



Legislation Text

File #: 24-0646, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Adopt the resolution approving the Memorandum of Agreement between Kane County and the City of Naperville for the management of the EPA Climate Pollution Reduction Grant award

DEPARTMENT: Community Services

SUBMITTED BY: Brian Groth, Electric Utility Director; Ben Mjolsness, Sustainability Manager

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

The Climate Pollution Reduction Act (CPRG), administered by the U.S. Environmental Protection Agency (EPA), is an opportunity for local units of government to leverage federal funding to support renewable energy, energy efficiency, and fleet/building electrification projects. To pursue this opportunity, the City of Naperville has aligned with a regional coalition coordinated by Kane County. The City previously submitted a Letter of Intent to participate in this coalition and its regional grant application and is required to submit a Memorandum of Agreement signed by the City Manager to fully participate should EPA award the requested funds. The City of Naperville is requesting \$1,175,676 in funding to expand existing solar installations on the Municipal Center, Electric Service Center, and the Department of Public Works Service Center. The Memorandum of Agreement and Resolution are attached.

DISCUSSION:

The CPRG performance period is five-years (2024 - 2029), and the current plan is to complete the installation of approximately 510kW in additional rooftop solar capacity in CY2026. Under the terms of the attached Memorandum of Agreement, Kane County serves as the lead applicant for the regional coalition and the "pass through entity" for purposes of applying for, administering funds, and managing the program associated with the CPRG.

FISCAL IMPACT:

The estimated total project cost is \$2,217,600. The City would be required to fund the project upfront and be reimbursed later. The City is requesting \$1,175,676 in federal funding to reduce the City's fiscal burden. The remaining \$1,041,924 could then be paid back over the ensuing four years through the City's sale of the project's renewable energy certificates. It is expected that the project will be completely paid for in four years and the future electricity cost savings through solar generation will continue to benefit the City and its taxpayers for the life of the solar installations.