



Date: December 9, 2025

Honorable Mayor and Council Members:

Author and title: Carmen Lopez, Sustainability Program Analyst I

Title: Contract Award for Development of an Equitable Funding Strategy for Building Decarbonization

Jen Callaway, Town Manager

Recommended Action:

Authorize the Town Manager to execute a contract with Rincon Consultants, Inc. with a total not to exceed amount of \$108,225 to develop an equitable funding strategy for building decarbonization for existing residential and commercial buildings.

Discussion:

On April 22, 2025, the Town Council adopted the Existing Building Decarbonization Roadmap which provides an overview of policies, programs, and funding initiatives to decarbonize Truckee's existing residential and commercial building stock. One of the actions items in the Roadmap is to develop an equitable funding strategy to support implementation of decarbonization measures in Truckee. Many types of existing incentive programs such as rebates or tax credits are not equitable, as they require property owners to be able to cover the full upfront cost of any upgrades and wait to be reimbursed, which can be a barrier to participation for individuals with limited economic resources. The equitable funding strategy will assess the costs for implementation of building decarbonization measures, assess funding gaps between measure costs and existing incentive or assistance programs, and identify alternative funding strategies to allow for equitable implementation of measures for existing residential and commercial buildings.

By developing this plan, the Town will position itself to more effectively reduce greenhouse gas emissions by improving resident and business access to building decarbonization funding, to make the building upgrades they need to be safe, comfortable, and resilient. With building energy use being the second largest source of Truckee's greenhouse gas (GHG) emissions, accounting for approximately 39 percent of Truckee's total community emissions in 2022, the equitable funding strategy will help achieve the Town of Truckee and State's goal of achieving carbon neutrality by 2045.

On September 19, 2025, the Town issued a Request for Proposals (RFP) for the equitable funding strategy. The Town received four responses to the RFP. A review team of Town staff from the Neighborhood Services and Sustainability Department reviewed the proposals individually and evaluated them based on criteria included in the RFP. Three of the firms were invited to an interview to discuss their proposals further. Upon conclusion of the evaluation process, the review team identified Rincon as the firm with the strongest proposal and most relevant qualifications. The Rincon team members who will be contributing to the equitable funding strategy have experience developing existing building electrification strategies and providing technical support on the impact of zero NO_x standards on electric infrastructure needs. Nevada County is also currently contracting with Rincon for development of their climate action and adaptation plan.

Staff recommend that Council authorize the Town Manager to execute a contract with Rincon for a total not to exceed amount of \$108,225 for the development of the equitable funding strategy. The proposed scope of work and cost proposal are provided in Attachment A. This contract would be primarily funded by a grant from the California Energy Commission (CEC), with \$9,543 in match funding from the Town’s Sustainability Designation. Both the grant funds and Sustainability Designation allocation were included in the approved FY 25/26 budget for CIP C2422: CEC Building Decarbonization Grant.

The equitable funding strategy for building decarbonization measures is one of six projects that are included in the scope of work for a \$700,000 grant from the CEC to fund local building decarbonization planning. The other projects are (1) development of a heat pump air conditioning incentive program, (2) development of a municipal electric vehicle charging infrastructure plan, (3) developing a scope of work for municipal facility decarbonization upgrades, (4) developing an energy resilience plan for the Truckee community, and (5) extending the Climate Transformation Alliance’s contractor training program on cold-climate building decarbonization.

The Town’s grant agreement with the CEC was executed in December 2024 and is funded by the U.S. Department of Energy’s Energy Efficiency and Conservation Block Grant (EECBG) program. The Town has received an advance for \$350,000 (half the total awarded grant funds), but remaining funding is contingent upon the availability of funds appropriated by Congress for the purpose of the EECBG program and the availability of future-year budget authority. With the execution of this contract, the Town will have encumbered a total of \$437,150 in grant funds and therefore anticipate submitting another payment request to the CEC before the end of this project. At this time staff do not anticipate any disruption to federal funding for this program, but if that changes, staff will return to Council to receive direction on whether to stop work on the project or utilize an alternative funding source.

Priority:

<input type="checkbox"/> Enhanced Communication	<input checked="" type="checkbox"/> Climate and Greenhouse Gas Reduction	<input type="checkbox"/> Housing
<input checked="" type="checkbox"/> Infrastructure Investment	<input type="checkbox"/> Emergency and Wildfire Preparedness	<input type="checkbox"/> Core Service

Fiscal Impact: If approved, this contract would use \$98,682 in CEC grant funds and \$9,543 in Sustainability Designation match funding from CIP C2422: CEC Building Decarbonization Grant, which includes an approved budget of \$550,000 in CEC grant funds and \$116,800 in Sustainability Designation funds through FY 27. The anticipated budget by fiscal year for this project is in Table 1 below.

Table 1: Anticipated Equitable Funding Strategy Budget by Fiscal Year

FY 25/26	FY 26/27	TOTAL
\$85,368	\$22,857	\$108,225

Public Communication:

Agenda Posting.

The Request for Proposals was posted on September 19, 2025, with an Addendum posted on September 26, 2025 and October 10, 2025.

As part of developing the equitable funding strategy, staff and consultants will conduct additional outreach to residents and businesses including focus groups, stakeholder interviews, surveys, a workshop, and a public review period of the draft strategy.

Attachments:

1. Consultant Scope of Work and Budget