

ThriveTogether: Cincinnati OH-KY-IN MSA

Budget Narrative

The total budget is \$180,621,276.

OKI will manage all aspects of the proposed budget. The budgets for each proposed Measure are detailed below under the respective measure number.

In summary, Measures #1 and #2 will each involve a 3rd party contractor to be selected through a competitive selection Request for Qualifications/Proposals method. OKI pass through funding to these contractors and monitor each program to ensure all goals are accomplished as proposed. Measure #3, #5, and #6 are to be subawarded to partner agencies to lead those program efforts. Measure #4 will be administered by OKI as a competitive selection process to private companies with contracts meeting all EPA and Federal procurement and performance requirements.

Personnel. The staff position and hours vary for each Measure and are detailed by Measure below. Personnel costs account for less than 0.3% of the overall budget demonstrating our management efficiency and commitment to expend funds on the reduction measures.

Fringe Rate. OKI fringe rates and amounts are included for each year with calculations based on OKI's FY25 fringe rate submittal to our cognizant agency, the Ohio Department of Transportation, on 3/24/24 with a (.67%) adjustment each fiscal year (2026-2029). OKI's approved Fringe Benefit & Indirect Cost Rate Agreement and FY25 Cost Allocation Plan used to determine the rates have been provided as an additional attachment.

Indirect Rate. OKI indirect rates and amounts are included for each year with calculations based on FY25 fringe rate submittal to our cognizant agency, the Ohio Department of Transportation, on 3/24/24 with a .67% adjustment each fiscal year (2026-2029). OKI's approved Fringe Benefit & Indirect Cost Rate Agreement and FY25 Cost Allocation Plan used to determine the rates have been provided as an additional attachment.

Travel. No travel is included in this budget. We expect travel expenses to be incurred by project partners and contractors and these expenses are included within the Contractual and Other line-item amounts for subawards. OKI will include these expense details within every subaward agreement.

Equipment. No equipment is included in this budget. OKI will not be acquiring equipment to administer this award. The CLEAN INDUSTRY Measure will be used to acquire equipment and those details will be included within the subaward agreement with the parties receiving funding to acquire equipment.

Supplies. No supplies are included in this budget. Supplies will be included in pass-through and subaward agreements with the identified agencies in the Measures.

Contractual and Other. These expenses make up over 99% of our budget and are detailed for each Measure below. OKI will be subawarding funds to nine separate agencies to perform certain duties specific to our proposal's Measures. These agencies include the three municipal partners: City of Cincinnati Office of Environment and Sustainability; Hamilton County Environmental Services; and Northern Kentucky Area Development District, two regional transit authorities: Southwest Ohio Regional Transit Authority and the Transit Authority of Northern Kentucky, two regional nonprofit organizations Green Umbrella and Taking Root, an educational institution: Indiana University Environmental Resilience Institute, and the Cincinnati/Northern Kentucky International Airport, our region's largest transportation sector emitter.

Within each Measure, OKI estimates \$400 for posting of legal advertisements announcing public bid opportunities. OKI estimates \$2,000 for legal attorney services for preparing and reviewing contract language to ensure all Federal requirements are met as we secure contracts with the program administrators selected and for all subaward contracts.

Measure #1 PLACED (Priority and Low-income Affordable, Comfortable, Efficient Dwellings Program)

The budget for this measure is \$23,067,207 making up 13% of our total budget.

Personnel. The OKI staff members listed will be involved with procurement and oversight of a 3rd party contractor selected to manage the regional program. This involvement includes senior planning staff with expertise on program requirements and finance staff responsible for contracting, invoicing and financial reporting. Communications staff will assist with promoting the program across our 16 county MSA.

Contractual. Management Contract. OKI will solicit proposals through a nationwide public request for qualifications process. Proposals will be gathered from the most qualified organization and a contract will be executed within 3 months of award. The contractor will be responsible for managing the program with OKI oversight. We estimate the management services to cost 12.5% of the total award amount. We have included \$500,000/year for a total services estimate of \$2,500,000 (\$1,250/home) in addition to the \$20 million program award funding. The award funding will provide the weatherization and efficiency upgrades of 2,000 LIDAC homes estimating an average improvement cost of \$10,000 per home.

Other. In addition to the legal ad and fee estimates explained in the summary above, OKI will subaward funds to four partner agencies assisting with the management of this program.

City of Cincinnati Office of Environment & Sustainability will be subawarded \$139,774.86 to provide administrative support to this Measure. Two professional staff members with home efficiency expertise will devote 10% of their time (4 hours/week on average) to provide contractor oversight and program operational and administrative support.

Northern Kentucky Area Development District will be subawarded \$3,421.50 to provide a dedicated staff member to provide home owners in our seven Kentucky counties with information and guidance about the program. This assistance will include program promotion and technical assistance to ensure maximum participation by eligible program participants through 2029.

Indiana University Environmental Resilience Institute will be subawarded \$19,950 to provide time and relocation costs of two Fellows to this program through 2029. The Fellows will each serve one semester per year working in the Cincinnati OH-IN-KY MSA area to provide program promotional and analytical support to communities across the MSA with special emphasis provided to our four Indiana counties.

Green Umbrella will be subawarded \$139,831. Their contribution to this Measure will be to:

- Promote availability of the program through regional climate collaborative communications.
- Engage business members in understanding the program and share opportunities to participate in procurement processes.
- Engage CBOs and local governments in understanding the program and support them in sharing the opportunities with their constituents. Help design and implement informational sessions to be hosted across the region to raise awareness about the program and recruit residents to participate.

- Share findings from EPA STAR grant to inform best practices on energy upgrades in low income residences and to inform detailed program design that addresses stakeholders' concerns around developing programs for LIDAC retrofits.

Measure #2 GREEN (Get Renewables & Energy Efficiency eNhancements for Nonprofits & Local Gov'ts)

The budget for this measure is \$47,750,687 making up 26% of our total budget.

Personnel. The OKI staff members listed will be involved with procurement and oversight of 3rd party contractors selected to manage the regional program. This involvement includes senior planning staff with expertise on program requirements and finance staff responsible for contracting, invoicing and financial reporting. Communications staff will assist with promoting the program across our 16 county MSA.

Contractual. OKI will solicit proposals through a nationwide public request for qualifications process. Proposals will be gathered from the most qualified organization and a contract will be executed within 3 months of award. The contractor will be responsible for managing the program with OKI oversight. We estimate the management services to cost 3% of the total award amount or \$750,000. We have included \$150,000/year for a total services estimate of \$750,000 in addition to the \$25 million program award funding. This funding will provide efficiency upgrades for 250 buildings estimating an average community improvement cost of \$100,000.

Organizational Energy Audit. OKI will solicit proposals through a public request for qualifications process to secure energy auditors to conduct energy audits for every organization awarded funds. This budget includes 50 audits/year at \$5,000/audit for a total of \$1,250,000.

Other. In addition to the legal ad and fee estimates explained in the summary above, OKI will subaward funds to five partner agencies assisting with the management of this program.

City of Cincinnati Office of Environment & Sustainability will be subawarded \$139,774.86 to provide administrative support to this Measure. Two professional staff members with building and community efficiency expertise will devote 10% of their time (4 hours/week on average) to provide contractor oversight and program operational and administrative support.

Northern Kentucky Area Development District will be subawarded \$3,421.50 to provide a dedicated staff member to provide communities in our seven Kentucky counties with information and guidance about the program. This assistance will include program promotion and technical assistance to ensure maximum participation by eligible program participants through 2029.

Indiana University Environmental Resilience Institute will be subawarded \$19,950 to provide time and relocation costs of two Fellows to this program through 2029. The Fellows will each serve one semester per year working in the Cincinnati OH-IN-KY MSA area to provide program promotional and analytical support to communities across the MSA with special emphasis provided to our four Indiana counties.

Green Umbrella will be subawarded \$256,717. Their contribution to this Measure will be to:

- Promote availability of the program through regional climate collaborative communications.
- Engage business members in understanding the program and share opportunities to participate in procurement processes.
- Engage nonprofits and local governments in understanding the program and recruit applicants with high-impact projects.

- Help design and lead informational sessions to be hosted across the region to raise awareness about the program.
- Support Green Umbrella nonprofit and local government members with benchmarking and project identification based on their existing energy performance.
- Serve as the primary point of contact and coordination for faith communities seeking support. Focused relationship-building and audience-specific support to ensure sustained focus on building performance.

The Cincinnati/Northern Kentucky International Airport will be subawarded \$21,173,693.80 to cover 70% of the cost to construct a 8.9 MW solar canopy PV array system on the upper levels of two parking garages. The breakdown of this cost includes:

- Terrasmart Quote to build structure and install the PV panels on the new structural support - \$19,000,000 installed cost.
- Photovoltaic system wiring, inverters, top level of structure AC combiner panels - \$8,767,374 installed cost.
- Photovoltaic Design Contingency: \$1,789,260
- MV 4-Way Switch, Pad mounted (BOD: S&C PME-11) - \$40,000 equipment cost.
- 2500kVA Transformer (BOD: 00001A66KGRA Eaton) - \$101,500 equipment cost.
- PV Combiner Board, 3,000A 480Y/277V w/ Microgrid Controller (BOD: Eaton Pow-R-Line Xpert Microgrid Switchboard) - \$250,000 equipment cost.
- PV Combiner Board containing EV Distribution, 3,000A 480Y/277V w/ Microgrid Controller (BOD: Eaton Pow-R-Line Xpert Microgrid Switchboard) - \$300,000 equipment cost.

Measure #3 TRANSIT RIDE

The budget for this measure is \$67,319,535 making up 37% of our total budget.

Personnel. The OKI staff members listed will be involved with preparation and oversight of the subaward agreements with each subawardee. This involvement includes project management staff with expertise on program requirements and finance staff responsible for contracting, invoicing and financial reporting.

Other. In addition to the legal ad and fee estimates explained in the summary above, OKI will subaward funds to two transit authorities to implement this program and three partner agencies assisting with the management of this program.

OKI will subaward \$56,090,325 to the Southwest Ohio Regional Transit Authority to market, administer, and operate the **Uptown Free Fare program** and to provide funding for the acquisition of five Battery Electric Buses (BEB). This funding covers lost fare of annual rides based on the sum of current route riders and additional riders yielded by the free fare program. The annual amounts are based on an average fare amount of \$1.23/ride. The BEB estimate are based on September 2023 estimates prepared for a 40' Gillig Battery Electric Low Floor Plus Bus ordered by SORTA at a total cost of \$1,218,065. SORTA administrative support makes up 4% of the budget while 6% of the budget is estimated for marketing campaign labor, materials and software needs.

OKI will subaward \$11,090,325 to the Transit Authority of Northern Kentucky (TANK) to operate, administer and market the **CVG/Hebron Free Fare program** and to provide funding for the acquisition of five Battery Electric Buses (BEB). This funding covers lost fare of annual rides based on the sum of current route riders and additional riders yielded by the free fare program. The annual amounts are based on an average fare amount of \$1.23/ride. The BEB estimate are based on September 2023

estimates prepared for a 40' Gillig Battery Electric Low Floor Plus Bus ordered by SORTA at a total cost of \$1,218,065. TANK administrative support makes up 4% of the budget while 6% of the budget is estimated for marketing campaign labor, materials and software needs.

Green Umbrella will be subawarded \$48,717. Their contribution to this Measure will be to provide Outreach to Green Umbrella members and 2030 District building members to encourage uptake of transit pass program, through direct outreach and communications channels.

Northern Kentucky Area Development District will be subawarded \$3,421.50 to provide a dedicated staff member to provide employers in our three Kentucky counties served by TANK with information and guidance about the program. This assistance will include program promotion and technical assistance to ensure maximum participation by eligible program participants through 2029.

Indiana University Environmental Resilience Institute will be subawarded \$19,950 to provide time and relocation costs of two Fellows to this program through 2029. The Fellows will each serve one semester per year working in the Cincinnati OH-IN-KY MSA area to provide program promotional and analytical support to both transit agencies and the universities they serve.

Measure #4 CLEAN INDUSTRY

The budget for this measure is \$25,450,159 making up 14% of our total budget.

Personnel. The OKI staff members listed will be involved with preparing and administering the competitive selection criteria and process. This process will include a public advertisement and promotion, conducting an application workshop for potential applicants, preparing application forms and processing review and selection based on criteria established to maximize the GHG reduction benefits. This involvement includes senior planning staff with expertise on program requirements and finance staff responsible for contracting, invoicing and financial reporting.

Contractual. Private Sector Company Competitive Selection Awards. OKI will subaward a minimum of five to six contracts to private sector companies scoring the highest in a single, public Request for "Industrial Equipment Replacement" Proposals (RFP) within 90 days of CPRG award notification using OKI's standard public RFP process. Collectively, these private industries will purchase a minimum of 25 new, electric pieces of equipment ranging from electric forklift equipment, to electric cranes and electric locomotives. Subwardee contracts will clearly instruct companies on their awarded federal grant amount, equipment eligibility specifications and Federal requirements for procurement and reporting. In addition, the subwardee contract will include the provision of an annual performance measure report. The company's reporting period will be upon commencement of the newly purchased equipment's operations and each subsequent 12 months thereafter for five years. The performance measures for the reports are listed under Section 3.b. of this document.

Organizational Energy Audit. OKI will solicit proposals through a public request for qualifications process to secure energy auditors to conduct energy audits for every organization awarded funds. This budget includes 6 audits at \$5,000/audit for a total of \$30,000.

Other. In addition to the legal ad and fee estimates explained in the summary above, OKI will subaward funds to two partner agencies assisting with the management of this program.

Northern Kentucky Area Development District will be subawarded \$3,421.50 to provide a dedicated staff member to provide companies in our seven Kentucky counties with information and guidance about the program. This assistance will include program promotion and technical assistance to ensure maximum participation by eligible program participants.

Indiana University Environmental Resilience Institute will be subawarded \$19,950 to provide time and relocation costs of two Fellows to this program through 2029. The Fellows will each serve one semester per year working in the Cincinnati OH-IN-KY MSA area to provide data regarding energy audits and analytical support to companies participating in this program.

Measure # 5 FOOD (Food Optimization and Organics Diversion)

The budget for this measure is \$14,559,741 making up 8% of our total budget.

Personnel. The OKI staff members listed will be involved with preparation and oversight of the subaward agreements with each subawardee. This involvement includes project management staff with expertise on program requirements and finance staff responsible for contracting, invoicing and financial reporting.

Other. In addition to the legal fee estimates explained in the summary above, OKI will subaward funds to five partner agencies assisting with the management of this program.

OKI will subaward \$14,223,633.00 to the Hamilton County Environmental Services to implement the organic compost facilities, food rescue equipment (walk in freezers and refrigeration trucks) described in the proposal. This amount includes the following:

- \$488,633 to hire a program manager at a beginning salary of \$90,423 in 2025 and increasing salary 5% annually through 2029.
- \$9,000,000 to acquire land identified in the Hamilton County Environmental Service's solid waste management plan and make necessary improvements to establish composting facilities with 50-150 ton/year capacity.
- \$4,375,000 to purchase 25 EV food transport trucks at a cost of \$150,000 each plus charging infrastructure for each truck at a cost of \$25,000 each.
- \$360,000 to purchase 15 walk-in freezers at a cost of \$24,000 each.

OKI will subaward \$143,366.15 to the Cincinnati Office of Environment & Sustainability (OES) to provide administrative support to this Measure. Two professional staff members with community compost and food reuse expertise will devote time. One staff member will devote 10% of their time (4 hours/week on average) and another will provide 5% (2 hours/week on average) to provide Hamilton County Environmental Services staff oversight and program operational and administrative support.

Northern Kentucky Area Development District will be subawarded \$3,421.50 to provide a dedicated staff member to provide companies in our seven Kentucky counties with information and guidance about the program. This assistance will include program promotion and technical assistance to ensure maximum participation by solid waste districts, communities, nonprofit organizations and other eligible program participants.

Indiana University Environmental Resilience Institute will be subawarded \$19,950 to provide time and relocation costs of two Fellows to this program through 2029. The Fellows will each serve one semester per year working in the Cincinnati OH-IN-KY MSA area to provide analytical support to solid waste districts in our four Indiana counties and to communities and nonprofits participating in this program.

Green Umbrella will be subawarded \$103,633. Their contribution to this Measure will be to:

- Provide technical assistance to other entities seeking to establish community scale composting facilities. Green Umbrella currently manages the only community scale composting operation that is successfully recycling food waste.

- Promote adoption of food waste strategies implemented through the grant among members of the RCC through advocacy and education provided by the Food Policy Council.
- Expand collection of food waste to full capacity of 300,000 lbs per year at Camp Washington Community Composting 500 square foot facility by increasing drop-off and staff capacity to manage the compost piles.

Measure #6 TREE FOR ME - Regional Afforestation

The budget for this measure is \$2,473,948 making up 1% of our total budget.

Personnel. The OKI staff members listed will be involved with preparation and oversight of the subaward agreements with the subawardee. This involvement includes project management staff with expertise on program requirements, set up and ongoing maintenance of the Tree For Me online distribution reservation tool, and finance staff responsible for contracting, invoicing and financial reporting.

Contractual. \$1,979,800 will be contracted for trees and tree guards. This Measure includes 6,000 trees to be procured each year through local nurseries. Using an estimate of \$60/tree for year 1 and increasing 4% each year. The total contract amount is \$1,979,800. Year 1 (\$60.00): 360,000; year 2 (\$62.40) 374,400; year 3 (\$64.90) 389,400; year 4 (\$67.50) \$405,000; year 5 (\$70.20) \$421,200. This amount also includes deer guards estimated at \$1 each for all trees distributed at a total cost of \$30,000.

Other. In addition to the legal fee estimates explained in the summary above, OKI will subaward funds to four partner agencies assisting with the management of this program.

OKI will subaward \$282,500 to Taking Root, Inc., a nonprofit organization, to administer the Tree For Me distribution program. Taking Root estimates \$50,000/year for part-time staff coordinators (\$250,000 total program); \$500/year for in-region travel expenses, \$1,000/year for truck rental for transporting trees from nurseries to community distribution locations; and \$25,000 (year 1 expense) for promotion and marketing including flyer printings with QR codes, and production of social media videos.

Northern Kentucky Area Development District will be subawarded \$3,421.50 to provide a dedicated staff member to provide companies in our seven Kentucky counties with information and guidance about the program. This assistance will include program promotion and technical assistance to ensure maximum participation by residents in eligible LIDAC communities.

Indiana University Environmental Resilience Institute will be subawarded \$19,950 to provide time and relocation costs of two Fellows to this program through 2029. The Fellows will each serve one semester per year working in the Cincinnati OH-IN-KY MSA area to provide analytical support to Taking Root in our four Indiana counties and to residents in eligible LIDAC communities.

Green Umbrella will be subawarded \$103,633. Their contribution to this Measure will be to:

- Promote availability of the program through regional climate collaborative communications.
- Engage nonprofits, schools, park districts and local government members in understanding the program so they can recruit property owner participants.



FRINGE BENEFIT & INDIRECT COST RATE AGREEMENT
Between
The Ohio Department of Transportation (ODOT) and
The Ohio-Kentucky-Indiana Regional Council of Governments

The rates approved in this Agreement are for use on grants, contracts, and other agreements with the Federal Government, ODOT, and other State agencies, as applicable, subject to the conditions in SECTION III.

SECTION I: INDIRECT COST RATES

RATE TYPE: The Organization uses the following method to calculate Fringe Benefit and Indirect Cost rates:

Provisional Rate Method. The provisional rates are based on the actual costs of the most recently audited calendar year, with adjustments for projected changes. The Organization shall bill the approved rates during the calendar year. At the end of the calendar year, actual rates are calculated, and the difference between the estimated and actual costs for the period covered by the rates is identified for each specific contract. Any variance is either billed as an additional cost or refunded to the grantor agency, as applicable. No carryforward provision is permitted to adjust future rates for the variance.

Fixed Rate with Carry-Forward Method. The rates are calculated based on the most recently audited fiscal year, with adjustments for projected changes. Once approved, the fixed rates are estimated billing rates applied during the contract period. At the end of the fiscal year, actual rates are computed, and the difference between the estimated and actual costs for the period is carried forward as an adjustment to future rates.

The approved rates are listed in the table below:

RATE TYPE	EFFECTIVE PERIOD		RATE (%)	APPLICATION
	FROM	TO		
PROVISIONAL	7/1/2021	6/30/2022	68.03	FRINGE BENEFIT RATE
PROVISIONAL	7/1/2021	6/30/2022	130.22	INDIRECT COST RATE
FINAL	7/1/2021	6/30/2022	64.31	FRINGE BENEFIT RATE
FINAL	7/1/2021	6/30/2022	140.40	INDIRECT COST RATE
PROVISIONAL	7/1/2022	6/30/2023	64.13	FRINGE BENEFIT RATE
PROVISIONAL	7/1/2022	6/30/2023	123.90	INDIRECT COST RATE
PROVISIONAL	7/1/2023	6/30/2024	66.67	FRINGE BENEFIT RATE
PROVISIONAL	7/1/2023	6/30/2024	120.37	INDIRECT COST RATE

- Allocation Bases:**
- For Fringe Benefits, the base is Total Labor (the sum of direct and indirect labor).
 - For Indirect Costs, the base is Total Direct Labor (excluding direct labor fringe benefits).

Note: ODOT did not audit any rates shown in the above table.

SECTION II: SPECIAL REMARKS

- A. TREATMENT OF FRINGE BENEFITS:**
 Fringe benefits include Holiday, Sick and Vacation Leave, PERS, Hospitalization, Workers Compensation, etc. These expenses are billed to the contract(s) based on the applicable fringe benefit rate multiplied by the direct labor expenses incurred for the contract(s).
- B. TREATMENT OF INDIRECT COSTS:**
 Indirect costs are not specifically identified to a cost objective. Indirect costs include operational and administrative expenses (e.g., payroll processing, building rent, depreciation, etc.). These expenses are billed to the contract(s) based on the applicable indirect cost rate multiplied by the direct labor incurred for the contract(s).

SECTION III: GENERAL

A. LIMITATIONS:

The rates in this Agreement are subject to any statutory or administrative limitations and apply to a given grant, contract, or other agreement only to the extent that funds are available. Acceptance of the rates is subject to the following conditions: (1) Only costs incurred by the Organization were included in its indirect cost pool as finally accepted, as such costs are legal obligations of the Organization and are allowable under the governing cost principles; (2) No costs that have been treated as indirect costs are also claimed as direct costs; (3) Similar types of costs have been accorded consistent accounting treatment; and (4) The information provided by the Organization that was used to establish the rates is not later found to be materially incomplete or inaccurate by the Federal Government, ODOT, or other State agencies. In such situations, the rate(s) would be subject to renegotiation at the discretion of the applicable governmental entity.

B. ACCOUNTING CHANGES:

This Agreement is based on the accounting system the Organization identified as effective during the Agreement period. Changes to the method of accounting for costs that affect the amount of reimbursement resulting from the use of this Agreement require prior approval of the authorized ODOT representative. Such changes include, but are not limited to, changes in the charging of a particular type of cost from indirect to direct. Failure to obtain approval may result in cost disallowances.

C. USE BY OTHER FEDERAL/STATE AGENCIES:

The rates in this Agreement were approved in accordance with the authority in 2 CFR Part 200 and should be applied to grants, contracts, and other agreement covered by this Regulation, subject to any limitations listed in Section III.A above. The Organization may provide copies of this Agreement to other Federal agencies to give them early notification of the Agreement.

D. OTHER:

If any Federal contract, grant, or other agreement reimburses indirect costs by a means other than the approved rate(s) in this Agreement, the Organization must (1) credit such costs to the affected programs, and (2) apply the approved rate(s) using the appropriate cost allocation base to identify the proper amount of indirect costs allocable to these programs.

E. FULLY EXECUTED AGREEMENT:

This Agreement is in draft format until signed by representatives of both ODOT and the Organization. The Agreement is deemed fully executed as of the date of the latest signature shown below.

BY THE DEPARTMENT/AGENCY:

Ohio-Kentucky-Indiana Regional Council of Governments

(DEPARTMENT/AGENCY)

Mark Policinski

Mark Policinski (Jul 12, 2023 10:04 EDT)

(SIGNATURE)

Mark R. Policinski

(NAME)

Executive Director

(TITLE)

Jul 12, 2023

(DATE)

BY THE PASS-THROUGH ENTITY ON BEHALF OF THE FEDERAL GOVERNMENT:

Ohio Department of Transportation

(DEPARTMENT/AGENCY)

Jack Marchbanks / SPG

(SIGNATURE)

Jack Marchbanks, as signed by Scot Gormley

(NAME)

Director

(TITLE)

July 11, 2023

(DATE)