

New York State Homes and Community Renewal
Emergency Cooling Program (ECP)
Bidders Conference

Questions and Answers
April 28, 2011

- 1) What is the goal of this program?
- The goal of the ECP is to reduce the risk of illness or death caused by hot weather to vulnerable HEAP-eligible individuals. Vulnerable individuals include the elderly, families with young children and those with a pre-existing medical condition that makes hot weather excessively dangerous to their health, where one member of the household can provide a statement from a physician attesting to the condition.
- 2) There seems to be a 'disconnect' between the process for reimbursement outlined in Section 1.7 of the RFP, 'Basis for Cost Reimbursement', and the process implied by the use of the Price Proposal Form, which requires the vendor to submit to HCR a per-unit cost that must include the total cost for all labor, material, admin, overhead, indirect costs etc. for supplying cooling services in one dwelling unit.

How should the vendor interpret this? Will reimbursement be based on the dollar amount cited on the price proposal form for every unit delivered or will reimbursement be based on the total of hourly rate x hours worked, as supported by the 'detailed invoices' Section 1.7 is requiring, in each unit delivered?

- Reimbursement will be based on the per-unit cost identified on the price proposal sheet. The process for reimbursement described in Section 1.7 of the RFP has been changed to make this clearer. Section 1.7, "Basis for Cost Reimbursement" now reads as follows:

1.7 Basis for Cost Reimbursement

Any contracts awarded under this procurement will permit the vendor to receive a nominal advance payment to cover startup costs that will be paid following final approval of the contract and in accordance with HCR policies and procedures. Subsequent to that advance, vendors shall submit bills with detail on units assisted on a monthly basis to HCR. Charges may not be made for services that have not been identified in the original proposal without the prior approval of HCR.

- 3) Will electronic payment requests and reports be accepted, or must vendors submit paper copies of payment requests and reports? Will payment be sent to successful vendors electronically or will paper checks be cut?
- Vendors will be provided with full payment and reporting instructions upon contract execution. Each payment request must be submitted on a Standard Voucher form with an original signature. Weekly reports will be submitted to HCR by electronic mail.

- As for payments to vendors, successful vendors will be encouraged to set up an 'Automated Clearing House' (ACH) account w/ the Office of the State Comptroller (OSC) to receive electronic deposits. Please visit the OSC website at <http://www.osc.state.ny.us/vendors/index.htm> for specific instructions on how to do that.
- 4) The RFP states that both for-profit and not-for-profit vendors are eligible to apply. Will the process for reimbursement be the same for both for-profit vendors and not-for-profit vendors?
- Yes.
- 5) If reimbursement is to be based on the price per unit submitted on the Price Proposal form, is that a *maximum* cost going forward? Some air conditioners are going to be more costly than others to install depending on the dwelling unit. In that scenario, are we limited in the amount we can receive in reimbursement for that dwelling unit by what we put on the Price Proposal form?
- Yes. Bidders should propose a price per unit that includes all associated costs. If awarded a bid, the per-unit cost the bidder proposes on the Price Proposal form will serve as the maximum cost per unit.
 - HCR will follow rigorous quality assurance procedures, including on-site monitoring of assisted units, to ensure that vendors provide the specified equipment and a level of service commensurate with the bid price, and that all work is safely and properly installed.
- 6) How should bidders estimate pricing for the cooling program? There are many different variables concerning what affects the price: the amount of time for travel, the amount of miles to charge per job, what size the air conditioner needs to be, the overhead required for each job, etc. These are all things that cannot be calculated until the air conditioner is installed. Because we serve two counties at the same time, mileage is a big concern. In previous years we were able to spend up to \$1,000.00 per air conditioner, which we were able to accept. We would like to be able to provide this service in our counties but I am not able to calculate a price for this service. Please let me know if there is a way we can perform this service at a per job cost.
- The per-unit cost the bidder proposes on the Price Proposal form will serve as the maximum cost per unit. The cost is one of the competitive factors in evaluating proposals, (but not the only one), so it is recommended that bidders include all costs typically required to install all of the cooling units the bidder expects to provide, and then divide that amount by the number of units. The per unit cost must include all materials, labor, program support and other costs. If the bidder doesn't provide a per-unit cost, the bid will not be accepted.
- 7) With regard to eligible 'cooling program activities' (section 1.8) and the format of our price proposal, how should we propose pricing for energy measures that go beyond air-conditioner replacement? We are highly motivated to provide additional energy savings measures, (such as efficient lighting or refrigerator

maintenance), but we want to ensure that our price-proposal is competitive and is not interpreted negatively due to inclusion of these activities. Would it be possible to submit a budget that itemizes these costs so meaningful comparison can be made between proposals, rather than just submitting the per-unit price proposal?

- Costs for all proposed activities must be included in the per-unit price included on the Price Proposal form. No itemized budgets or additional cost material should be submitted as part of the Price Proposal form. The per-unit cost must include the total cost for all labor and material expenses to complete all required activities associated with the provision of cooling services in a typical dwelling unit, including administration, overhead, indirect costs, operating costs and any other costs required to provide this service. Vendors are encouraged to maximize energy savings, but the primary goal of this program is to provide safe and cost effective cooling services to vulnerable individuals, who are eligible for HEAP, in order to reduce the risk of illness or death caused by hot weather.
- 8) How does the vendor calculate their Price per Unit given the differences in the square footage of dwelling units? The size of the dwelling unit would likely affect the cost. Also, will HCR provide a methodology for sizing an air conditioner to be installed based on the unit's square footage?
- The vendor should determine the average size of dwelling units they are likely to serve and, inclusive of the other considerations listed in the RFP, arrive at a typical or average cost for delivering cooling services to an individual unit.
 - HCR does not anticipate supplying a sizing methodology for the installation of air conditioners as part of this Program. Bidders are expected to be familiar with this type of work so that units can be properly sized.
 - Bidders are reminded that this is an *emergency cooling* program. The goal is to provide adequate, safe and cost effective air conditioning / cooling services to vulnerable individuals, who are eligible for HEAP, in order to reduce the risk of illness or death caused by hot weather. This is to be accomplished by creating a 'cool room' for those individuals in need of these services. The goal is **not** to provide 'whole house' air conditioning.
- 9) Is the disposal of any old air conditioners the responsibility of the vendor?
- Yes. As stated in the RFP (Section 1.8), vendors must remove any inoperative air conditioner from the assisted unit and properly dispose of or decommission the unit that is removed.
- 10) Are costs associated with disposal and decommissioning eligible for reimbursement?

- This and other costs associated with performing the *eligible emergency cooling activities* listed in Section 1.8 of the RFP are eligible for reimbursement.
 - Section 4.1 of the RFP states that the vendor's *per unit cost* must include, but should not be limited to, "Any administrative, overhead or operating costs that the bidder will incur in connection with this program". HCR advises the bidder to research and consider this potential expense when arriving at their price per unit cost. HCR has a rough idea of what the cost per unit should be based on past experience managing the program.
- 11) What about situations where an eligible applicant resides in a unit where an air conditioner cannot safely be installed?
- In cases where an air conditioner cannot be safely installed, a fan and other basic cooling measures should be provided.
- 12) In those units where an air conditioner cannot safely be installed for an eligible recipient, how should lower costs factor into the Bidder's Price per Unit proposal?
- Bidders will be allowed to charge twenty-five percent of the proposed Price per Unit for dwelling units that do not receive air conditioners, and instead will only receive "basic" cooling service. This service is typically less costly than providing an air conditioner.
 - For the purposes of submitting the proposal, bidders should base the price per unit on unit on providing full service, including an air conditioner.
- 13) On page 6, Section 1.8, Eligible Cooling Activities, it says "identification and mitigation of related health and safety concerns." What does that entail?
- Mitigation of health and safety concerns means ensuring that installation of cooling measures does not worsen existing health or safety problems within the dwelling unit and either correcting the situation with low-cost remediation measures, or documenting the problem and making appropriate referrals to a service provider that can correct the condition. Examples include: making sure that the electrical service in the unit has the capacity to handle the increased load from an air conditioner; or not installing an air conditioner or fan in areas where mold is present
- 14) Can a landlord be charged for any electrical upgrades that might be necessary to safely and properly install the air conditioner unit in the dwelling place if the landlord is not the eligible recipient? Or are those costs reimbursable through HCR?
- It's not *required* that the landlord provide a contribution but if the vendor cannot safely install an air conditioner without the electrical upgrade, and the upgrade would otherwise make the job cost-prohibitive, it is appropriate to seek a contribution from the property owner. If the owner is not willing to make the investment, and the work cannot be installed safely

for less than the per-unit price that the bidder proposed, the unit cannot be assisted.

- 15) In Section 1.2 of the RFP it states that assistance will be provided on a 'first-come, first-served basis without regard to geographic distribution.' Will HCR have any prohibition against one county receiving a disproportionate share of emergency cooling services? Is there an allocation formula to prevent this from happening?
- There is no set allocation for each county. HCR provided an 'allocation chart' with the RFP showing the approximate distribution of eligible households in each county of the State but it's stated intent was to be a planning tool for bidders and not an indication of commitment to provide a specific level of funding to any area / county.
 - HCR reserves the right to limit or expand services in a vendor's service area, or limit areas in which a vendor may work, in order to meet the stated program goals and the needs of eligible individuals statewide.
- 16) Relative to assistance being provided to households on a 'first-come, first-served basis', how will this be reflected in the contracts provided to the successful vendors? We are concerned that if a specific unit-count, or funding availability amount, is not set for each successful vendor then there would be complications in coordinating service as funds are exhausted, thereby creating a risk of over-ordering through the bulk-purchase of air conditioner units when there are no further ECP funds available.
- HCR will require vendors to report on installed units and pending installations on a weekly basis. HCR will attempt to notify vendors as far in advance of the close of the program as possible, based on the rate of expenditure and HCR's projection of when funds available for the entire state will be exhausted.
 - When preparing the work plan, vendors should include some detail on how they plan to ensure an adequate supply of materials (i.e., bulk purchase or other supply methods). See the 4th bullet point on page 13 of the RFP for specific instructions.
- 17) With regard to section 4.2, the 'Service Area' exhibit and criteria, would there be additional scoring points awarded to organizations that propose to serve all of New York City and surrounding counties (such as Westchester), but not the entire State? Will HCR award a score of between 20 and 30 points to bidders that propose to serve all of New York City and additional counties?
- No. The scoring will remain at '*20 points for all of NYC, or at least 20 other counties*' and '*30 points for serving all counties in the State*'. Vendors will not be awarded additional points for serving all of NYC plus more counties outside of NYC but still less than the entire State.
- 18) Can a bidder propose in their submission to serve more than one county?

- Yes; Bidders are encouraged to submit for more than one county. In Section 3.1 of the RFP, *Evaluation and Selection Criteria*, it states 'bidders are sought that can work on a statewide basis or serve multiple counties.'
- 19) Can a bidder submit multiple applications to serve different counties? If so, can the successful bidder expect to provide services in just the service area of the application selected or would they be expected to provide services in all the counties they listed in the applications?
- Vendors should be prepared to provide service in any county for which they submit a bid. Multiple applications *may* be submitted but HCR reserves the right to fund part or all of an application, as well as to negotiate changes to proposals of successful bidders, including service areas.
 - In addition, the scoring criteria for *Service Area*, listed in Section 4.2 of the RFP, clearly reflect an advantage to those bidders whose applications indicate the capacity to serve multiple areas. If a bidder submits multiple applications for individual service areas, each application would have to be scored on its own merits, and the bidder may score lower than they would have had they submitted one proposal for all of those areas.
- 20) If a vendor doesn't have experienced individuals on staff is it acceptable to utilize subcontractors for certain program services?
- Yes. In Section 1.6 of the RFP it states that bidders may propose subcontracting portions of their services. The proposal must clearly identify the subcontractors to be used and the tasks they will be responsible for, and it must acknowledge that the vendor will be ultimately responsible for the completion of all tasks and program requirements on behalf of their subcontractors.
 - In addition, please note the *conflict of interest clause* (see Section 1.12 of RFP) applies to all subcontractors as well as contractors. HCR reserves the right to review and approve all subcontractors.
- 21) Is the vendor required to conduct client outreach as well as install the air conditioner unit? Does that mean that vendors need to partner with a social service agency?
- See Section 1.8; vendors will be expected to market the program, conduct outreach, and perform intake and interviews to determine eligibility, in addition to installing the cooling measures. It is expected that most units to be assisted will be referrals from local Home Energy Assistance Program (HEAP) certifiers, but a goal of the program is to ensure that this service is available to HEAP-eligible, vulnerable households, whether currently receiving HEAP assistance or not, so each local program must also conduct some outreach to households that would otherwise be unaware of the program.

- Successful vendors for this year’s program will also receive referrals from other service providers, local social service offices and local offices for the aging, in addition to any clients they may identify through their outreach efforts.
 - It is not a requirement of the ECP that vendors partner with social service agencies. Both For-Profit and Not-for-Profit vendors may submit proposals. However, Section 1.6 (*Role of the Vendor*) indicates bidders may propose subcontracting portions of their responsibilities under the ECP. Some vendors may choose to partner. They should describe any partnerships in the proposal work plan per the submission guidelines.
- 22) How many air conditioners can be installed in each assisted unit?
- No more than one air conditioner may be installed in each eligible unit.
- 23) Must an air conditioner that is installed in an assisted unit be an Energy Star-rated air conditioner?
- Generally, only new air conditioners with an *Energy Star* rating will be eligible for installation. However, for some installation types, such as casement windows, there might not be Energy Star-rated models available. In such instances vendors must obtain prior approval from HCR before proceeding with the installation.
- 24) What is the client eligibility / application process?
- In the event an applicant is not already certified as ‘HEAP eligible’, the vendor will have to determine eligibility using a form to be provided by HCR. The vendor will require the individual to fill out and submit the application form to the vendor. The vendor will then forward the form to an agency that is approved by NYS OTDA to certify HEAP eligibility. Once certified, the household can receive the assistance.
 - Applicants must provide a statement from a physician attesting to a medical condition that necessitates emergency cooling services to be eligible for assistance.
- 25) Are Social Security numbers required on the application form?
- Yes. The application form will be provided to vendors at contract approval.
- 26) I see that the program is targeted to individuals with a pre-existing medical condition that places them at risk of illness or death as a result of extremely hot weather. These individuals must also provide medical documentation of their condition. However, the RFP seems to state that instead of this one eligible category, this is just one of *three* categories a potential client can fall into and receive emergency cooling services.

In Section 1.4 of the RFP it states, “Vulnerable Individuals are the elderly, families with young children, and those with a pre-existing medical condition that makes hot weather excessively dangerous.” Is the program limited to

households that include individuals with a documented medical condition or is any HEAP eligible household that includes children or the elderly eligible for assistance?

- Only households that provide a statement from a physician attesting to a medical condition that necessitates emergency cooling services are eligible for assistance.
- 27) For the households that might qualify as having a pre-existing medical condition, does everyone in the household have to be 'at-risk' or does just one member of the household have to have a documented pre-existing medical condition?
- As long one person in the household has a documented medical condition that qualifies them for services the household is eligible.
- 28) What documentation is needed for the medical condition?
- A written statement from a physician attesting to a medical condition that necessitates emergency cooling services.
- 29) The RFP states that households that have received cooling service within the past ten years are not eligible to receive service again. How is this documented?
- If an applicant received an air conditioner through a DHCR or NYSERDA funded initiative during the previous ten years, that household is not eligible for additional assistance through the ECP.
 - Applicants will certify on the application for assistance that they have not received cooling service during the past ten years.
- 30) Can HCR provide vendors with a list of prior recipients during the previous ten years?
- HCR does not have a list of prior applicants. It will be the responsibility of the vendor to ensure the applicant has not received cooling services during the previous ten years.
- 31) What if the client received an air conditioner from either of those agencies but the unit is not working? Can an eligible client under that circumstance receive services under the ECP?
- The vendor should document that the unit isn't functioning and that it's not under warranty. If it can be documented that the air conditioner cannot be repaired in a cost-effective manner, then the client will be eligible to receive cooling services.
- 32) What if there is a functioning air conditioner in the unit but it's not *Energy Star* compliant?
- Households that currently have a working air conditioner will not be eligible for services.

- 33) The work plan instructions require bidders to submit audited financial statements. I am a sole proprietor – is it acceptable to submit an income statement in lieu of audited financial statements?
- Yes, a sole proprietor may submit an income statement (profit and loss statement) in lieu of audited financial statements. HCR may require additional financial information prior to entering into a contract.
- 34) In Section 2.1, Proposal Submission, the RFP states that hand delivered copies of submissions will *not* be accepted. Is this correct?
- Per the instructions for submission on page 8 of 15, Section 2.1 of the RFP, “HCR must receive proposals by 3:00pm EDT on Friday, May 6th, 2011. Proposals received after 3:00pm on May 6th will not be considered. No electronically mailed, faxed or hand delivered copies will be accepted.”
- 35) How will HCR monitor ECP activities?
- HCR will follow rigorous quality assurance procedures, including on-site monitoring of assisted units, to ensure that vendors provide the specified equipment and a level of service commensurate with the bid price, and that all work is safely and properly installed.
 - HCR compliance monitoring staff may also request supplemental information on installed cooling services, such as digital photographs, equipment procurement records or copies of eligibility determinations, to ensure that program rules have been followed.
- 36) When does the ECP terminate?
- The ECP contracts will run until September 30th, 2011, or until all funds allocated toward the program (\$3,000,000) are expended and all reporting requirements are met. If funds are exhausted prior to September 30, 2011, the program will terminate at that date.