

INCOG CPRG - IMPLEMENTATION GRANT BUDGET NARRATIVE

An itemized budget with expenditure categories for each of the five years is provided below and Form 424 is provided through the grants.gov application package. INCOG will employ three (3) full-time staff members that will manage the new programs and projects funded with the CPRG Implementation funds. These new positions will be essential to quickly standing up new programs, including Electric Vehicle and Equipment Incentives Program, a regional Weatherization and Energy Efficiency Program, Energy Efficiency Building Code Program, Neighborwoods, and Resilience Hubs. The management and support staff who will be responsible for establishing the new programs which are implementing greenhouse reduction measures from the Tulsa MSA Priority Climate Action Plan will be required to conduct outreach to engage stakeholders, partners, and community members, provide technical assistance and training, organization events, manage budgets, engage contractor services, and coordinate with City of Tulsa staff operating the Resilience Hubs, and other duties as assigned. A detailed breakout of all positions and person hours for the grant is included in the table below and on Form SF-424A. The total INCOG personnel salary costs for the first year is \$195,000 with a total fringe of \$120,803 (61.95%) and this is for three (3) FTE. INCOG has a current federal indirect cost rate agreement of 38.13% established with our cognizant agency the Department of Commerce, which is \$120,415 in the year one budget period.

INCOG is the lead applicant for a Coalition Application that includes the City of Tulsa and the State of Oklahoma Conservation Commission. The budgets for the coalition members are also included in the Form 424. The City of Tulsa will employ four (4) staff members that will support the new programs and projects funded with the CPRG Implementation funds, in particular operating the Resilience Hubs located at existing city own community centers. These new positions will be essential to supporting new programs, including Electric Vehicle and Equipment Incentives Program, a regional Weatherization and Energy Efficiency Program, Energy Efficiency Building Code Program, Neighborwoods, and standing up the Resilience Hubs. The management and support staff who will be responsible for establishing the new programs which are implementing greenhouse reduction measures from the Tulsa MSA Priority Climate Action Plan will be required to conduct outreach to engage stakeholders, partners, and community members, provide technical assistance and training, organize events, manage budgets, engage contractor services, and coordinate with INCOG CPRG staff administering the other CPRG program, and other duties as assigned. A detailed breakout of all positions and person hours for the grant are included in the table below and on Form SF-424A. The total City of Tulsa personnel salary costs for the first year is \$220,000 with a total fringe of \$136,290 (61.95%) and this is for four (4) FTE. The City of Tulsa does not have a current federal indirect cost rate agreement and so the de minimus rate of 10% was used for indirect costs, which totals \$35,629 in year one (1). The Oklahoma Conservation Commission (OCC) is responsible for the implementation of the Wetlands and Riparian Restoration and Conservation Program as well as supporting the other CPRG programs. The OCC will employ one (1) full-time employee and 10% of the OCC Wetlands Project Manager. The management and support staff who will be responsible for establishing the Wetland and Riparian Restoration and Conservation program and supporting other CPRG programs which are implementing greenhouse reduction measures from the Tulsa MSA Priority Climate Action Plan will be required to conduct outreach to engage stakeholders, partners, and community members, provide technical assistance and training, organize events, manage

budgets, engage contractor services, and coordinate with INCOG CPRG staff administering the other CPRG program, and other duties as assigned. A detailed breakout of all positions and person hours for the grant are included in the table below and on Form SF-424A. The total OCC personnel salary costs for the first year is \$55,000 with a total fringe of \$34,073 (61.95%) and this is for one (1) FTE and 10% of another FTE. The OCC does not have a current federal indirect cost rate agreement and so the de minimus rate of 10% was used for indirect costs which totals \$8,907 in year one (1).

INCOG included out-of-state travel costs to attend annual Climate Innovation Team meetings and additional training events, particularly focused on energy efficiency renewable energy, alternative fuels, and greenhouse gas reduction strategies. Travel expenses are itemized in the table below using previous costs for similar expenses incurred by INCOG staff for out-of-state travel. The Supplies category includes the purchase of seven (7) laptops (\$2,000 each based on previous purchases) for new staff hires for a total of \$14,000 in the first year.

The Other category includes INCOG Admin Budget Participant Costs associated with outreach, education, and marketing materials to support each new program being implemented through this proposal. Costs are estimated on those associated with existing programs such as the Ozone Alert! Program that INCOG operates which requires public participation. The total in the INCOG Admin Other category is \$100,000 for the year one (1) budget period. "Other" category costs are included in the Revolving Loan Fund are for subawards for the INCOG Energy Efficiency Revolving Loan Fund. The annual awards are anticipated to be \$1,000,000 per year beginning in budget year two (2), so no year one (1) Other costs will be incurred for the Revolving Loan Program. The funding request is based on INCOG's experience operating an existing Revolving Loan Fund. The Energy Efficiency Building Code Program includes budgeted items in the Other category as well, which are for Participation costs for local government officials to attend training related to the adoption and implementation of energy efficiency building codes. The costs are estimated based on the goal of recruiting up to three (3) local governments to adopt "stretch" building codes for Energy Conservation per year at \$10,000 per participating organization. These Participant Cost are not budgeted as year one (1) expenses but will total \$120,000 throughout the last four years of the grant. The Electric Vehicle and Equipment Program "E-bates" includes budgeted items in the Other category for Participant Costs related to a regional incentive program for individual purchases of electric vehicles and equipment. Incentives will be structured in a range dependent on the type of vehicle or equipment purchased or the most need based on income or other priority matrix developed intended to provide a majority of the benefits to low-income individuals. The proposed incentives range from \$100 to \$5,000 and the equipment will range from two-stroke weed trimmers to new light-duty electric vehicles, respectively. The programmatic goal is at least 200 participants a year. Budget year one (1) does not include expenses in the Other category related to the Electric Vehicle and Equipment Program but the total over the last four years of the program is \$1,000,000. INCOG proposes that a contingency for unexpended funds from the program be utilized for Level 2 public charging located within the Tulsa MSA. The Energy Efficient and Weatherization Program includes budgeted costs in the Other category for Participant Costs for incentives in the form of rebates or vouchers for the purchase of Energy Efficient equipment such as HVAC, water heaters, and heat pumps. Costs are estimated for 75 weatherization projects a year and an average cost of \$2,500 for vouchers for the above-mentioned equipment. Budget year one (1) does not include expenses in the Other category related to the Efficient and Weatherization

Program but the total over the last four years of the program is \$750,000. The Resilience Hubs program includes budgeted items in the Other category for Participant support costs-incentives for public participation in Resilience Hub related training and education activities. Costs are based on a goal of training one hundred (100) residents per year at \$20 per attendee. There are \$200 in expenses budgeted in the Other category for Resilience Hubs in year one (1).

The Contractual category is the largest category in the INCOG budget and totals \$14,956,111. The most significant budgeted items under the category are from the improvements on the existing City of Tulsa community centers that will serve as Resilience Hubs for our CPRG programs. The Contractual items budget in for the Resilience Hubs includes contractor services to provide renewable energy improvements necessary to decarbonize each facility to the greatest extent possible for each of the three existing community centers identified as host sites for Resilience Hubs, including but not limited to solar panels, microinverters, and battery storage equipment. The costs are estimated from individual quotes provided for each location and totaled \$5,477,111 in budget year one (1). Additional Contractual items for the Resilience Hubs include contractor services to provide building energy efficiency improvements necessary to decarbonize the existing community centers identified as host sites for the Resilience Hubs, including HVAC, lighting, and water heaters insulations, and windows. The cost estimates are based on project cost for projects that INCOG administers or funds with the INCOG Revolving Loan Fund that include similar sized structures and equipment upgrades. The additional contractor services for energy efficiency upgrades at the Resilience Hubs is \$2,000,000 in budget year one (1). A training services contractor to provide HUB staff and/or community members with learning opportunities related to, but not limited to Energy Efficiency, Weatherization, Emergency Preparedness, Alternative Fuels, Psychological First Aid, Community Engagement, and Resiliency is budgeted in the amount of \$80,000 per year starting in budget year two (2) with a total of \$320,000 during the last four (4) years of the grant. The total budgeted direct costs for the five (5) year grant term are \$28,000,771. The direct costs budgeted in grant year one (1) are \$8,381,404.

INCOG will review annually program participation and correlating expenditures to ensure that budgeted funds will be expended in a timely and efficient manner. INCOG proposes that the unexpended funds at the end of each budget period will roll over into the subsequent budget period until budget period year four (4). After the review of expenditures and remaining balances in budget year three (3), if it is determined that some programs are receiving more participation than others, a budget amendment will be submitted to EPA requesting to reallocate the funds from the underperforming program to those programs that are utilizing more grant resource because of their stronger participation. If after budget year four (4) there appears to be budgeted funds that will not be exhausted through incentive programs participation and operating costs, INCOG proposes two contingencies in order to address the remaining funds. The first proposal is to make any anticipated surplus funds available to install public Level 2 EV charging stations in LIDACs with a focus of placing them near multifamily housing in order to help address Oklahoma's Level 2 EV charging deficit and reduce barriers to electric vehicle adoption. If the Level 2 EV charging infrastructure installations do not adequately exhaust the surplus budgeted grant funds, the second contingency proposal is INCOG will request that the remaining funds are placed in the INCOG Revolving Loan Program to award funds to qualifying proposals that were not funded in previous Request for Proposals solicited by INCOG.

Five-Year INCOG GHG Reduction Strategy Budget for CPRG Implementation Grant

BUDGET BY YEAR							
COST-TYPE	CATEGORY	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Direct Costs	TOTAL PERSONNEL	\$470,000	\$484,100	\$498,623	\$513,582	\$528,989	\$2,495,294
	TOTAL FRINGE BENEFITS	\$291,165	\$299,900	\$308,897	\$318,164	\$327,709	\$1,545,835
	TOTAL TRAVEL	\$21,428	\$21,588	\$21,588	\$21,588	\$21,588	\$107,780
	TOTAL EQUIPMENT	\$0	\$0	\$0	\$0	\$0	\$0
	TOTAL SUPPLIES	\$25,500	\$11,500	\$11,500	\$11,500	\$9,000	\$69,000
	TOTAL CONTRACTUAL	\$7,477,111	\$1,871,000	\$1,881,000	\$1,866,000	\$1,861,000	\$14,956,111
	TOTAL OTHER	\$100,200	\$1,917,700	\$2,117,700	\$1,917,700	\$1,917,700	\$7,971,000
	TOTAL DIRECT	\$8,385,404	\$4,605,788	\$4,839,308	\$4,648,534	\$4,665,986	\$27,145,019
	TOTAL INDIRECT	\$164,952	\$169,900	\$174,997	\$180,247	\$185,655	\$ 875,751
TOTAL FUNDING		\$8,550,356	\$4,775,688	\$5,014,305	\$4,828,781	\$4,851,641	\$28,020,771

BUDGET BY PROJECT			
Project Number	Project Name	Total Cost	% of Total
1	Resilience Hubs	\$9,965,752	36%
2	Weatherization and EE Program	\$3,144,000	11%
3	Electric Vehicle and Equipment	\$1,000,000	4%
4	Neighborhoods	\$3,150,000	11%
5	Energy Efficiency Building Code	\$120,000	0%
6	Revolving Loan	\$4,000,000	14%
7	WRRC Program	\$2,270,188	8%
8	INCOG CPRG Administration	\$4,370,831	16%
Total		\$28,020,771	100%