

TOWN HALL 186 MAIN STREET NEWMARKET, NH 03857

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FOUNDED DECEMBER 15, 1727 CHARTERED JANUARY 1, 1991

TOWN OF NEWMARKET, NEW HAMPSHIRE

STAFF REPORT

DATE: August 8, 2022

TITLE: Energy Audit Program 50% Match

PREPARED BY: Sean T. Greig

TOWN ADMINISTRATOR'S COMMENTS - RECOMMENDATION:

[The Town Administrator will review the proposal and comment on the resolution]

BACKGROUND: The Water and Sewer Departments performed an energy audit on its water and wastewater systems. The energy audit was performed by Process Energy Services, and paid for by the New Hampshire Department of Environmental Service and Eversource. The audit identified energy improvements that could be done at the Bennett and Sewall Wells. Process Energy Services presented the findings to the Town Council in the Spring of 2022. The Town has been offered an American Rescue Plan Act (ARPA) Fund grant that will match 50% of the costs up to \$40,000.00 to perform the energy improvements. So, if the Town enters into the agreement, the Town will get the identified energy reduction improvements for half price. It is important to note that the Town has already planned to make most of the identified energy improvements as part of the Bennett and Sewall Wells improvements project which is partially funded by Rural Development funds. However, the Town will realize additional savings by removing the eligible energy projects out of the current project. The current Rural Development funding offers an 18% grant. The Town will save approximately an additional \$18,000 by using the 50% ARPA energy grant funds versus the 18% Rural Development grant funds to implement the energy improvements. In order for the Town to receive the 50% matching energy grant funds, the Town Council must agree to enter into ARPA grant agreement with the New Hampshire Department Environmental Services (NHDES) and grant the Town Manager the authority to enter into the ARPA grant agreement, and to execute any documents which may be necessary to effectuate this grant agreement. The Town of Newmarket must also agree to the commitment to meet 50% matching funds requirement of up to \$40,000.00 for energy improvements.

<u>DISCUSSION:</u> The Town Council want to enter into enter into the Energy Audit program and receive 50% match up to \$40,000.00 to perform energy improvements? Does the Town Council want to authorize a withdrawal of \$40,000.00 from the Water Department Capital reserve fund for the required 50% match?

FISCAL IMPACT: The Town will be able to perform necessary energy improvements at half price.

RECOMMENDATION: I recommend the Town council authorize the Town manager to enter into the Energy Audit Implementation Program. In addition, I recommend the Town Council authorize the withdrawal of \$40,000.00 from the Water Capital Reserve funds to be used for the required Town matching funds.