

John Galusha, Chairman
Arica Andreatta, Commissioner
Karl Sporleder, Commissioner



HUERFANO COUNTY GOVERNMENT GRANT APPROVAL MEMORANDUM

Date: December 12, 2023
To: Huerfano County Board of County Commissioners
From: Carl Young, County Administrator
Re: Colorado Energy Office – Public Building Electrification Grant
Attachments: Application Summary

Summary: This is a request to apply for Colorado Energy Office’s Public Building Electrification Grant in the total amount of \$720,750. The grant requires a 25% match of \$240,250 for a total project cost of \$961,000. This grant will (1) replace the existing gas-heat, evaporative cooling unit on the Fox with a new heat-pump heating/DX-cooling system; (2) replace the existing gas-fired boiler and baseboard heaters at 129 Kansas with a new Variable Refrigerant Flow (VRF) system; and (3) replace the existing gas-fired domestic hot water heater at 129 Kansas with a new heat pump hot water heater. Match for these grants will come from the already awarded DOLA Energy Impact Grants for both 129 Kansas and the Fox.

Requested Motion/Action:

Motion to approve the application for the Colorado Energy Office Public Building Electrification Grant in the amount of \$720,750 with an additional \$240,250 in match from the County.

Grant Program:

The Public Building Electrification Grant (PBEG) Program was created by HB 22-1362, to promote greenhouse gas emissions (GHGs) reductions from public buildings in the State of Colorado (State). Emissions from heating buildings are one of the five major sources of greenhouse gas pollution in the State, according to the State’s Greenhouse Gas Pollution Reduction Roadmap. Furthermore, public buildings tend to be older buildings whose systems have high energy needs and high energy costs. Energy upgrades to public buildings often remain cost-prohibitive and are a lower priority than the execution of public services. In recognition of these challenges, the PBEG Program was designed to support public buildings in need of financial and technical assistance to transition fossil fuel powered HVAC systems, water heating systems, or fossil fuel-powered appliances to highly efficient electric equipment and appliances.

Our Project:

This project consists of replacing the rooftop unit at the Fox and replacing both the HVAC system and the hot water heater at 129 Kansas. The full project is described in the attached one pager.

Alignment with County Objectives:

This project aligns with the following strategic priorities:

- **INFRASTRUCTURE AND FACILITIES:** Maintain, preserve, and improve the quality of County-owned infrastructure and facilities, particularly the County Road System

- **RESILIENCY:** Integrate disaster preparedness, risk reduction, and resilience into County operations, through training, planning, community involvement and land stewardship

Financial Considerations:

This grant matches two DOLA grants the County has already been awarded, table below shows the amount awarded from DOLA and the amount in this grant that would be applied to each project, if we are successful.

	129 Kansas EOC/Dispatch	Fox Theatre Phase 2
Total Project Cost	\$4,893,000	\$2,030,352
DOLA Energy Impact Grant	(\$3,669,750)	(\$1,500,000)
CEO PBEG (this Grant)	(\$789,000)	(\$172,000)
Remaining Match	\$434,250	\$358,352

Background:

There was a portion of this project for the Gardner Community Center that I removed after I reviewed the project by project costs. For \$239,000 that scope included: (1) replacing the propane furnace with electric heat pump HVAC Systems; (2) replacing the propane oven/cook-top with a new electric oven/cook-top; (3) replacing the propane domestic hot water heater with a new electric heat pump hot water heater; and (4) upgrading the electrical service and installing a new main distribution panel. This would have required \$59,750 in County Funds for this Gardner alone. My recommendation is that we either find another grant to pair with a future PBEG or pursue these changes ourselves, which would allow electrification with less stringent standards.

Signature of the Chair

Approved

Approved w/ Changes

Denied