



Legislation Text

File #: 23-1798, **Version:** 1

Resolution to Approve a Subrecipient Agreement with Midwest Geothermal, LLC for Technical Support and Design Guidelines as Part of the Bryant District Geothermal Project (\$97,000)

This subrecipient agreement is to fulfill the terms outlined in the City of Ann Arbor's successful proposal to the U.S. Department of Energy to design a district geothermal system in the neighborhood surrounding the Bryant Community Center. Midwest Geothermal is a participant on the Steering Committee and will conduct boring and onsite geothermal feasibility testing. It will also support development of geothermal designs and final model development. Funds for this project are coming out of the City's budget - all funds are from our successful U.S. DOE grant.

As such, the City is seeking authorization to engage in a subrecipient agreement with Midwest Geothermal, LLC and to appropriate funds from the U.S. Department of Energy Geothermal Grant to cover Midwest Geothermal, LLC project-related expenses as outlined in our cooperative agreement.

Budget/Fiscal Impact: All funding is coming from the successful U.S. Department of Energy Geothermal grant, which is detailed in Legistar file 23-1644. The entire project is cost neutral to the City due to the winning of the grant.

Prepared by: Missy Stults, Sustainability and Innovations Director

Reviewed by: Kim Buselmeier, Financial Manager

Approved by: Milton Dohoney Jr., City Administrator

Whereas, The City of Ann Arbor has set the goal of achieving community-wide carbon neutrality in a just and equitable way by the year 2030;

Whereas, Finding solutions to fully decarbonize heating and cooling is a key element of the City's carbon neutrality work;

Whereas, The U.S. Department of Energy ran a nationally competitive grant competition in late 2022 through early 2023 for communities interested in designing networked geothermal systems;

Whereas, The Ann Arbor Office of Sustainability and Innovations pulled together a team composed of twelve local and national community partners to submit for this U.S. Department of Energy opportunity, with a focus on designing a geothermal system in the Bryant neighborhood capable of handling 75% of the heating and cooling load and reducing greenhouse gas emissions in the neighborhood by 40%;

Whereas, Midwest Geothermal, LLC is one of the strategic partners on this proposal, serving as a technical contributor and the party responsible for drilling any test bores to assess geothermal feasibility; and

Whereas, In mid-2023, Ann Arbor was notified that it had won the U.S. Department of Energy

Geothermal Grant opportunity and will receive funding to design, with residents, a geothermal system in the Bryant neighborhood;

RESOLVED, That City Council approves a Subrecipient Agreement with Midwest Geothermal, LLC to pass through \$97,000.00 of the U.S. Department of Energy Geothermal Grant funds for Technical Support and Design Guidelines as Part of the Bryant District Geothermal Project;

RESOLVED, That the Mayor and City Clerk are authorized to sign the subrecipient agreement after approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That the City Administrator is authorized to take all appropriate actions to implement this resolution, including signing all necessary documents and sub-agreements.