Build Kansas Fund | Fiscal Year 2025 Application Package | Memo



To: Representative Troy Waymaster, Chair, Build Kansas Advisory Committee Chardae Caine, Kansas Legislative Research Department Shauna Wake, Office of the Kansas State Treasurer

From: Jason Fizell, Interim Executive Director, Kansas Infrastructure Hub

RE: Build Kansas Fund Application #2025-114-SEKRPC

Date: May 22, 2025

Attached, please find an application made to the Build Kansas Fund by the City of Savonburg. The application packet includes the following items:

- Coversheet provides a high-level overview of the application including a unique identification number, page 1 of 14 of the Build Kansas Fund Application Package.
- Build Kansas Fund Application includes information submitted with the Build Kansas Fund Application, pages 2-8. Page 8 provides the table of funding sources and zip codes served by the project.
- Attachments 40101d application, pages 9-14.

Project Overview

The City of Savonburg seeks funding from the U.S. Department of Energy for funding available through the SECTION 40101(d): Preventing Outages & Enhancing the Resilience of the Electric Grid program for their Electric Grid Revitalization project which includes replacing the city's outdated electric grid with a modern, more efficient system to improve service reliability and reduce outage durations.

This opportunity is a discretionary BIL program with a local match requirement of 48.33% of the total project cost. The entity is requesting \$227,601.12 from the Build Kansas Fund, and is requesting an exemption from the local cash contribution. This request has the potential to unlock \$470,898.88 in federal funds, for a total project cost of \$698,500.00.

The deadline was January 9, 2025, and this Build Kansas Fund application was received on January 9, 2025.

Build Kansas Fund Steering Committee Recommendation

The Build Kansas Fund Steering Committee reviewed this application on May 14, 2025 following a successful completeness check. The Steering Committee **RECOMMENDS APPROVAL** of Build Kansas Funding to the Build Kansas Advisory Committee for final advice.

Build Kansas Fund | Fiscal Year 2025 Application Package | Coversheet



Build Kansas Fund Application Number	2025-114-SEKRPC	
Applicant Name	City of Savonburg	
Application Date Received	1/9/2025	
Project Name	Electric Grid Revitalization Project	
Project Description	Replace the city's outdated electric grid with a modern, more efficient system to improve service reliability and reduce outage durations	
Entity Type	Local Government	
Economic Development District (EDD) Planning Commission	Southeast KS Regional Planning Commission	
Infrastructure Sector(s)	Energy	
BIL Program	SECTION 40101(d): Preventing Outages & Enhancing the Resilience of the Electric Grid	
BIL Program Type	Discretionary	
Application Type	Implementation	
BIL Application Deadline	1/9/2025	
Build Kansas Fund Request	\$227,601.12	
	General Yes 🛛 No 🗆	
	BIL Application Yes No 🛛	
Technical Assistance Received	Build Kansas Fund Application Yes⊠ No□	
	Other (Brief Description): Provided General TA and BKF Application Support.	
Application Notes	Build Kansas Fund contribution of \$227,601.12 will unlock \$470,898.88 in federal BIL funding, with a request for exemption from the local cash contribution, for a total project cost of \$698,500.00	
Steering Committee Funding Recommendation	5/14/2025 Recommend 🗵 Declined 🗆	
Advisory Committee Funding Recommendation	5/22/2025 Recommend 🗆 Declined 🗔	

Title

01/09/2025

id. 49285038

City of Savonburg

by Rachel Moore in Build Kansas Fund Application

1 N Washington Iola, Kansas 66749 Kansas United States 620-365-8128 rachel@thriveallencounty.org

Original Submission

04/30/2025

Score	n/a
	Part 1: Applicant Information
The name of the entity applying for the Build Kansas Fund:	City of Savonburg
Project Name:	CITY OF SAVONBURG_Electric Grid Revitalization
Entity type:	Local Government
Entity Population:	74
Applicant Contact Name:	David Janssen
Applicant Contact Position/Title:	Mayor
Applicant Contact Telephone Number:	+16207543466
Applicant Contact Email Address:	savonburg1call@gmail.com
Applicant Contact Address:	101 S Walnut St
Applicant Contact Address Line 2 (optional):	
Applicant Contact City:	Savonburg

Applicant Contact State:	Kansas
Applicant Contact Zip Code:	66772
Is the Project Contact the same as the Applicant Contact?	Yes
	Part 2: Build Kansas Fund - Eligibility Criteria
Certify that you are pursuing an Infrastructure Investment and Jobs Act (IIJA) funding opportunity for which your entity is eligible:	Yes
Certify that the Infrastructure Investment and Jobs Act (IIJA) funding opportunity you are pursuing has a required non-federal match component:	Yes
What is the primary county that the project will occur in?	Allen County
provide a list of all the of the project located	ad is intended to support Kansas-based infrastructure projects. Please e zip codes this project will be located in, along with an estimated percent [%] in that zip code. For example, if seeking funding for road infrastructure, ent of the roads expected in each zip code: e.xlsx
	Part 2: Infrastructure Investment and John Act (ILIA) Crant Application

	Part 3: Infrastructure Investment and Jobs Act (IIJA) - Grant Application Information Please Note: This information is related to the federal Infrastructure Investment and Jobs Act (IIJA), commonly known as the Bipartisan Infrastructure Law (BIL), funding opportunity to which you will apply. This is NOT information for the Build Kansas Match Fund.
Please enter the Infrastructure Investment and Jobs Act (IIJA) funding opportunity title that the entity is applying for:	SECTION 40101(d): Preventing Outages & Enhancing the Resilience of the Electric Grid

What is the funding agency for this Infrastructure Investment and Jobs Act (IIJA) funding opportunity?	U.S. Department of Energy
What is the Assistance Listing Number (ALN) for this Infrastructure Investment and Jobs Act (IIJA) funding opportunity?	81.254
What is the federal application due date for this Infrastructure Investment and Jobs Act (IIJA) funding opportunity?	1/9/2025
Application Type:	Implementation
What is the federal fiscal year for this Infrastructure Investment and Jobs Act (IIJA) funding opportunity?	2024
Enter the amount of funding being applied for, from the Infrastructure Investment and Jobs Act (IIJA) funding opportunity:	\$470,898.88 for a total project cost of \$698,500.00
Enter the total project cost:	\$698,500.00
Enter the required non-federal match percentage:	48.33%

Part 4: Build Kansas Fund - Match Application Information Beginning in July 2024 and moving forward, eligible applicants are expected to contribute a portion of the non-Federal match requirement. This contribution can be in the form of cash and/or in-kind contributions. The goal is to demonstrate the applicant's commitment to the project. The contribution should be significant enough relative to the Build Kansas Fund request. For a local public entity, 5% of the non-federal match is a good guideline, but not a requirement. See Build Kansas Fund Program Guidance for exceptions and more information. Enter the non-federal \$227,601.12 for a total project cost of \$698,500.00 cash match amount being requested from the Build Kansas Fund: Enter the non-federal 00 cash match amount being provided by the eligible applicant, if applicable: Enter the estimated 00 value of the nonfederal in-kind match amount being

provided by the eligible applicant, if applicable:

Expected breakdown of funding sources to support the project: Enter the funding source and projected amount from each source to support this project:

Kansas+DOT+table_V2.xlsx

Part 5: Build Kansas Fund - Means Test and Eligible Applicant Match

What other available N/A funding sources that are currently planned to go unused by your entity will be leveraged for this project?

Will any American Rescue Plan Act (ARPA) or Coronavirus State & Local Fiscal Recovery Fund monies will be used for the non-federal match?	\$0
What other sources of in-kind match will be leveraged for this project? Please list and include the actual or estimated value of each.	N/A
What other funding sources (local, federal, or non- federal) will be used for this match?	seeking exemption - see below and additional information
	The City of Savonburg will not be providing any in-kind match because it no longer employs any workers of the appropriate types. It will be contracting with the Kansas Municipal Electric Association (KMEA), of which it is a member/owner and which functions as an extension of the city. KMEA is therefore exempt from Davis-Bacon wage rate regulations, which will provide tens of thousands of dollars in savings. KMEA also employs apprentices, so a new generation will be learning the work it takes to maintain and upgrade electrical grids. The City of Savonburg spent its allocation of ARPA Funds on Revenue Replacement, and has no ARPA funds remaining. The City of Savonburg's income is derived mostly from electricity sales, and a large portion of revenue left over after purchasing electricity from Evergy goes toward repairing and patching the aging gride that this project seeks to replace and revitalize.
	Part 6: Additional Information
-	or final version of the Infrastructure Investment and Jobs Act (IIJA) program ociated with this request OR an executive summary providing an overview of
Savonburg_Electric	_Narrative_Draft_for_BKF_application.pdf
FIA-861S Sayonbur	g Most Recent Available.pdf

 ${\it EIA-861S_Savonburg_Most_Recent_Available.pdf}$

Financial_Statement_and_Most_Recent_Audit.pdf

ProfitLoss_2023-2024.pdf

Savonburg_-_Estimate_to_Upgrade_the_Electric_Distribution_System.pdf

Provide any additional information about this project not covered in previous sections of this application (optional): Savonburg is a small rural community with limited resources. Due to the lack of infrastructure and financial capacity, we are unable to do any work in kind for this project and are seeking an exemption for the recommended local cost share. With only \$15,000 on receivables, we are reliant on the federal and Build Kansas Funds in order to make this project possible!

	Part 7: Terms and Conditions
Understanding of Fund Release Requirements:	checked
Understanding of Use of Funds:	checked
Understanding of Reporting Requirements:	checked
Authority to Make Grant Application:	checked
Persons and Titles: The following persons are responsible for making this Build Kansas Fund application.	David Janssen
Position/Title:	Mayor of Savonburg
Additional:	Dakota McNett
Position/Title:	Director of People at Thrive Allen County
Additional:	Michael Vile
Position/Title:	City Clerk
Additional:	Rochelle Greve
Position/Title:	City Treasurer

Source	Amount	% of Project
Build Kansas Funds (non-federal match)	\$227,601.12	32.58%
Eligible Applicant Cash Match	\$0.00	0.00%
Eligible Applicant In-Kind Match (estimated value)	\$0.00	0%
BIL Federal Funds (applied for)	\$470,898.88	67.42%
Additional Project Contribution (if applicable)	\$0.00	0%
TOTAL PROJECT COST	\$698,500.00	100%

*Applicant is seeking an exemption for the local cash match requirement

Zip Code		% of project in zip code
	66772	100%
		100% In Kansas

• Project description and scope

o Detailed explanation of the grant funds to be utilized. Certification that project is not one currently being funded. 1000 words

The City of Savonburg certifies that the project is not one currently being funded. The proposed project would replace the existing grid, which was constructed in the 1960s, with a new, functional grid. The first step will be to install new poles, and as each new pole goes up, our contractor will install the appropriate components (such as transformers) and power lines (conductors) until the whole system is replaced with a new, functional, and more efficient system. Savonburg has 58 power customers (meters), and the city's electric grid covers an area of roughly one quarter of a mile square.

Savonburg is a community of roughly 75 people with no retail businesses. The aging electric grid is preventing the community from growing, or perhaps even killing it, in several ways. These include being increasingly difficult to repair, diminishing the quality of life for residents, and discouraging businesses from locating in Savonburg. It takes longer and longer to locate replacement parts for Savonburg's inefficient, 60-year-old grid, as fewer and fewer manufacturers make them, and fewer retailers carry them. Searching for replacement parts is a big factor in increased outage durations. The city does have some backup parts on hand in case of an emergency, but it only takes needing one more part than you own to significantly increase the duration of an outage.

o Explanation of the applicant's ability to finance the project itself and the resulting impact to its overall financial condition. Describe whether the project funds will be used in rural and/or disadvantaged and underserved communities (communities whose residents would be negatively impacted by large utility project costs, or whose access to service, supplies or a work force or limited). Identify disadvantaged communities using Climate and Economic Justice Screening Tool and the Energy Justice Tool.

The City of Savonburg is not reasonably able to finance the project itself, but it has taken steps to reduce costs where possible. Savonburg will be contracting with the Kansas Municipal Electric Association (KMEA), of which it is a member/owner and which functions as an extension of the city. KMEA is therefore exempt from Davis-Bacon wage rate regulations, which will provide a large portion of savings. KMEA

also employs apprentices, so a new generation will be learning the work it takes to maintain and upgrade electrical grids. The City of Savonburg spent its allocation of ARPA Funds on Revenue Replacement, and has no ARPA funds remaining. The City of Savonburg's income is derived mostly from electricity sales, and a large portion of revenue left over after purchasing electricity from Evergy goes toward repairing and patching the aging gride that this project seeks to replace and revitalize. Savonburg has 58 customers (meters), and if the city were to fully fund this project itself, it would require between \$10,000 and \$13,000 per customer (meter).

o Provide historical and post project estimated interruption frequency and duration data if known.

o Provide pro rata customer impact of total project cost.

The project as budgeted will spend \$ 12,043.10 per customer (meter). If awarded, the project will not increase customer costs.

o Provide number of customers to be impacted by project and percentage of impacted customers to total customers in the disadvantaged or underserved community.

The project will impact 58 (100%) of the 58 customers (meters) in Savonburg's grid. These are all rural and underserved customers.

• Project budget and narrative

o Provide a detailed budget with expected expenditures required for the success of the project. Include information regarding matching funds and timeline for their use.

\$635,000 is budgeted under "Contractual," and that will cover the items listed in the Engineer's Opinion of Probable Cost provided by KMEA (attached). Items include poles, transformers, conductors, other miscellaneous materials, and labor. \$63,500 is budgeted as indirect costs, being 10% (the *de minimus* indirect cost rate) of the eligible direct costs.

The project total is \$698,500 with \$470,907 being the federal share and \$227,593 being the matching share. Savonburg is simultaneously applying for a Build Kansas Fund grant to provide 100% of the match requirement.

• Project timeline

o Provide a detailed timeframe with milestones toward completion of the project.

The project is planned over 24 months (8 quarters) beginning from the award date

Year 1

Q1: Preconstruction

Q2-Q4: Construction

Year 2

Q1-Q2: Construction

Q3: Post-Construction, Substantial completion

Q4: Closeout

This timeline reflects reasonable contingency planning for supply chain and weather delays which may occur.

• Project bids and estimates

o Attach bids and/or estimates received for project. Attach engineering reports that are relevant for the project as well as quotes for services.

Community Benefit

o Provide historical measurements of resilience and reliability for the targeted areas of each proposed project.

Savonburg proposes replacing and upgrading its entire grid, which was built over 60 years ago. Despite relentless vegetation removal and repairs and patches, the grid still fails too often—about 4-6 times per year. Most outages were fixed in the same day, but in a community with a high population of elderly and disabled residents, going that long without electricity can be dangerous. The lack of dependable

electricity also makes the community's food desert more hazardous because food tends to spoil without refrigeration.

o Provide expected changes to the historical data as a result of each proposed project.

As a result of the proposed project, we expect grid failures to occur less frequently and that they will take much less time to repair. We also expect that replacing the conductors with new, low-sag conductors will prevent loss and make the system more efficient.

o Provide historical measurements of resilience and reliability for the entire system to determine whether the project is in an area that has, on average, more frequent or longer duration outages.

The system lasted longer than its life expectancy of 30-40 years—decades longer. The majority of the poles, transformers, and conductors are at least two decades older than the expected lifespan. Before becoming a member/owner in KMEA, Savonburg residents knew that if the power went out, it would stay out at least until the next day. Now, residents are getting comfortable expecting the power to be back on the same day, but outages are no less frequent.

o Provide age of system or line segments to be replaced or repaired, type of equipment that failed, and number of annual outages for the project area.

The system to be replaced was built in the 1960s and has been repaired and patched since, but never upgraded. Every type of equipment (poles, transformers, and lines) has either failed or has surpassed its age of expected reliable use, or both. There are some individual components that have been replaced, but the majority of the system is just getting too old.

o Provide number of protective devices (fuses or breakers) that have operated more than once in a rolling 12 month period.

Savonburg estimates that at least 8 protective devices have operated more than once in a rolling 12-month period.

o Provide number of customers impacted by project and percentage to total customers served in Kansas.

The number of customers (meters) impacted by the project is 58, and that is 100% of the total customers that Savonburg serves in Kansas. Savonburg serves no customers in any other state.

o Descriptions of efforts to attract, train, and retain a skilled workforce.

The City of Savonburg needs reliable electricity to attract any businesses at all. Most residents leave Savonburg to earn a living because there are almost no employers in town to hire anyone, especially not to hire them full-time. Unreliable electricity puts businesses at risk as well as residents. Even a gas station with a convenience store that sells some foodstuffs must have reliable power to run the gas pumps, refrigerate the beverages and snacks, and keep the registers open. Efforts to provide reliable electricity are efforts to attract, train, and retain a skilled workforce.

o Provide estimate of jobs created.

It is difficult to know how many jobs might be created, but this project will preserve existing jobs and create opportunities for new jobs. KMEA is able to employ 4-5 apprentices per cohort because of projects like this one. Without upgrades to its electric system, Savonburg's options for remaining an incorporated town are slim, and all paid positions with the city will be eliminated in that event. A reliable electric grid will make the rather pretty, rustic hideaway much more attractive to businesses and new residents.

o Any plans to partner with training providers to support workforce development must be identified.

Part of the reason Savonburg chose to become a member/owner of KMEA is that KMEA attracts, trains, and places apprentice linemen through a partnership with Kansas Municipal Utilities. The apprentices and journeymen KMEA will employ during this project (and similar projects enabled by this funding opportunity) will create a deeper "bench" of capable, knowledgeable professionals who will work with the power needs of the future.

o Any other metric that indicates potential community benefit should be provided

Savonburg is not listed on the USDA's Food Desert Atlas because there are not 500 people in the census tract over 10 miles away from a grocery store. Nevertheless, Savonburg's roughly 75 residents are at least 12 miles from the nearest grocery store, and it's another mile north to the nearest gas station. Trips to the grocery store are less frequent and foster a culture of stockpiling food between trips. Refrigeration preserves that food, but only for a limited time without power. That situation combined with low income can result in hungry residents without enough money to replace ruined food or the gas it takes to get there. The longer the duration of outages, the more vulnerable residents become.