



(Revised 03/2024-City Manager)

CITY OF WACO

Resolution

Council Date:	Originating Department:	Presentation By:	Reference #:
03/19/2024	City Manager	Charles Dowdell	RES-2024-152

Item:

Consider a resolution: (1) approving the submission of a Grant Application Package for the United States Environmental Protection Agency Climate Pollution Reduction Discretionary Grant Program (Implementation General Competition Grant) for Fiscal Year 2024-2025 in an amount of \$56,825,701.00 for a solar utility facility; a landfill gas wellfield expansion to support a future landfill gas beneficial use plant; electric vehicle recycling trucks and electric vehicle charging station; new recycling center for expanded recycling and diversion operations; emergency backup generators at the South Waco, Combined Multi-Purpose, Doris Miller, and Dewey Community Centers, and the Animal Shelter; electric vehicle charging stations at various locations in Waco; and City of Waco administration expenditures; (2) appropriating the funds for use in accordance with the grant contract upon award; and (3) authorizing the City Manager to accept said grant and execute any documents and furnish additional information or documentation deemed necessary for implementing said grant program and related matters.

Background:

In September 2023, the United States Environmental Protection Agency ("EPA") released Notice of Funding Opportunities for Climate Pollution Reduction Grants - Implementation Grants General Competition ("CPRG") to aid in the reduction of greenhouse gases ("GHG") and carbon emissions from numerous sources. The funding available for this competition grant is up to \$4.6 billion for this two-year program starting in 2022.

The grants are intended to provide eligible applicants funding to implement "GHG reduction measures" identified in a Priority Climate Action Plan ("PCAP") developed under a CPRG Planning Grant. Municipalities that did not have a PCAP and did not directly receive a planning grant (such as the City of Waco) are eligible to apply if the projects were included in one or more greenhouse reduction measures in an entity that did have a PCAP.

The Texas Commission on Environmental Quality ("TCEQ") did receive a CPRG award and had a Draft Priority Climate Action Plan. Communications with TCEQ staff confirm the proposed greenhouse reduction and carbon emissions reduction projects proposed by City staff are within the scope of their plan and are therefore eligible. A Priority Climate Pollution Reduction Plan prepared by the North Texas Council of Governments, dated March 1, 2024 also lists projects detailed in the Waco grant application and is synergistic with the proposed infrastructure. The grant application includes: \$6,129,524 for five years of City of Waco staff administration expenditures.

These proposed projects fall within three Sectors of Implementation Funding: "Waste, Water and Sustainable Materials Management Sector," "Electric Power," and "Transportation Sector."

The proposed projects have a common implementation strategy to reduce carbon emissions and greenhouse gases, though they have differing technologies employed.

There is no cost share requirement from the City of Waco to apply and receive the funding for this grant.

The projects would achieve the following City of Waco Strategic Goals and related objectives:

1. Improve Infrastructure.
2. Build a High Performing Government by increasing revenue.
3. Enhance Quality of Life.
4. Support Sustainability.
5. Creating a culture of equity and inclusion.
6. Generate revenue by sale of electric power, sale of excess heat, or sale of treated landfill gas.
7. Significantly Reduce Greenhouse Gases (Methane, Carbon Dioxide and Non-methane Organic compounds), resulting in environmental benefits to Waco and surrounding communities.

The grant request includes detailed engineering and economic studies, engineering design, bidding assistance, construction and first year operational startup and operations.

The grant requests funding for:

- \$3,014,000 for Two Electric Vehicle ("EV") Recycling Trucks and a Charging Station to be located at the Solid Waste Operations Center (501 Schroeder Drive). The EV Recycling Trucks are intended for use in the Waco downtown area where they will provide a cost-effective alternative to the diesel powered trucks that have frequent "stop-and-go" collections that burn excessive fuel. The EV Recycling Trucks are "zero-emission" trucks, although they have far less capacity than the diesel models. However, the downtown area is a neighborhood of Waco where the EV Recycling Trucks capacity fits the volume of recyclable intake, making them cost-effective.
- \$6,855,587 for Electric Vehicle Charging Stations at the Multi-Purpose Center, East Waco Library, Bledsoe-Miller Community Center, Waco Convention Center, Dewey Community Center, Waco Welcome Center, Central Waco Library, Harrison Community Center, South Waco Community Center, and South Waco Library encompassing multiple locations that originally were a part of the Charging and Fueling Infrastructure package to the Federal Highway Transportation Administration, but were subsequently not awarded.
- \$5,573,600 for recycling operations at location to be determined. As the Recycling Center closes at the City Landfill, an alternative location is needed to continue to offer these services in that area of Waco. Early in the history of Waco, there were three recycling centers. That was eventually dropped to one, then expanded to two with the addition of the Recycling drop-off center at the City Landfill.
- \$3,763,200 for Backup Generators at the Multi-Purpose, Doris Miller, South Waco, Animal Shelter, and Dewey Centers. The Community Center Generators were a part of a design-bid-build project using American Rescue Plan Act ("ARPA") funding. However, recent bid estimates from the firm contracted to work on this project were higher than expected. In order to provide another source of funding, the more costly centers have been integrated into this EPA request application. The remaining community centers will be developed using the ARPA funds available.
- \$24,945,760 for a Solar Utility on a 6-acre portion of the City Landfill. Resolution No. 2023-833, approved by Council October 3, 2023, initiated a feasibility study of a green infrastructure solar utility system at closed landfill sites. The scope of this study will determine the most suitable layout for a solar array, and various technical assessments, including landfill analyses, electrical infrastructure analyses, solar sizing analyses, community solar feasibility assessment, "behind the meter" solar feasibility

assessment, avoided utility costs analyses, project costs, purchase agreement evaluation and reporting.

- \$4,303,500 for wellfield expansion of the landfill gas system to support the beneficial use plant submitted for approval separately in this Council Meeting.
- \$1,240,500 or first year operating costs for the solar utility plant.

The grand total of the grant request is \$56,825,701.00.

Under a separate Resolution (RES 2024-171) to this Council meeting is a Landfill gas to Energy beneficial use study by HDR that includes include the following:

- Process and sale of LFG as a medium-BTU fuel to a local industrial user.
 - Process and sale of LFG as a high-BTU fuel and export to a local natural gas pipeline.
 - Onsite electrical generation with the generated power being exported to the electrical grid for sales.
 - Other options presented by proposers will be reviewed on a case-by-case basis.

This is a synergistic program that will complement the grant.

Waste_to_Energy_and Solar_Utility_Locations (PDF)

EV Charging Locations CPRG (PDF)

Resolution (DOCX)

Fiscal Impact:

Procurement of goods, equipment, supplies and services will follow EPA's "Best Practice Guide for Procuring Services, Supplies, and Equipment", "EPA Guidance on Participant Support Costs", and City of Waco Purchasing Policies. No cost share is required for the city. If the grant is awarded, a cost account number will be established for expenditures.

Project Schedule:

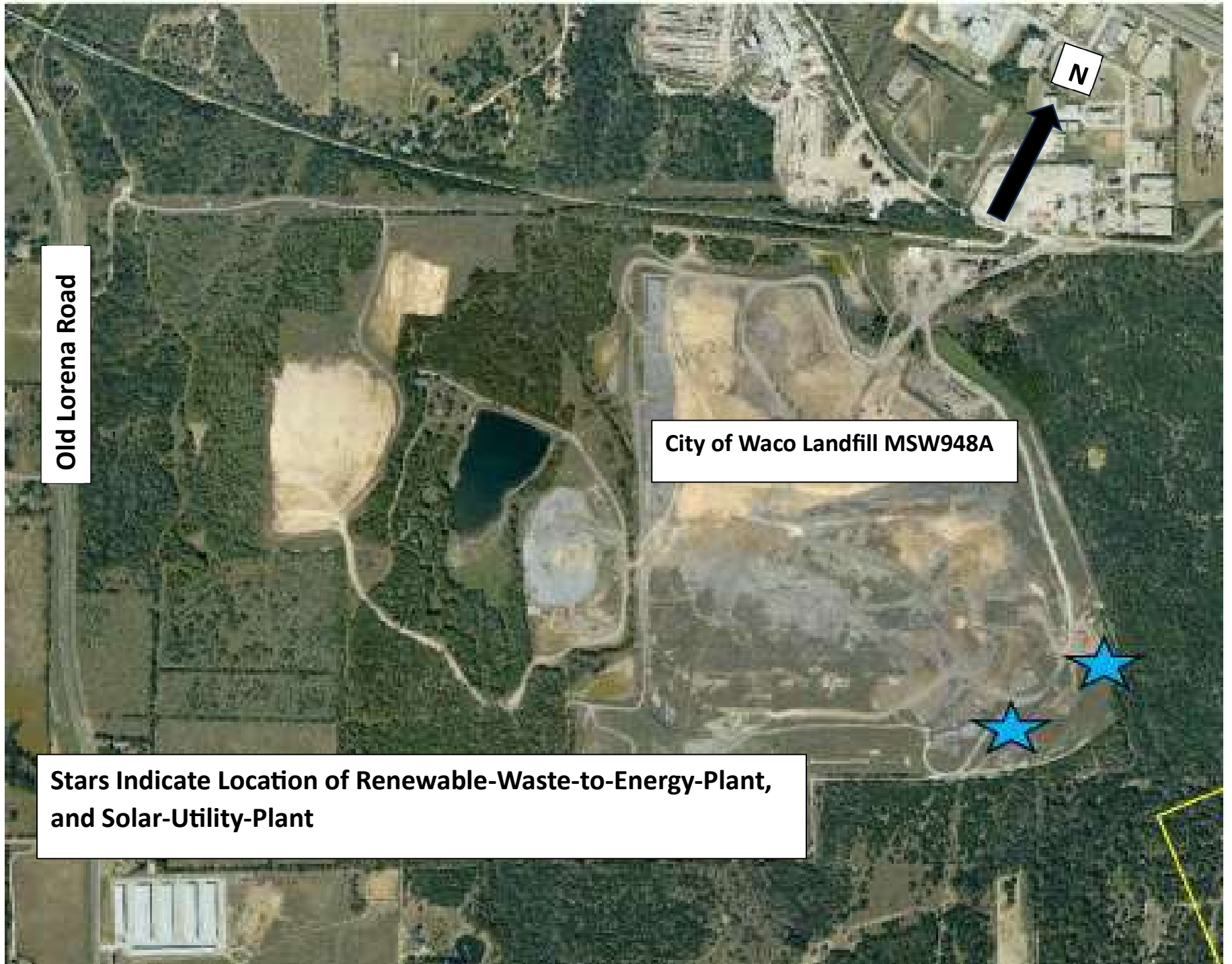
The grant application deadline is April 1, 2024, and the anticipated award date is October 2024. Detailed schedules will be developed if the grant is awarded to the City of Waco.

Old Lorena Road

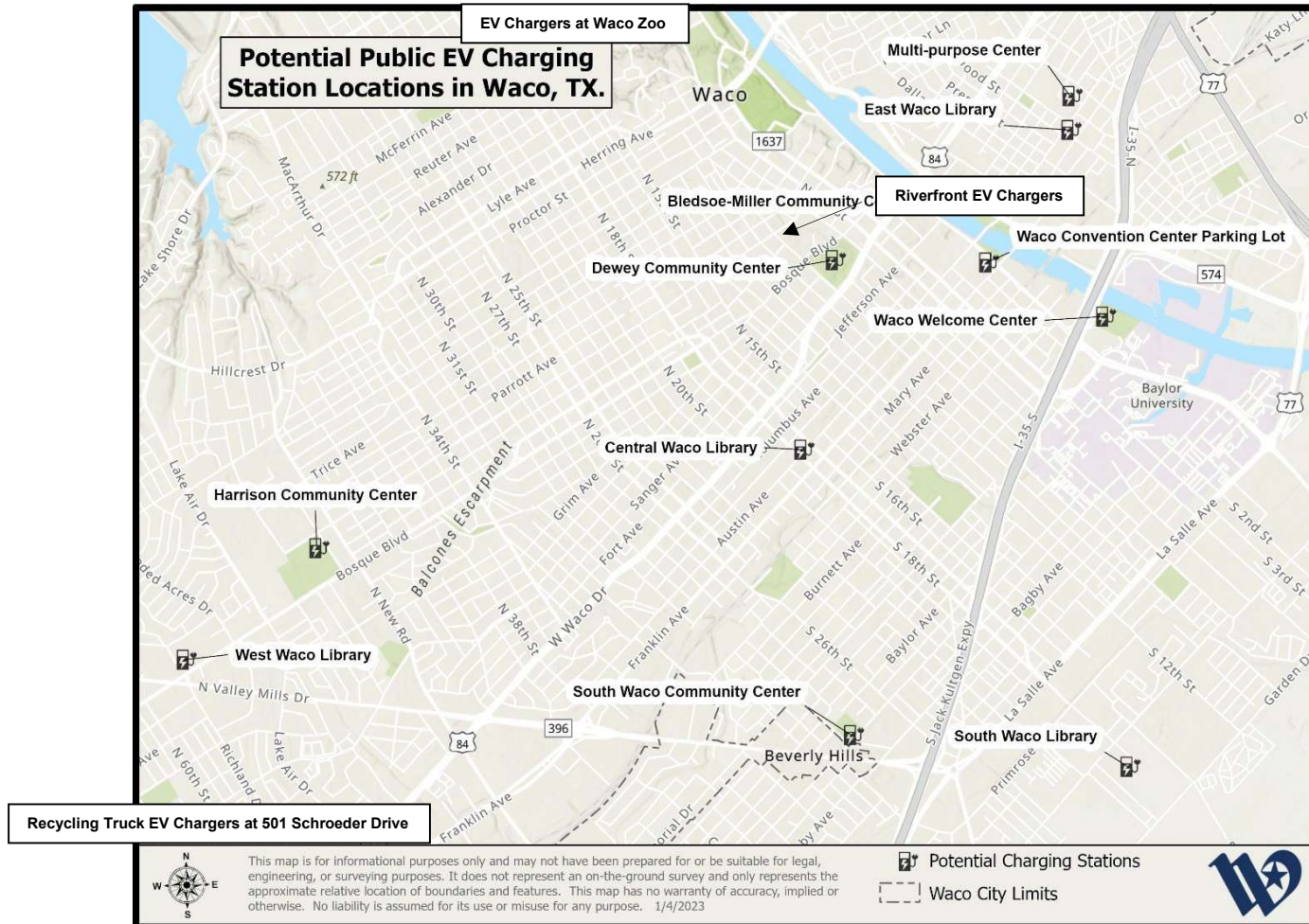
City of Waco Landfill MSW948A

**Stars Indicate Location of Renewable-Waste-to-Energy-Plant,
and Solar-Utility-Plant**

N



Potential Sites in the City of Waco



RESOLUTION NO. 2024-152

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WACO, TEXAS:

That the submission of a Grant Application Package for the United States Environmental Protection Agency Climate Pollution Reduction Discretionary Grant Program (Implementation General Competition Grant) for Fiscal Year 2024-2025 in an amount of \$56,825,701.00 for a solar utility facility; a landfill gas wellfield expansion to support a future landfill gas beneficial use plant; electric vehicle recycling trucks and electric vehicle charging station; new recycling center for expanded recycling and diversion operations; emergency backup generators at the South Waco, Combined Multi-Purpose, Doris Miller, and Dewey Community Centers, and the Animal Shelter; electric vehicle charging stations at various locations in Waco; and City of Waco administration expenditures is hereby approved.

That the funds are hereby appropriated for use in accordance with the grant contract upon award.

That the City Manager is authorized to accept said grant and execute any documents and furnish additional information or documentation deemed necessary for implementing said grant program and related matters.

That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place and purpose of said meeting was given as required by law.

PASSED AND APPROVED this 19th day of March 2024.

Dillon Meek, Mayor
City of Waco, Texas

ATTEST:

Michelle Hicks, City Secretary

APPROVED AS TO FORM & LEGALITY:

Jennifer Richie, City Attorney