

EPA CPRG Budget Narrative

CIRDA requests \$496,094,580 to implement the proposed GHG reduction measures detailed in the attached workplan. The request is presented for each of its three GHG reduction measures and includes expenses in the *Travel, Equipment, Contractual, Other, and Indirect Costs* categories for five years.

Measure #1: CIRDA Regional Building and Asset Modernization Program (\$274,986,970)

Travel: \$1,640

Travel costs include \$328 per year for Years 1-5, for a total of \$1,640. These expenses will cover the cost of mileage for travel to conduct necessary site assessments and partner engagements relevant to the implementation of the program. Mileage was calculated at a rate of \$0.655 per mile traveled and includes 500 miles of travel per year.

Contractual: \$121,635,922

Contract costs for the Rolls Royce HVAC Optimization & Submetering Pilot Project total \$486,000, all of which will be spent in Year 1. These expenses will cover the cost of Rolls Royce's completion of the project, which includes HVAC energy optimizations, ventilation rate corrections, and the installation and integration of submeters.

Contract costs for the Rolls Royce PV Solar Pilot Project total \$13,816,695 and include \$9,211,130 in Year 1, \$4,605,565 in Year 2, and \$0 in Years 3-5. These expenses will cover the cost of the installation of 10.5 MW solar within 40 acres of land, support the establishment of a public-private partnership, and help Rolls Royce to achieve zero GHG emissions throughout their operations and facilities by 2030. Rolls Royce has a tax credit of \$6 million that is credited to the total cost of the project.

Various contracts totaling \$105,583,227 will be made to a variety of private sector organizations through the CIRDA Regional Building and Asset Modernization Program's Revolving Fund. These organizations will implement pilot projects designed to achieve EPA and program goals. Pilot projects will be selected by a competitive application process, and contracts (loans) will total \$26,395,807 per year for Years 1-4 and \$0 for Year 5.

Contract costs for external evaluation assistance total \$1,000,000 and include \$200,000 per year for Years 1-5. These expenses will cover the cost of a third-party evaluator to be contracted through a procurement process in compliance with EPA standards. This evaluator will be responsible for collecting and aggregating data pertaining to program outputs and outcomes of CIRDA's three measures, including GHG emissions reductions; analyzing this data; and assisting with the development of reports to the EPA and others summarizing the outcomes described in *Section 3* of the *workplan*. This contractor will also assist with the development of the dashboard and will attend regular meetings to discuss findings.

Contract costs for grant compliance assistance total \$250,000 and include \$50,000 per year for Years 1-5. These expenses will cover the cost of a third-party grants management professional contracted through a procurement process in compliance with EPA standards. This professional will be responsible for administering program funds to eligible applicants through the revolving funds, maintaining an accounting system to record and report all grant related operations and transactions, and assisting with the preparation of financial reports and statements for the CIRDA Board and to the EPA.

Contract costs for program administration assistance total \$250,000 and include \$50,000 per year for Years 1-5. These expenses will cover the cost of a third-party administrator contracted through a procurement process in compliance with EPA standards. This administrator will be responsible for reviewing project submissions for revolving fund support, selecting eligible awardees, and providing overall program management for the CIRDA Regional Building and Asset Modernization Program.

Contract costs for technical assistance (TA) total \$250,000 and include \$50,000 per year for Years 1-5. These expenses will cover the cost of a third-party TA provider contracted through a procurement process in compliance with EPA standards. This TA provider will be responsible for supporting the development of projects eligible for funding through the revolving funds and building capacity among public sector organizations serving small and mid-sized communities in the region. This contractor will assist communities with real estate acquisition, site remediation, grant administration, and other project development needs.

Other: \$128,350,592

A subaward of \$5,382,960 will be made to the City of Indianapolis for the implementation of the City of Indianapolis Solar Upgrades Pilot Project. This project will install solar, either on the rooftop or in the parking lots of up to ten of the buildings from Indianapolis' municipal portfolio, representing more than 3,000 kW of potential solar and supporting the City's transition to renewable energy sources.. This project will cost \$350,000 in Year 1, \$5,032,960 in Year 2, and \$0 in Years 3-5.

A subaward of \$1,000,000 will be made to the Town of McCordsville for the implementation of the McCordsville Town Hall Energy Efficiency Updates Pilot Project. This project will enable the Town of McCordsville to install an energy efficient, commercially scaled HVAC system for the Town Hall building. The Town will be renovating interior spaces in 2024/2025, and this project will align with the renovation project and will cost \$1,000,000 in Year 1.

A subaward of \$6,114,000 will be made to Energy Insights for the implementation of the Energy Insights Program Pilot Project. The Energy Insights Program deploys energy monitoring starter kits to manufacturers to identify energy savings opportunities. Energy Insights will expand the program to fund the deployment of 100 additional starter kits in the Central Indiana MSA, adapt the product to focus further on GHG emissions and renewable energy integration, expand the program impacts by including natural gas monitoring and reporting, and widen the applicability of the program to include larger manufacturers and logistics facilities. This project will cost \$1,222,800 per year for Years 1-5.

A subaward of \$15,465,971 will be made to the Indianapolis Public Schools district for the implementation of the Crispus Attucks High School Energy Efficiency Renovations Pilot Project. This project will be completed in a unique collaboration with IU Health, the largest comprehensive healthcare system in the state, and will install energy efficiency upgrades in campus buildings including LED lighting, HVAC controls, boiler and chiller replacement, and window replacements. This project will cost \$1,546,597 in Year 1, \$13,919,374 in Year 2, \$0 in Years 3-5.

A subaward of \$2,100,000 will be made to the Indianapolis Arts Center for the implementation of the Indianapolis Arts Center Upgrades Pilot Project. This project will integrate energy efficiency measures to decrease GHG emissions from the overall building energy footprint through the following upgrades: window and door replacements, and HVAC and control system upgrades. In addition, this project will

install a 169-kW solar PV system to supply clean power for the Center, which offers access to six public art galleries, 17 university-quality studios, art education classes for students of all ages and skill levels, the Marilyn K. Glick School of Art, and the 9.5-acre ARTSPARK outdoor space. This project will cost \$420,000 in Year 1, \$1,680,000 in Year 2, and \$0 in Years 3-5.

Various subawards totaling \$91,433,661 will be made to a variety of public sector organizations eligible for subawards under the EPA Subaward Policy through the CIRDA Regional Building and Asset Modernization Program's Revolving Fund. These organizations will implement pilot projects designed to achieve program and EPA goals. Pilot projects will be selected via a competitive application process, and subawards will total \$22,858,415 per year for Years 1-4 & \$0 in Year 5.

A subaward of \$250,000 will be made to the Indianapolis Metropolitan Planning Organization (IMPO) for community engagement activities to be performed under the EPA CPRG grant award. These activities include the facilitation of in-person and virtual meetings, survey distribution and analysis, the coordination of a community advisory board, assistance developing an online platform for project updates and community engagement, and outreach to residents regarding training, employment, and other opportunities. These activities will cost \$50,000 per year for Years 1-5.

A subaward of \$250,000 will be made to EmployIndy for workforce ecosystem capacity building and coordination activities to be performed under the EPA CPRG grant award. These activities include partnership building, service delivery coordination, employer engagement, recruitment of residents into training pipelines, training program marketing, and education provided to employers and municipal leadership on job quality, including topics such as the Good Wages Initiative, DEIA practices, discrimination-free recruitment and hiring, safe working conditions, employee-centered cultures, and skill building. These activities will cost \$50,000 per year for Years 1-5.

A subaward of \$1,800,000 will be made to EmployIndy for workforce development program marketing, outreach and recruitment to be delivered under the EPA CPRG grant award. These activities will engage 900 LIDAC residents, connecting them to training and employment opportunities in clean energy employment sectors based on career interest, industry-informed competencies, and demonstrated knowledge, skills, and abilities. These activities will cost \$360,000 per year for Years 1-5.

A subaward of \$4,554,000 will be made to EmployIndy for a workforce development training program to be delivered under the EPA CPRG grant award. The program will train 759 students for clean energy careers in energy efficiency, such as HVAC technician roles, energy auditing, and related roles. The training costs \$6,000 per student, inclusive of personnel and instructors, classroom instruction, hands-on training, curriculum, supplies, and supportive services for program participants, including career coaching, wraparound services, training stipends, and job placement assistance. These activities will cost \$0 in Year 1, \$604,800 in Year 2, \$943,200 in Year 3, \$1,306,800 in Year 4, and \$1,699,200 in Year 5.

Indirect Costs: \$24,998,815

CIRDA is requesting support for indirect costs, to include administrative expenses supporting project coordination and reporting requirements. Using the 10% de minimis rate, these costs total \$6,430,108 in Year 1, \$7,713,005 in Year 2, \$5,223,055 in Year 3, \$5,259,415 in Year 4, and \$373,233 in Year 5, for a total of \$24,998,815. These expenses will cover the cost of project management and administrative support related to the implementation and reporting on CIRDA's proposed measures.

Measure #2: CIRDA Regional Open Space Revitalization and Connectivity Program (\$198,982,718)

Travel: \$1,640

Travel costs include \$328 per year for Years 1-5, for a total of \$1,640. These expenses will cover the cost of mileage for travel to conduct necessary site inspections and project monitoring across the region, ensuring effective implementation and stakeholder engagement. Mileage was calculated at a rate of \$0.655 per mile traveled and includes 500 miles of travel per year.

Contractual: \$63,750,000

Various contracts totaling \$62,000,000 will be made to a variety of private sector organizations through the CIRDA Regional Open Space Revitalization & Connectivity Program's Revolving Fund. These organizations will implement pilot projects designed to achieve EPA and program goals. Pilot projects will be selected via a competitive application process, and contracts (loans) will total \$15,500,000 per year for Years 1-4 and \$0 in Year 5.

Contract costs for external evaluation assistance total \$1,000,000 and include \$200,000 per year for Years 1-5. These expenses will cover the cost of a third-party evaluator to be contracted through a procurement process in compliance with EPA standards. This evaluator will be responsible for collecting and aggregating data pertaining to program outputs and outcomes, including GHG emissions reductions; analyzing this data; and assisting with the development of reports to the EPA and others summarizing the outcomes described in *Section 3* of the *workplan*. This contractor will also assist with the development of the dashboard and will attend regular meetings to discuss findings.

Contract costs for grant compliance assistance total \$250,000 and include \$50,000 per year for Years 1-5. These expenses will cover the cost of a third-party grants management professional contracted through a procurement process in compliance with EPA standards. This professional will be responsible for administering program funds to eligible applicants through the revolving funds, maintaining an accounting system to record and report all grant related operations and transactions, and assisting with the preparation of financial statements and reports for the CIRDA Board to the EPA.

Contract costs for program administration assistance total \$250,000 and include \$50,000 per year for Years 1-5. These expenses will cover the cost of a third-party administrator contracted through a procurement process in compliance with EPA standards. This administrator will be responsible for reviewing project submissions for revolving fund support, selecting eligible awardees, and providing overall program management for the CIRDA Regional Open Space Revitalization and Connectivity Program.

Contract costs for technical assistance (TA) total \$250,000 and include \$50,000 per year for Years 1-5. These expenses will cover the cost of a third-party TA provider contracted through a procurement process in compliance with EPA standards. This TA provider will be responsible for supporting the development of projects eligible for funding through the revolving funds and building capacity among public sector organizations serving small and mid-sized communities in the region. This contractor will assist these organizations with real estate acquisition, site remediation, grant administration, and other project development needs.

Other: \$117,141,740

A subaward of \$24,500,000 will be made to the City of Indianapolis for the implementation of the Brownfield Julietta Landfill Pilot Project. This project will convert the closed Julietta Landfill brownfield into 10 MW of community solar – the first-of-its-kind in the State of Indiana. The project will also reinforce the brownfield site cap to address issues of erosion and potential contamination by pollutants. This project will cost \$250,000 in Year 1, \$10,000,000 in Year 2, \$50,000 in Year 3, \$14,000,000 in Year 4, and \$200,000 in Year 5.

A subaward of \$6,498,740 will be made to the City of Indianapolis for the implementation of the Nickel Plate Pedestrian Bridge Pilot Project. This project will connect the Nickel Plate Trail across 82nd Street, one of the busiest arterial roads in Central Indiana, and provide an essential, missing link to a regional multimodal network that connects regional landmarks while promoting pedestrian mobility. This project will cost \$486,200 in Year 1, \$72,540 in Year 2, \$5,940,000 in Year 3, and \$0 in Years 4 and 5.

A subaward of \$11,600,000 will be made to the City of Indianapolis for the implementation of the Grassy Creek Trail Pilot Project. This project will provide 3.8 miles of new greenway and trail and includes restoration and reforestation of habitat along the trail, which travels through the largest wetland habitat (330-acres) in Indianapolis and connects thousands of LIDAC residents to regional parks, BRT lines and nearly 80 miles of other trails and greenways. This project will cost \$300,000 in Year 1, \$1,300,000 in Year 2, \$10,000,000 in Year 3, and \$0 in Years 4 and 5.

A subaward of \$5,362,000 will be made to Conner Prairie (a living history education nonprofit) for the implementation of the Conner Prairie Reforestation Pilot Project. This project will reforest parts of Conner Prairie, one of the most visited outdoor museums in the country, to cover approximately 140 acres of land on both the Historic Campus (Fishers side) and the Conservation Campus (Carmel side). This reforestation will result in approximately 135 trees per acre, for a total of 18,900 new trees. The project will cost \$1,340,500 in Year 1, \$1,340,500 in Year 2, \$2,681,000 in Year 3, and \$0 in Years 4-5.

A subaward of \$1,845,000 will be made to Conner Prairie for the implementation of the Conner Prairie Wetland Enhancement & Fertilization Education Program Pilot Project. This project involves the installation of nearly 80 acres of wetlands to remove nitrates and phosphates from the water throughout Conner Prairie, one of the most visited outdoor museums in the country and Indiana's first Smithsonian Affiliate. The project will cost \$369,000 in Year 1, \$1,467,000 in Year 2, and \$0 in Years 3-5.

Various subawards totaling \$62,000,000 will be made to a variety of public sector organizations eligible for subawards under the EPA Subaward Policy through the CIRDA Regional Open Space Revitalization & Connectivity Program's Revolving Fund. These organizations will implement pilot projects designed to achieve the EPA's and the program goals. Pilot projects will be selected via a competitive application process, and subawards (grants) will total \$15,500,000 per year for Years 1-4 and \$0 in Year 5.

A subaward of \$250,000 will be made to IMPO for community engagement activities to be performed under the EPA CPRG grant award. These activities include the facilitation of in-person and virtual meetings, survey distribution and analysis, the coordination of a community advisory board, assistance developing an online platform for project updates and community engagement, and outreach to residents regarding training, employment, and other opportunities. These activities will cost \$50,000 per year for Years 1-5.

A subaward of \$250,000 will be made to EmployIndy for workforce ecosystem capacity building and coordination activities to be performed under the EPA CPRG grant award. These activities include partnership building, service delivery coordination, employer engagement, recruitment of residents into training pipelines, training program marketing, and education provided to employers and municipal leadership on job quality, including topics such as the Good Wages Initiative, DEIA practices, discrimination-free recruitment and hiring, safe working conditions, employee-centered cultures, and skill building. These activities will cost \$50,000 per year for Years 1-5.

A subaward of \$1,800,000 will be made to EmployIndy for workforce development program marketing, outreach and recruitment to be delivered under the EPA CPRG grant award. These activities will engage 900 additional LIDAC residents, connecting them to training and employment opportunities in clean energy employment sectors based on career interest, industry-informed competencies, and demonstrated knowledge, skills, and abilities. These activities will cost \$360,000 per year for Years 1-5.

A subaward of \$3,036,000 will be made to EmployIndy for a workforce development training program to be delivered under the EPA CPRG grant award. The program will train 506 students for clean energy careers in renewable energy, such as solar photovoltaic installer roles, wind energy roles, and related roles. The training costs \$6,000 per student, inclusive of personnel and instructors, classroom instruction, hands-on training, curriculum, supplies, and supportive services for program participants, including career coaching, wraparound services, training stipends, and job placement assistance. These activities will cost \$0 in Year 1, \$403,200 in Year 2, \$628,800 in Year 3, \$871,200 in Year 4, and \$1,132,800 in Year 5.

Indirect Costs: \$18,089,338

CIRDA is requesting support for indirect costs, to include administrative expenses supporting project coordination and reporting requirements. Using the 10% de minimis rate, these costs total \$3,455,603 in Year 1, \$4,640,257 in Year 2, \$5,111,013 in Year 3, \$4,668,153 in Year 4, and \$214,313 in Year 5, for a total of \$18,089,338. These expenses will cover the cost of project management and administrative support related to the implementation and reporting on CIRDA's proposed measures.

Measure #3: Indianapolis Area Renewable Energy and Waste Reduction Operation (\$22,124,892)

Travel: \$1,640

Travel costs total \$1,640 and include \$328 per year for Years 1-5. These expenses will cover the cost of mileage for travel to coordinate with an array of stakeholders, including restaurants, grocery stores, and dairy farms, for the implementation of the operation. Mileage was calculated at a rate of \$0.655 per mile traveled and includes 500 miles of travel per year.

Equipment: \$12,000,000

Equipment costs total \$12,000,000 and include \$8,000,000 in Year 3 and \$4,000,000 in Year 4 and \$0 in all other years. These expenses will cover the cost of anaerobic digester equipment and materials, including heat exchangers and a combined heat and power engine to generate renewable electrical power from biogas.

Contractual: \$7,654,500

Contract costs for the Indianapolis Area Renewable Energy and Waste Reduction Operation total \$7,654,500 and include:

- A contract for food waste collection and transportation, the costs for which include \$0 in Years 1-2, \$220,000 in Year 3, \$110,000 in Year 4, and \$54,500 in Year 5. These expenses total \$384,500 and will cover the cost of a third-party contractor to collect food waste from various sites around Central Indiana and transport them to the anaerobic digester for biodegradation and the related production of biogas.
- A contract for the design and installation of the anaerobic digester, the costs for which include \$80,000 in Year 1, \$1,400,000 in Year 2, \$2,000,000 in Year 3, \$1,400,000 in Year 4, and \$0 in Year 5, for a total of \$4,880,000. These expenses will cover the cost of a third-party contractor to design and install the digester on-site and ensure it is operating correctly.
- A contract for the distribution of renewable gas/electricity from the digester to other sites, the costs for which include \$80,000 in Year 1, \$0 in Years 2-3, \$20,000 in Year 4, and \$40,000 in Year 5, for a total of \$140,000. These expenses will cover the cost of distributing biogas and electricity produced from it to surrounding areas.
- A contract for the annual operation and maintenance of the anaerobic digester, the costs for which include \$0 in Years 1-3, \$500,000 in Year 4, and \$1,500,000 in Year 5, for a total of \$2,000,000. These expenses will cover the cost of a third-party contractor to operate and maintain the digester over time.

Contract costs for external evaluation assistance total \$250,000 and include \$50,000 per year for Years 1-5. These expenses will cover the cost of a third-party evaluator to be contracted through a procurement process in compliance with EPA standards. This evaluator will be responsible for collecting and aggregating data pertaining to program outputs and outcomes, including GHG emissions reductions; analyzing this data; and assisting with the development of reports to the EPA and others summarizing the outcomes described in *Section 3* of the *Workplan*. This contractor will also assist with the development of the dashboard and will attend regular meetings to discuss findings.

Other: \$0

Indirect Costs: \$2,468,752

CIRDA is requesting support for indirect costs, to include administrative expenses supporting project coordination and reporting requirements. Using the 10% de minimis rate, these costs total \$61,533 in Year 1, \$238,158 in Year 2, \$1,270,208 in Year 3, \$691,183 in Year 4, and \$207,670 in Year 5, for a total of \$2,468,752. These expenses will cover the cost of project management and administrative support related to the implementation and reporting on CIRDA's proposed measures.

Collectively, the funding allows CIRDA to fully implement its proposed GHG emissions reduction measures, thereby addressing current environmental issues, strengthening Central Indiana's economy, and leading the state to consider more progressive environmental policies.