

Resolution to contract with Baker Tilly to help the City of La Crosse claim elective pay incentives and appropriate tax credits to fund climate action plan implementation.

RESOLUTION

WHEREAS, the Common Council approved the installation of three solar arrays in 2024 through an energy saving performance contract (ESPC) with Johnson Controls, Inc. (JCI); and

WHEREAS, the savings from this solar array installation will cover the cost of its financing over twenty years; and

WHEREAS, the Inflation Reduction Act created elective pay incentives that allows tax-exempt entities to take advantage of clean electricity investment credits; and

WHEREAS, the City of La Crosse can claim a 30-40% of the total cost of these solar arrays through elective pay; and

WHEREAS, Baker Tilly can assist the City of La Crosse with completing the required Internal Revenue Service (IRS) documentation necessary to claim elective pay at a cost of \$34,250; and

WHEREAS, elective pay is estimated to be over \$175,000 and cover the cost of Baker Tilly's assistance; and

WHEREAS, it is increasingly necessary to find alternative funding sources for climate action plan implementation.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of La Crosse that it hereby resolves to contract with Baker Tilly to help the City of La Crosse claim elective pay incentives.

BE IT FURTHER RESOLVED that \$34,250 shall be appropriated from General Fund Unassigned Fund Balance to pay for Baker Tilly's services.

BE IT FURTHER RESOLVED that the received tax credits be used to reimburse General Fund Unassigned Fund Balance and the remaining funds be appropriated to Fund 2900253.

BE IT FURTHER RESOLVED that Fund 2900253 shall be used for Climate Action Plan implementation and guided by the Climate Action Plan Steering Committee.

BE IT FURTHER RESOLVED that the Mayor and City Clerk are authorized to execute said contract.

BE IT FURTHER RESOLVED that the Director of Finance and Director of Planning and Development are hereby authorized and directed to take all necessary steps to implement this resolution.