's policy is to hire on qualifications without regard to race, religion, color, sex, age, national origin, or disability. In future hiring and procurement, there will be preference given to veterans and veteran businesses.

Red Lake Band of Chippewa Indians

Red lake Band of Chippewa Indians/Red lake Weatherization program abides by Veterans preference in hiring practices.

Scott-Carver-Dakota CAP Agency

Third party review of all RFP applicants took veteran preference into account.

ATTACHMENT G - Compliance - Veterans and Disadvantaged Business

SEMCAC

All MN licensed mechanical contractors who have expressed interest in working with Semcac have been given the opportunity to receive contracts and applicable paperwork. Once all the paperwork is collected they then have the opportunity to bid on the projects. Work is awarded to the lowest bidder for every job. Davis Bacon rules apply for all ARRA funded projects. Contractor must show due diligence in equal opportunity and affirmative action. All WX crews must show due diligence in equal opportunity and affirmative action. Selection is based on experience, ability to have all the proper licenses, compliance with state laws, no debarment, ability to do work and apply with applicable laws.

Southwestern Minnesota Opportunity Council

5. STANDARD - OPEN COMPETITION

5.1 All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition.

5.2 SMOC, Inc., shall be alert to organizational conflicts of interest or noncompetitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. This includes but is not limited to:

- A. Placing unreasonable requirements on firms in order for them to qualify to do business.
- B. Noncompetitive practices between firms,
- C. Organizational conflicts of interest, and
- D. Unnecessary experience and bonding requirements.
- E. In particular, a contractor that develops or drafts specifications, requirements, as statement of work, and invitation for bids and/or a request for proposals for a particular procurement by a nongovernmental procuring party should be excluded from competing for that procurement.
- F. Discrimination based on race, religion, age or sex, or other protected class.

Sustainable Resource Center

When and to the extent possible, SRC complies with veterans and disadvantaged business enterprise requirement.

Three-Rivers Community Action

2 veterans (1 mechanical contractor and 1 energy auditor)

Tri-County Action Programs

Tri-CAP conducted a Contractor RFP using a RFP document and scoring process created by an attorney hired by the MNCAP. The scoring allowed extra points for the targeted groups This included Veteran Owned businesses. The RFP was advertised with several media sources such as the St. Cloud Times and a local Spanish language newspaper. It was also posted at our web site

ATTACHMENT G - Compliance - Veterans and Disadvantaged Business

along with a mailing to all contractor currently working with us and any who had called expressing an interest.

Tri-County Community Action

One contractor is a veteran and is located in Todd County, a low median income area. One of the new WX inspectors is also a veteran.

Tri-Valley Opportunity Council

Tri-Valley does not discriminate against, nor give preference to, veterans in hiring. Tri-Valley does market all job openings through outlets that are frequently utilized by veterans. In terms of procurement, Tri-Valley will comply with giving preference to businesses that are identified as veteran owned per the statute.

West Central Minnesota Communities Action

Accordingly, Contractor covenants and warrants that Contractor shall at all times strictly comply with and adhere to (A) all applicable laws, ordinances, zoning ordinances, rules, regulations, implementing rules and regulations, provisions, codes, executive orders, and all other lawful orders of any governmental authority having or asserting jurisdiction over or applicable to the performance of this Agreement, any Project Agreement, the Work, Contractor's operations, or any of them, including but not limited to all laws (including but not limited to workers' compensation laws, occupational safety and health laws, immigration laws, nondiscrimination laws, equal employment, opportunity and affirmative action laws, the Occupational Safety and Health Act of 1970, as amended, and the regulations, rules, and any state plans approved there under), ordinances, rules, regulations, executive orders and orders referenced or cited in this Agreement (collectively, the "Laws"), and (B) the Certifications and the Policies.

Western Community Action

As part of Western Community Action's RFP process, additional points were awarded for documented veteran owned businesses.

White Earth Reservation Tribal Council

We have not had any veteran contractors

Wright County Community Action

WCCA continues to accept bids from licensed and insured contractors regardless of geographic location or disadvantaged areas. WCCA has been in contact with nine general contractors that have expressed interest in providing weatherization services and is currently working with existing weatherization, electrical and mechanical contractors to submit required Davis Bacon prevailing wage information.

ATTACHMENT G - Compliance - Veterans and Disadvantaged Business

Compliance - Disadvantaged Business

Anoka

We received 65 proposals. Of the pool of 65, 2 were considered non-responsive giving us a working total of 63 contractors. Of that number 30 were small firms with 1 crew, 33 had at least 2 crews and were considered large firms. 17% were minority contractors, 16% were women owned businesses. Large minority firms represented 8% of the responders, small minority contractors represented 10% of the responders. 10% of the women owned contractors were large firms and 6% were small firms. Two of the 65 are on the approved TG/ED Vendor list.

Bi County Community Action Program

Our advertisements placed in 18 media resources did delineate our requirement to comply with award preference given to disadvantaged business enterprise requirements.

Bois Forte Reservation Tribal Council

The tribe tries to the greatest extent feasible to provide preference to Indian-owned economic enterprise and Indian organizations.

Community Action of Minneapolis

In our Metro-Area RFP we emphasized small businesses, women and minority owned businesses: Performance Contractors, 644 Smith Avenue South, St. Paul, MN 55107. Tarraf Construction, 2635 4th Street SE, Minneapolis, MN 55404-3201

Community Action Partnership of Ramsey and Washington Counties

In our Metro-Area RFP we emphasized small businesses, women and minority owned businesses.

Dakota County Community Development Agency

Used joint RFP process with other metro weatherization service providers.

Fond Du Loc Reservation Business Council

Work is contracted out to the Arrowhead Economic Opportunity Agency.

Heartland Community Action Agency

Advertisements were placed in local newspapers, Workforce Center, and other local media.

ATTACHMENT G - Compliance - Veterans and Disadvantaged Business

Inter-County Community Council

Our advertisement will express our status of offering equal employment to disadvantaged business.

Kootasca Community Action

Itasca County and Koochiching County are located in the labor surplus area. A&A Plumbing & Heating and Shannon's Inc. are two contractors KOOTASCA works with. Both are listed on the <http://www.mmd.admin.state.mn.us/process/search/filedwnld.asp> website from the Department of Administration's list of Targeted Groups/Economically Disadvantaged list.

Mahube Community Council

RFP advertisement sent to local newspapers in our three county serve area (serving Mahnomen, Hubbard and Becker Counties).

Per RFP, "Preference will be given to targeted contractors to include: locally owned businesses as well as women/veteran/minority and businesses owned by physically challenged persons."

Mille Lacs Band of Ojibwe Indians

The Mille Lacs Band is centrally located what is considered the poorest economic disadvantage counties in Minnesota. Because of this, it has tremendous effect to comply with small Disadvantage Business Enterprise requirements.

Minnesota Valley Action Council

MVAC actively solicited additional contractors for Weatherization work, by public posting and hosting eight contractor meetings to discuss the weatherization program and all related requirements per ARRA funding. MVAC also contacted potential contracto

Northwest Community Action

NWCA advertised for contracting services in each of the service areas newspapers with primary readership in disadvantaged counties. All of our contracts have been awarded to businesses from disadvantaged counties.

Otter Tail – Wadena Community Action Council

In the Request for Proposals mentioned above we also encouraged small businesses, women, persons with substantial disabilities and minority owned businesses to respond to this RFP.

ATTACHMENT G - Compliance - Veterans and Disadvantaged Business

Prairie Five Community Action Council

Procurement of contractors stated that preference would be given to women, minorities and section 3 businesses. No contractor indicated that they were a section 3 business or minorities and none were women. All contractor's applying were selected.

Scott-Carver-Dakota CAP Agency

As with veteran consideration, small and minority owned business were rated with special considerations.

SEMCAC

All MN licensed mechanical contractors who have expressed interest in working with Semcac have been given the opportunity to receive contracts and applicable paperwork. Once all the paperwork is collected they then have the opportunity to bid on the projects. Work is awarded to the lowest bidder for every job. Davis Bacon rules apply for all ARRA funded projects. Contractors must show due diligence in equal opportunity and affirmative action. All WX crews must show due diligence in equal opportunity and affirmative action. Selection is based on experience, ability to have all the proper licenses, compliance with state laws, no debarment, ability to do work and apply with applicable laws.

Southwestern Minnesota Opportunity Council

Refer to "Proposed Hiring Practices".

Sustainable Resource Center

We received 65 proposals. Of the pool of 65, 2 were considered non-responsive giving us a working total of 63 contractors. Of that number 30 were small firms with 1 crew, 33 had at least 2 crews and were considered large firms. 17% were minority contractors, 16% were women owned businesses. Large minority firms represented 8% of the responders, small minority contractors represented 10% of the responders. 10% of the women owned contractors were large firms and 6% were small firms. Two of the 65 are on the approved TG/ED Vendor list.

Tri-County Action Programs

Tri-CAP conducted a Contractor RFP using a RFP document and scoring process created by an attorney hired by the MNCAP. The scoring allowed extra points for the targeted groups This included Veteran Owned businesses. The RFP was advertised with several media sources such as the St. Cloud Times and a local Spanish language newspaper. It was also posted at our web site along with a mailing to all contractor currently working with us and any who had called expressing an interest.

ATTACHMENT G - Compliance - Veterans and Disadvantaged Business

Tri-County Community Action

Two new contractors reside and have their businesses in a disadvantaged business area, which is Todd County. Two other current contractors also reside and have their businesses in Todd County.

Tri-Valley Opportunity Council

Tri-Valley operates in counties that have been economically disadvantaged and a strong emphasis is placed on working with contractors from the local area.

West Central Minnesota Communities Action

Contractor shall take affirmative action to insure that all of Contractor's employment practices are free from any and all such discrimination. Such employment practices include, but are not limited to, hiring, upgrading, demotion, transfer, recruitment, recruitment advertising, layoff, termination, rates of pay and other forms of compensation, and selection for training, including apprenticeship. Contractor agrees to post in conspicuous places, available both to employees and applicants for employment, notices to be provided by Agency setting forth the provisions of this Paragraph 17.

Western Community Action

As part of Western Community Action's RFP process, additional points were awarded for documented Disadvantaged Business Enterprise as well as checking the MNDOT DBE contractor page see if any contractors were listed.

White Earth Reservation Tribal Council

We hire Contractors that are enrolled in a Federally recognized tribe and that are registered with TERO.

Wright County Community Action

All current weatherization and auditing contractors have added additional staff. Presently contractors employ twelve people. Five of these people are new hires.