



STATE OF DELAWARE
**DEPARTMENT OF NATURAL RESOURCES AND
ENVIRONMENTAL CONTROL**
RICHARDSON & ROBBINS BUILDING
89 KINGS HIGHWAY
DOVER, DELAWARE 19901

OFFICE OF THE
SECRETARY

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**THIRD AMENDMENT
TO THE
PROFESSIONAL SERVICES AGREEMENT
CONTRACT BETWEEN
DELAWARE DEPARTMENT OF NATURAL RESOURCES AND
ENVIRONMENTAL CONTROL
DIVISION OF CLIMATE, COASTAL, and ENERGY
AND
ENERGY COORDINATING AGENCY**

THIS THIRD AMENDMENT to the NAT17002-WAPLOCAL CONTRACT is made by and between the Department of Natural Resources and Environmental Control (DEPARTMENT), a state of Delaware Agency with its principal place of business at 100 W. Water Street, Suite 10B, Dover, DE 19904, and Energy Coordinating Agency, (ECA), with its principal offices at 106 Clearfield Street, Philadelphia, PA, 19133.

WHEREAS, the DEPARTMENT and ECA entered into the Agreement for Professional Services effective as of March 26, 2018 (the CONTRACT); and

WHEREAS, the first option to extend the original contract for a period of one year is being executed on the dates from April 1, 2021 to March 31, 2022; and

WHEREAS, the CONTRACT is composed of the Agreement for Professional Services signed by the parties; Appendix A: Scope of Services; Appendix B: Contract Budget for the Weatherization Assistance Program; Appendix C: Department of Energy's Terms and Condition "Flow-Down" Requirements for Subgrantee Contracts; and Appendix D: DNREC WAP Confined Space Program; and

NOW THEREFORE, in consideration of the promises made herein, the DEPARTMENT and ECA agree as follows:

1. Replace the Scope of Services at Appendix A with the revised 2021 Scope.
2. Replace the WAP Contract Budget at Appendix B with the 2021 Contract Budget.

To the extent of any inconsistency between the terms and conditions of this Third Amendment and the CONTRACT the order of priority shall be first the Third Amendment, Second Amendment, First Amendment. and then the CONTRACT. Except as modified by these Third, Second and First Amendments, the CONTRACT shall remain in full force and effect and are hereby ratified and confirmed.

IN WITNESS THEREOF, the Parties hereto have caused this Agreement to be duly executed.

FOR THE DEPARTMENT:
DEPARTMENT OF NATURAL RESOURCES
AND ENVIRONMENTAL CONTROL

Name : Eric D. Dawson for
Shawn M. Garvin

Title: Secretary

Secretary

Date: 3/19/21

FOR THE CONTRACTOR:
ENERGY COORDINATING AG N CY

Name: Steve J. Luxton
Title: Executive Director

Date:

3/12/2021

Appendix A
Scope of Services

VENDOR: Energy Coordinating Agency
106 West Clearfield Street, Philadelphia, PA 19133

SERVICE AREA: New Castle County, Delaware

The VENDOR shall administer the Delaware Weatherization Assistance Program (WAP) in the State of Delaware in accordance with all applicable federal, state and local laws, rules, regulations, procedures and guidance manuals and under the guidance and supervision of the Weatherization Assistance Program within the Division of Energy and Climate of the Delaware Department of Natural Resources and Environmental Control (“DNREC” or “DEPARTMENT”).

VENDOR shall administer the Delaware Weatherization Assistance Program in compliance with this Agreement and all other applicable Federal, State, and local laws, rules, regulations, administrative procedures, guidance manuals and definitions, and any amendments thereto. Specifically, and in addition to any other applicable requirements, VENDOR shall comply with 42 U.S.C. § 6861 et seq.; and 10 CFR Part 440, the approved U.S. Department of Energy (DOE) Weatherization Assistance Program (WAP) State Plan for the State of Delaware, the Delaware Weatherization Policy Manual (WAP Manual), the Delaware Standard Work Specifications, and all other applicable state weatherization Program Updates or directives.

VENDOR shall further administer the weatherization program in compliance with the requirements as specified in State of Delaware using the federal guidelines in 2 CFR Part 200.

The VENDOR shall be wholly responsible for the entire contract performance whether or not subcontractors are used. The VENDOR shall be solely responsible for contractual performance and management of all subcontract relationships. This contract allows subcontracting assignments; however, VENDOR assumes all responsibility for work quality, delivery, installation, maintenance, and any supporting services required by a subcontractor.

The Scope of Services and requirements under this Agreement are as follows:

1. VENDOR shall weatherize a minimum of **200 homes for the 2021 Program Year** (April 1 to March 31). VENDOR shall weatherize units within New Castle County. Failure to achieve this goal of **200** completed homes will require the VENDOR to report to Delaware the cause of the failure and develop a work plan in concert with Delaware to achieve the goal in the future.
2. VENDOR shall provide WAP services to eligible dwelling units in accordance with the WAP Manual and the Delaware Standard Work Specifications and acknowledges and agrees that the funds provided through this Agreement shall be used solely for the purposes of weatherizing homes as defined herein.
3. Any unit weatherized through the Delaware Weatherization Assistance Program on or **before a period of fifteen (15) years from the final inspection date**, shall not be eligible for weatherization services pursuant to this Agreement and VENDOR shall not re-weatherize any such unit using any funds related to this Agreement unless specifically authorized in writing to do so by DNREC. All efforts need to be made to identify units that have been previously weatherized using the Hancock Software and the WAP Legacy List. If weatherization services are provided to previously weatherized units, the VENDOR will take responsibility for such errors, except in the case where the error was in Hancock or the Legacy List.

Appendix A
Scope of Services

4. The VENDOR shall utilize and provide data entry into the Delaware proprietary software, Hancock Software, for all clients entering the Program. The VENDOR will adhere to the protocol used in the Hancock Software for prioritizing elderly, disabled and homes with children. VENDOR must show auditor's competency in the Hancock Software utilizing the energy modeling portion of the software. DNREC will provide training for VENDOR's staff as needed.
5. The WAP program in Delaware operates on a reimbursement basis, whereby VENDOR engages staff or subcontractors to provide WAP services to eligible clients and then seeks payment or reimbursement from DNREC for all eligible program expenses in accordance with the WAP Manual.
6. It is most desirable to pay all costs for a unit at one time; no partials. The VENDOR shall not pay any subcontractor, nor shall VENDOR submit claims for reimbursement of any costs incurred by VENDOR for any work performed, until such time as VENDOR has performed the Quality Control Inspector (QCI)/Final Inspection and has determined in writing that any such work has been performed in a satisfactory manner. In the event that a specialized subcontractor (HVAC, electrical, or plumbing) does not provide their invoice in a timely fashion and the QCI/Final Inspection has been completed, DNREC may waive this requirement for a single invoice for the job.
7. VENDOR shall follow generally accepted accounting procedures and practices which sufficiently and properly reflect all costs incurred by VENDOR pursuant to this Agreement and shall keep accurate and up-to-date accounting records.
8. VENDOR shall submit a written report to DNREC on a monthly basis, within 10 business days of the end of each month, setting forth its WAP expenditures by budget categories for the preceding month. Said report shall also include year-to-date expenditure totals and explain any past deviations from the budget included with this Agreement. Monthly reports contain:
 - a. Number of outreach/marketing events
 - b. Number of client concerns/complaints and resolutions for each
 - c. Number of clients in the pipeline
 - d. Submission of a monthly spreadsheet showing the budget categories, total allocation in the budget and the cumulative amount spent
 - e. Submission of the client names for completed units for DNREC reconciliation
9. VENDOR shall submit weekly performance reports to DNREC. Weekly reports contain:
 - a. Number of audits and number of units deferred
 - b. Number of installs
 - c. Number of QCI/Final inspections; number of failed final inspections
 - d. Program demographics; as requested

Weekly reports end on Friday and the VENDOR will make their best efforts to provide the data and information within the following week.
10. VENDOR and its subcontractors shall not impose any fees or accept any money from the recipients of any services provided through this Agreement except as explicitly authorized in writing by DNREC prior to imposing any such fee or accepting any funds.
11. Any program income earned by VENDOR from activities conducted with funds obtained through this Agreement must be maintained and expended by VENDOR in accordance with the Delaware WAP Manual and all relevant federal and state laws, rules and regulations regarding program income.
12. VENDOR acknowledges and agrees that DNREC will withhold or recover payments made to VENDOR for disallowed costs relating to weatherization measures installed that are not allowed by law including any that are not provided pursuant to a work order that complies with the Hancock Home Energy Audit protocols and the Delaware Standard Work Specifications or are not specifically authorized by the Delaware WAP Manual.
13. VENDOR shall not use funds provided through this Agreement for the purchase or improvement of land, or for the purchase, construction, or permanent improvements (other than low-income residential weatherization or other energy-related home repairs) of any building or other facility.
14. VENDOR shall comply with the budget set forth in this Agreement and shall limit expenditures within each of the defined budget categories.

Appendix A
Scope of Services

15. VENDOR shall maintain an overall average cost per dwelling in "Program Operations" expenditures not to exceed **seven thousand and five hundred (\$7,500.00)** for the New Castle County homes, over the period of the Agreement for all units completed, i.e., having a passed QCI final inspection, prior to the close of each program year on March 31. The average cost per dwelling must include all Program Operations costs (less direct costs to the Program (field and office supplies, advertising, training and technical assistance, vehicle costs, postage) and less the health and safety costs) expended for the VENDOR WAP implementation.
16. VENDOR is provided a goal to achieve the Agreement target number of units within the program year. If VENDOR's production reports indicate difficulties in reaching the contracted unit target, DNREC may require a performance improvement plan be prepared and implemented to address the deficiency.
17. If deficiencies persist, DNREC may, at its sole discretion, terminate the Agreement pursuant to terms in Section 13 of this Agreement, or take such other action as it may find necessary.
18. The VENDOR is required to maintain an accurate inventory of all supplies and equipment purchased with Delaware WAP funds. All equipment and supplies purchased with Program funds are considered property of DNREC. Equipment is defined as tangible personal property (including information technology systems-computing devices, ancillary equipment, software, etc) having a useful life of more than one year and a value of \$5,000 or more. Supplies are defined as either office or field supplies and are tangible personal property with a value of less than \$5,000. Office supplies are those items normally found in an office setting (paper, copiers, notebooks, furniture, chairs, phones, envelopes, etc). Field supplies are those items that are instrumental in the weatherization of a home (blower door equipment, infrared cameras, gas meters, smoke detectors, moisture meters, etc.). Office supplies with a value less than \$500 are exempt from inventory tracking while field supplies with a value less than \$100 are exempt from inventory tracking. The WAP inventory must be verified annually and supplied to DNREC as proof of completion. All equipment and supplies in need of replacement must be turned into DNREC as surplus and noted on the VENDOR'S inventory and a date of turn-in.
19. Upon termination of this agreement for any cause, ownership of all WAP-purchased supplies and equipment (as defined in the previous item) will be transferred to the Delaware WAP and shall be managed, maintained and/or disposed of according to the Delaware WAP Manual and 2 CFR 200.
20. DNREC may withhold payment and issue a defective invoice notification for any claim submitted if it finds errors or omission in file contents or if the work is found to be substandard or has not passed final inspection. The VENDOR will be held responsible for payment for such unapproved or unauthorized work.
21. DNREC may withhold payment and VENDOR shall repay DNREC for any claim submitted that is inaccurate or if VENDOR has not complied with the claim preparation instructions issued by DNREC, including, but not limited to, following the current Price List and costing procedures. Prior to requiring repayment, DNREC will provide VENDOR with reasonable written notice of any error in the claims submitted and allow a reasonable time for VENDOR to make corrections or revisions to the satisfaction of DNREC necessary for payment.
22. Any subcontractors hired by the VENDOR to perform weatherization services shall be retained and managed in accordance with the Delaware WAP Manual and shall be approved in writing by DNREC prior to engagement. It is the VENDOR'S responsibility to check all subcontractor's for debarment prior to hire.
23. VENDOR shall only use properly licensed private subcontractors who have attended required training and have attained the required certifications to provide and install weatherization measures, as detailed in the Delaware WAP Manual and Delaware Standard Work Specifications.
24. The VENDOR will follow the guidelines in the WAP Manual for subcontractor retention. Subcontracts between the VENDOR and subcontractors must contain language informing the subcontractor of possible re-payment of training costs if the subcontractor departs the WAP within six months of the training obtained.

Appendix A
Scope of Services

25. Any subcontractor hired by the VENDOR to conduct weatherization services shall provide no less than a one year warranty on labor conducted under the program. Warranty for weatherization supplies or materials installed in any home shall be for the product warranty from the manufacturer.
26. VENDOR shall hire a WAP Program Manager with experience in running complex governmental regulatory programs involving technical and administrative components. WAP experience is recommended but not essential. DNREC may make recommendations to VENDOR for suitable employees in the program.
27. VENDOR shall furnish to DNREC written job descriptions of each staff position involved in the Program, prior to hiring, noting the position's duties and functions and the necessary educational or experiential qualifications for the position. DNREC shall approve the job description and duties prior to hiring by the VENDOR.
28. VENDOR shall maintain a computerized master spreadsheet of all training hours, training modules, and training activities conducted through its Training and Technical Assistance funding and attended by its staff and subcontractors.
29. DNREC shall conduct at least one on-site comprehensive monitoring inspection of VENDOR's Administrative operations and field work per year and may conduct additional monitoring at any time, as it deems necessary. Monitoring procedures and requirements are found in the Delaware WAP Manual.
30. VENDOR and its employees, officers, board members, and subcontractors shall cooperate in all monitoring reviews, audits, or inspections conducted by authorized representatives of DNREC or representatives of the United State Department of Energy and/or Health and Human Services.
31. The final inspection conducted on each completed weatherization unit must be performed by a Building Performance Institute certified Quality Control Inspector (QCI) and the final inspection form must be signed by the QCI. The form must bear the QCI's printed name, signature and BPI number and the following statement: *"I certify that I am a Quality Control Inspector and I declare that all the work meets the minimum specifications outlined in the Standard Work Specifications (SWS) in accordance with 10 CFR 440. In the case where there are discrepancies or deviations from the SWS; those items have been documented."*
32. The final inspection conducted by the QCI-certified individual must be a complete review of all items on the Work Order and in compliance with the credential requirements of the QCI.
33. Each weatherization subcontractor bound by a contract for services to the VENDOR for weatherization services must obtain Delaware Lead-Safe Certified Firm Status, certification required by the state of Delaware to ensure that the company is Lead-Safe certified.
34. Each subcontractor bound by a contract for services to the VENDOR for weatherization services must have at least one person under their employ that has obtained the Delaware Renovation/Repair/Painting certification and the certification is current at the time of contracting with the VENDOR and maintains the certification throughout the contractual period.
35. Each subcontractor must have a designated employee that acts as the Crew Leader. The Crew Leader must possess:
 - a. OSHA-30
 - b. Health & Safety training specific to the approved Delaware Health & Safety Plan
 - c. Lead-Safe Weatherization
 - d. The Delaware Renovate/Repair/Paint certification
 - e. Confined Space Awareness training
36. Energy Coordinating Agency must obtain Lead-Safe Certified Firm Status through the state of Delaware.
37. Energy Coordinating Agency must have at least one person under their employ that has obtained the Delaware Renovation/Repair/Painting certification and the certification is current and maintained throughout the term if this contract.
38. Each subcontractor must sign the acknowledgement form showing that the subcontractor has received a copy of the Delaware WAP Manual, Delaware Standard Work Specifications, and the

Appendix A
Scope of Services

Confined Space Program. The copies of the forms must be provided to DNREC at the beginning of each Program Year.

39. The VENDOR will hold an annual meeting for all of their WAP subcontractors prior to the new contractual period to review any changes to contractual terms and discuss Program expectations.
40. The VENDOR will hold an annual subcontractor's meeting in May to discuss all aspects of the WAP: Price List, housing nuances, work order issues, invoice issues, WAP Program Updates, health and safety items, and training. DNREC will be a participant in this meeting.
41. The VENDOR will be responsible for providing Health & Safety training to all new subcontractors as part of their orientation. The training must cover the entire Delaware WAP Health and Safety Plan. A sign-in sheet must be provided to DNREC within 30 days of the subcontractors completing the Health and Safety training. Any new or updated Health & Safety guidelines must be communicated to their subcontractors within 30 days of receiving the DOE guidance.
42. The VENDOR must obtain and maintain Pollution Occurrence Insurance (POI) through the term of this contract. The POI is a direct cost to the program and will be submitted through the monthly billing.
43. The VENDOR must establish a method to conduct client intake at a level to meet the target number of units set forth in this Agreement.
44. All client information obtained through the client intake process (called the client pipeline) is the property of DNREC and not to be used under any circumstances without expressed permission from DNREC.
45. The Delaware WAP employs a paperless process. All data pertaining to the WAP (client documentation, photographs, audit paperwork, client letters, client complaints/resolutions, etc.) must be saved in the Hancock Software and no pertinent data contained in separate paper files.
46. Auditors and QCI professionals working in the WAP must maintain professional relationships with all contractors performing work. These relationships are as a 3rd party acting on the behalf of the Program through which they are compensated. If an auditor or QCI professional collaborates in any way with a contractor through favors, monetary compensation, referrals that lead to personal gain, or other conflicts of interest; the professional will be removed from the WAP as per the guidelines in the WAP Manual.

Energy Coordinating Agency
DE WAP Budget - Newcastle County
Year 4 (4/1/2021 - 3/31/2022)

APPENDIX B

Personnel (ECA)		Administration	Program	Total
Steve Luxton - Executive Director	25% FTE at \$150,000	37,500		37,500
Dave Huffnagle - Chief Financial Officer	25% FTE at \$120,000	30,000		30,000
Jasmine Yang - Bookkeeper	25% FTE at \$53,100	13,275		13,275
Colette Davis - Outreach and Client Services Assistant	100% FTE at \$52,300		52,300	52,300
Veronica Irizarry - Program Director	40% FTE at \$81,000		32,400	32,400
Kristin Peers - Program Coordinator	50% FTE at \$60,000		30,000	30,000
Marlano Torres - Auditor	50% FTE at \$48,000		24,000	24,000
Mike Woodcock - QCI Specialist	30% FTE at \$54,100		16,230	16,230
George Beaver - Auditor	100% FTE at \$48,000		48,000	48,000
Total Personnel		80,775	202,930	283,705
Fringe Benefits (ECA)				
FICA	7.65%	6,179	15,524	21,703
Worker's Compensation	5.00%	4,039	10,147	14,185
Health and Welfare Insurance	12.00%	9,693	24,352	34,045
Life Insurance & Disability	2.35%	1,898	4,769	6,667
Unemployment Compensation Rate	3.00%	2,423	6,088	8,511
Total Fringe		24,233	60,879	85,112
Total Personnel and Fringe Benefits		105,008	263,809	368,817
Operating Costs				
Communications: Costs related to general telephone, cell phone, and internet use	10% of annual costs of \$40,000		4,000	4,000
Postage & Delivery Activity: Costs related to general mailings	Cost of Annual Mailings and applications		4,000	4,000
Water: Costs related to water usage	10% of annual costs of \$10,000		1,000	1,000
	\$2,500 per month (direct DE costs) + 10% of annual			
Rent: Lease Costs(Delaware and PA)	PA costs of \$240,000		54,000	54,000
Professional Fees(IT, Legal)	10% of annual costs of \$50,000		5,000	5,000
Repairs and Maintenance: Building Repairs and Upkeep	10% of annual costs of \$50,000		5,000	5,000
Utilities: Costs related to general electric and natural gas usage	10% of annual costs of \$36,000		3,600	3,600
Insurance: General Liability, Umbrella, Fidelity Bonding	10% of annual cost of \$217,000		21,700	21,700
Staff Travel: Conferences and Meetings			1,000	1,000
Payroll Services: Costs related to payroll services	10% of annual cost of \$27,000		2,700	2,700
Office Supplies/Cleaning Services	\$600/month		7,200	7,200
Uniforms			1,683	1,683
Computer Equipment(Tablets, PCs, Cell Phones)			4,000	4,000
Total Operating Costs		-	114,883	114,883
Sub Contracts				
HELP Initiatives	Marketing/Outreach/Oversight		50,000	50,000
Energy Services Group	100 installs @ \$4,700.00		470,000	470,000
Efficient Homes	100 installs @ \$4,700.00		470,000	470,000
Total Sub Contracts		-	990,000	990,000
Training and Credentialing				
		-	-	-
Vehicles				
	Lease for QCI Specialist and Auditor @ \$300/month			
Vehicle Leases			7,200	7,200
Gas/Tolls	\$300/month		3,600	3,600
Vehicle Insurance	10% of annual cost of \$105,000		10,500	10,500
Vehicle Maintenance and Inspection			5,000	5,000
Total Vehicles		-	26,300	26,300
Total All Costs		105,008	1,394,992	1,500,000
Average Cost Per Unit		7.0%	93.0%	100.0%
Proposed Number of Units			7,500.00	200