

## Section 7: Budget

### a. Budget Detail

#### **Personnel (\$731,684)**

- **Program Director – Emily Paskett:** Salt Lake County’s Environmental Program Manager will lead and oversee all GAHP project activities and GAHP staff, as the GAHP Program Director. Throughout the five-year performance period, 15% of Emily’s time will be allocated to and funded by GAHP. Annual Salary of @\$99,840/yr with COLA increases each year. (\$81,115).
- **Funding Manager – Joshua Navarez:** Salt Lake County’s Housing Trust Fund Manager will be responsible for the application and funding phases and associated tasks of GAHP, as the GAHP Funding Manager. A percentage of Joshua’s position has been frontloaded as most of the tasks associated with his position will be accomplished in the first three years. Throughout the five-year performance period, 35% of Josh’s time will be allocated to and funded by GAHP. Annual Salary of \$80,990.21/yr with COLA increases each year. (\$153,534).
- **Project Manager – Vacant:** This position will be filled once the project is awarded. The entire amount of the Project Managers Salary and Fringe have been budgeted to be covered by GAHP funding. The Project Manager will manage the project design, outreach, application, funding and evaluation phases and associated tasks of the grant program. Annual Salary of \$89,440/yr with COLA increases each year. (See Section 3: Environmental Results for more information). (\$484,436).
- **Loan Compliance Coordinator – Caitlin Lea:** Salt Lake County’s Loan Compliance Coordinator oversees loan compliance and will approve loans for eligible uses for all-electric technologies. In Years 3-5, 5% of her position will be funded through GAHP. Annual Salary of \$80,720.24/yr with COLA increases each year. (\$12,599).

#### **Fringe Benefits: (\$329,258)**

The fringe benefits for each personnel listed below includes Medical/Health Insurance, Retirement Benefits, Disability Insurance, Workers Compensation, Medicare, cost of leave, training and development. The rate used for each position is 45% and is based on an average of Salt Lake County employees fringe rates. The exact rate for each position may change, due to the variability of benefits plan the employee chooses to participate in.

- **Program Director – Emily Paskett:** \$36,502.
- **Funding Manager – Joshua Navarez:** \$69,090.
- **Project Manager – Vacant:** (Direct Cost: \$217,996.
- **Loan Compliance Coordinator – Caitlin Lea:** \$5,669.

#### **Travel: (\$393)**

Local mileage reimbursement calculated at \$0.655/mile for site visits conducted by the project manager, funding manager, or program director. Years 4 and 5 were budgeted for 300 miles per year.

#### **Equipment (\$0)**

Equipment costs are not budgeted.

### Supplies (\$24,200)

- **Computer** purchased for project manager for project activities. Computers are purchased every 3-years, so two computers are budgeted at \$2,700/year, one for Year 1 and a replacement at Year 4 in accordance with SLCo policy. (\$5,400).
- **Cell phone** purchased for project manager for project activities and monthly operating costs. Cell phone would be purchased one time (\$600 allotted for average cell phone) and phone bill is budgeted at \$70/month. (\$4,800).
- **Software & Subscriptions** include access to Adobe, Microsoft, and Smartsheet, which the team will use for project management, reporting and evaluation. (\$12,500).
- **In-person meeting supplies** for about 5 meetings per year, such as refreshments and office supplies. (\$1,500)

### Contractual (\$600,000)

Consultant to provide technical assistance to builders, developers, design engineers, contractors, and/or energy consultants to implement all-electric building technologies and electric vehicle infrastructure. Role description is included in Other Attachments. Scope of Work contracts are issues after the competitive RFA process. Assumes an average cost of \$100/hour for 6,000 hours over the course of the performance period. The funding will be spent in Years 1-3.

### Other (\$7,388,080)

As an eligible Participant Support Cost, SLCo will issue low interest, patient capital loan funding with lenient repayment terms, ideal for incenting solutions to affordable housing and air quality. Loans will be made in compliance with all CPRG funding and SLCo contracts, procurement, accounting, and auditing policies and procedures.

Developers will be eligible for GAHP Developer Loan Incentives of up to \$14,776 per unit of planned all-electric technologies, as outlined below. Developers will determine their funding needs through the described RFA process, rather than strictly offering one-size-fits-all loans. Some Developers will utilize LIHTC and/or Rocky Mountain Power incentives and will not require the full \$14,776 per unit loan funding. Some Developers will not have supplementary funding options and will be eligible for the full \$14,776 per unit loan. **A minimum of 500 units of each required technology has been budgeted to be funded through this project.** Developer loan repayments will reenter the GAHP loan ecosystem and become available to fund additional loans throughout the lifetime of the project. SLCo will create a revolving loan fund. Repayment will be coded to the RLF, so they are not considered or treated as program income.

Funds disbursed under the CPRG are subject to Davis Bacon Prevailing Wage requirements and to Build America, Buy America (BABA). Within GAHP, these requirements will specifically apply to clean energy technologies and include the following ENERGYSTAR NextGen™ and GAHP project requirements:

1. Dwelling Unit Space Heating and Cooling
  - a. Requirement: A multi-speed ENERGY STAR certified connected heat pump.
  - b. Budget: \$2,922,000 @ \$5,844/unit.
    - i. GAHP has budgeted for a ductless mini-split heat pump, wall-mounted interior unit, 2-ton 30 SEER/15 EER, 14 HSPF per unit (for a minimum of 500 units). This high efficiency and cold climate specific technology will offer the highest level of comfort, both for heating and cooling, to the end-user residents. We acknowledge that many cold-climate mini-split technologies are less expensive,

- thus will allow GAHP to provide funding to additional units in addition to the outlined minimum of 500 units.
- ii. Associated technology support costs budgeted include Concrete pad, precast; Refrigerant piping and refrigerant; Miscellaneous supplies; Thermostat & wiring; and New electrical circuits to equipment.
2. Dwelling Unit Water Heating
- a. Requirement: An ENERGY STAR certified connected heat pump water heater
  - b. Budget: \$1,100,000 @ \$2,200/unit.
    - i. GAHP has budgeted for a unitized 50gal heat pump water heater in outdoor closet 3.4 UEF, NEEA Tier 3 per unit (for a minimum of 500 units). We acknowledge that many heat pump water heaters are less expensive, thus will allow GAHP to provide funding to additional units in addition to the outlined minimum of 500 units.
    - ii. Associated technology support costs budgeted include Miscellaneous supplies; Connection/modification of hot water piping, including valves; Condensate piping; and New electrical circuits to equipment.
3. Cooking
- a. Requirement: An electric cooktop and oven
  - b. Budget: \$1,112,500 @ \$2,225/unit.
    - i. GAHP has budgeted for an integrated induction range and electric oven per unit (for a minimum of 500 units). Induction range and electric ovens are the most efficient, and most expensive integrated cooking appliance. We acknowledge that many electric cooktops and ovens (rather than the induction cooktop and oven) are less expensive, thus will allow GAHP to provide funding to additional units in addition to the outlined minimum of 500 units.
    - ii. Associated technology support costs budgeted include Miscellaneous supplies and New electrical circuits to equipment.
4. Clothing Dryer
- a. Requirement: An electric clothing dryer
  - b. Budget: \$937,500 @ \$1,875/unit.
    - i. GAHP has budgeted for a heat pump dryer per unit (for a minimum of 500 units). Heat pump dryers are the most efficient, and most expensive clothing dryer on the market. We acknowledge that other electric clothing dryers (rather than heat pump dryers) are less expensive, thus will allow GAHP to provide funding to for units in addition to the outlined minimum of 500 units.
    - ii. Associated technology support costs budgeted include Miscellaneous supplies and New electrical circuits to equipment.
5. Electric Vehicle Charging Infrastructure
- a. Requirement: Electric vehicle charging capability
  - b. Budget: \$524,500 @ \$1,049/unit.
    - i. GAHP has budgeted for 1 EV-Ready parking stall per unit (for a minimum of 500 units). EV-Ready parking stall will include a full circuit installation including 208/240V, 40-amp panel capacity, raceway, wiring, receptacle, and overprotection devices similar to a dryer circuit. We acknowledge that electric vehicle charging infrastructure is variable, thus allowing GAHP to provide funding to additional units in addition to the outlined minimum of 500 units.

The technology costs in the GAHP budget reflect the estimated full cost to install a given piece of equipment in a newly constructed residential building, including primary equipment, complementary parts (e.g., wiring or piping), and a 6% inflation addition per year. Budgeted amounts were based on the estimated technology costs from Energy+Environmental Economics' (E3's) report, "Economics of All-Electric New Construction in Utah," Complete cost details are available in spreadsheet format in the accompanying Utah BE Study Capital Cost Source Data zip file (<https://www.ethree.com/economics-of-all-electric-new-construction-in-utah/>).

#### **Indirect Costs (\$907,361)**

A negotiated indirect cost rate agreement is not in place. Indirect cost is calculated at 10% of the total program cost of \$9,073,614.

**The budget spreadsheet** is submitted as an attachment: Budgetcalcs\_SaltLakeCounty.

#### **b. Expenditure of Awarded Funds**

The GAHP budget was developed following the general criteria allowable for Federal grant awards and the generally accepted accounting principles (GAAP), ensuring financials are accurately recorded and managed. SLCo accurately maintains all financial records using the accrual method. SLCo financial management systems meet the requirements as described in 45 CFR Part 75.

SLCo has the appropriate internal controls in place for checks, balances, and honest accounting processes. Monthly reconciliations are conducted to ensure errors are identified and rectified to produce accurate reports. Prepared financial statements are always presented fairly in all material respects in accordance with GAAP.

SLCo demonstrates the capability, experience, and capacity to successfully implement GAHP by managing a \$39 million budget of grants, loans, revolving loans, ARPA, CDBG, and HOME fund rehabilitation programs within this portfolio. Additionally, SLCo received the Government Finance Officers Association Certificate of Achievement award for Excellence in Financial Reporting for the year end 2022 comprehensive financial report holds a prestigious Triple-A bond rating, ranking it among the top 1.3% of counties nationwide. Accounting measures that uphold this rating are required for all programs and specifically includes established accounting measures and financial controls established for the administration and distribution of loans. GAHP is required to operate by these established policies and procedures.

SLCo's annual financial reports, which comply with accounting requirements set by Government Accounting Standards Board (GASB), may be viewed at <https://slco.org/finance/financial-reports--publications2/annual-financial-reports/>.

GAHP is further required to comply with SLCo procurement policy and process to hire contractors. Contractor licenses are verified during the previously described RFA process and are diligently rechecked prior to every job.

GAHP loans will be made in compliance with all CPRG funding and SLCo contracts, procurement, accounting, and auditing policies and procedures. To ensure grant funds are expended in a timely and efficient manner within the grant period, GAHP will also follow the established and successful HTF RFA approval process, described in the narrative, which efficiently moves RFA approvals through the established and required SLCo checks and balances systems.

c. Reasonableness of Costs

SLCo demonstrates the reasonableness of cost through the descriptions included in a. Budget Detail, included below, and supplemented by the relation of each budget item/cost to the project narrative and the GAHP GHG Reduction Measure.

**Personnel (\$731,684) and Fringe Benefits (\$329,258)**

- **Program Director – Emily Paskett:** Salt Lake County’s Environmental Program Manager will lead and oversee all GAHP project activities and GAHP staff, as the GAHP Program Director. Throughout the five-year performance period, 15% of Emily’s time will be allocated to GAHP. Annual Salary of @\$99,840/yr with COLA increases each year. (Personnel \$81,115 and Fringe \$36,502). **The Program Director is essential to the oversight of the entire GAHP Work Plan, which meets the GAHP GHG Reduction Measure.**
- **Funding Manager – Joshua Navarez:** Salt Lake County’s Housing Trust Fund Manager will be responsible for the application and funding phases and associated tasks of GAHP, as the GAHP Funding Manager. A percentage of Joshua’s position has been frontloaded as most of the tasks associated with his position will be accomplished in the first three years. Throughout the five-year performance period, 35% of Josh’s time will be allocated to GAHP. Annual Salary of \$80,990.21/yr with COLA increases each year. (Personnel \$153,534 and Fringe \$69,090). **The Funding Manager is essential to the oversight and implementation of the GAHP Application and Funding Phases, which meets these elements of GAHP GHG Reduction Measure.**
- **Project Manager – Vacant:** This position will be filled once the project is awarded. The entire amount of the Project Managers Salary and Fringe have been budgeted to be covered by GAHP funding. The Project Manager will manage the project design, outreach, application, funding and evaluation phases and associated tasks of the grant program. Annual Salary of \$89,440/yr with COLA increases each year. (See Section 3: Environmental Results for more information). (Personnel \$484,436 and Fringe \$217,996). **The Project Manager is the only GAHP 1.0 FTE and is essential to the implementation of the entire GAHP Work Plan, which meets the GAHP GHG Reduction Measure.**
- **Loan Compliance Coordinator – Caitlin Lea:** Salt Lake County’s Loan Compliance Coordinator oversees loan compliance and will approve loans for eligible uses for all-electric technologies. In Years 3-5, 5% of Caitlin’s time will be allocated to GAHP. Annual Salary of \$80,720.24/yr with COLA increases each year. (Personnel \$12,599 and Fringe \$5,669). **The Loan Compliance Coordinator is essential to the administration and compliance of GAHP Developer Loan incentives, an element which meets the GAHP GHG Reduction Measure.**

**Travel: (\$393)**

Local mileage reimbursement calculated at \$0.655/mile for site visits conducted by the project manager, funding manager, or program director. Years 4 and 5 were budgeted for 300 miles per year. **Mileage reimbursement is essential to ensure staff complete GAHP project site visits to ensure proper implementation of and compliance with the GAHP Work Plan, which is required to meet the GAHP GHG Reduction Measure.**

### Equipment (\$0)

Equipment costs are not budgeted.

### Supplies (\$24,200)

- **Computer** purchased for project manager for project activities. Computers are purchased every 3 years, so two computers are budgeted at \$2,700/year, one for Year 1 and a replacement at Year 4 in accordance with SLCo policy. (\$5,400). **Computers are essential to staff function, capability, and implementation of the GAHP Work Plan, which is required to meet the GAHP GHG Reduction Measure.**
- **Cell phone** purchased for project manager for project activities and monthly operating costs. Cell phones would be purchased one time (\$600 allotted for average cell phone) and phone bill is budgeted at \$70/month. (\$4,800). **Cell phones are essential to staff function, capability, and implementation of the GAHP Work Plan, which is required to meet the GAHP GHG Reduction Measure.**
- **Software & Subscriptions** include access to Adobe, Microsoft, and Smartsheet which the team will use for project management, reporting and evaluation. (\$12,500). **Software and subscriptions are essential to staff function, capability, and implementation of the GAHP Work Plan, which is required to meet the GAHP GHG Reduction Measure.**
- **In-person meeting supplies** for about 5 meetings per year, such as refreshments and office supplies. (\$1,500). **Meeting supplies are essential to staff function, capability, and implementation of the GAHP Work Plan, which is required to meet the GAHP GHG Reduction Measure.**

### Contractual (\$600,000)

The Technical Assistance Consultant (TAC) will provide technical assistance to builders, developers, design engineers, contractors, and/or energy consultants to implement all-electric building technologies and electric vehicle infrastructure. Role description is included in Other Attachments. Scope of Work contracts are issues after the competitive RFA process. Assumes an average cost of \$100/hour for 6,000 hours over the course of the performance period. The funding will be spent in Years 1-3. (\$600,000). **The TAC is essential to overcome the barriers of all-electric construction and the implementation of the GAHP Work Plan, which meets the GAHP GHG Reduction Measure.**

### Other (\$7,388,080)

As an eligible Participant Support Cost, SLCo will issue low interest, patient capital loan funding with lenient repayment terms, ideal for incenting solutions to affordable housing and air quality. Loans will be made in compliance with all CPRG funding and SLCo contracts, procurement, accounting, and auditing policies and procedures.

Developers will be eligible for GAHP Developer Loan Incentives of up to \$14,776 per unit of planned all-electric technologies, as outlined below. Developers will determine their funding needs through the described RFA process, rather than strictly offering one-size-fits-all loans. Some Developers will utilize LIHTC and/or Rocky Mountain Power incentives and will not require the full \$14,776 per unit loan funding. Some Developers will not have supplementary funding options and will be eligible for the full \$14,776 per unit loan. **A minimum of 500 units of each required technology has been budgeted to be funded through this project.** Developer loan repayments will reenter the GAHP loan ecosystem and



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    - ii. Associated technology support costs budgeted include Miscellaneous supplies and New electrical circuits to equipment.
4. Clothing Dryer
  - g. Requirement: An electric clothing dryer
  - h. Budget: \$937,500 @ \$1,875/unit.
    - i. GAHP has budgeted for a heat pump dryer per unit (for a minimum of 500 units).

Heat pump dryers are the most efficient, and most expensive clothing dryer on the market. We acknowledge that other electric clothing dryers (rather than heat pump dryers) are less expensive, thus will allow GAHP to provide funding for units in addition to the outlined minimum of 500 units.

- ii. Associated technology support costs budgeted include Miscellaneous supplies and New electrical circuits to equipment.

5. Electric Vehicle Charging Infrastructure

- i. Requirement: Electric vehicle charging capability

- j. Budget: \$524,500 @ \$1,049/unit.

- i. GAHP has budgeted for 1 EV-Ready parking stall per unit (for a minimum of 500 units). EV-Ready parking stall will include a full circuit installation including 208/240V, 40-amp panel capacity, raceway, wiring, receptacle, and overprotection devices similar to a dryer circuit. We acknowledge that electric vehicle charging infrastructure is variable, thus allowing GAHP to provide funding to additional units in addition to the outlined minimum of 500 units.

**The technology costs in the GAHP budget reflect the estimated full cost to install a given piece of equipment in a newly constructed residential building, including primary equipment, complementary parts (e.g., wiring or piping), and a 6% inflation addition per year.** Budgeted costs were based on the estimated technology costs from Energy+Environmental Economics' (E3's) report, "Economics of All-Electric New Construction in Utah," Complete cost details are available in spreadsheet format in the accompanying Utah BE Study Capital Cost Source Data zip file (<https://www.ethree.com/economics-of-all-electric-new-construction-in-utah/>).

**The technologies described in Other are essential to the implementation of the GAHP Work Plan, overcoming barriers of all-electric construction, and meeting the GAHP GHG Reduction Measure.**

**Indirect Costs (\$907,361)**

A negotiated indirect cost rate agreement is not in place. Indirect cost is calculated at 10% of the total program cost of \$9,073,361. **Indirect costs are all other costs incurred by the recipient for a common or joint purpose that benefit more than one cost objective and are not readily assignable to specific cost objectives as a direct cost.** Indirect Cost supports the SLCo people, policies, and procedures that allow GAHP to operate, such as executive oversight, payroll, Human Resources, fiscal and accounting requirements, and compliance, without which GAHP could not be implemented, nor could the proposed GHG Reduction Measure be reached.