

**Council Agenda Item 25-0644R**



**MEETING DATE:** August 11, 2025

**SUBJECT/TITLE:** RESOLUTION AUTHORIZING THE FIRST AMENDMENT TO AGREEMENT 256937 WITH THE MINNESOTA POLLUTION CONTROL AGENCY TO SUPPORT INSTALLATION OF ENERGY EFFICIENCY EQUIPMENT AT CITY FACILITIES.

**SUBMITTED BY:** Ted Blenkush, Construction Coordinator, Property & Facilities Management

**RECOMMENDATION:** Approve

**BOARD/COMMISSION/COMMITTEE RECOMMENDATION:** Energy Plan Commission is aware and supportive of grant award, and has been updated with project progress.

**PREVIOUS COUNCIL ACTION:** Application for the MPCA grant was authorized by Council via 24-0304R on 4/22/2024; acceptance of the MPCA grant was authorized by Council via 24-0603R on 8/12/2024.

**BACKGROUND:** In March 2024, the City of Duluth was awarded a grant from the U.S. Department of Energy's *Energy Efficiency and Conservation Block Grant Program* (EECBG) in the amount of \$144,430 to fund the purchase and installation of heat pump water heaters throughout City facilities.

In August 2024, the City received a grant from the Minnesota Pollution Control Agency in the amount of \$50,000 to support the implementation of the same project.

The deliverable of this project is the installation of 47 heat pump water heaters, to replace existing older units. This resolution authorizes an amendment to the MPCA grant that extends the grant deadline to June 30, 2026.

**BUDGET/FISCAL IMPACT:** The project budget consists of three sources: \$144,430 from DOE; \$50,000 from MPCA; and \$16,170 from City of Duluth sustainability funding. This amendment does not change any fund contributions.

**OPTIONS:** Approval of the resolution will extend the MPCA grant deadline to June 30, 2026, allowing for more time to select facility locations and install the units.

**NECESSARY ACTION:** This resolution authorizes an amendment to a grant project deadline with the MPCA for the installation of heat pump water heaters. The extension of the deadline is necessary to meet project deliverables and receive reimbursement from grantor.

**ATTACHMENTS:** City of Duluth LCA Amendment #1