

Build Kansas Fund | Fiscal Year 2024 Application Package | Memo



To: Senator Ty Masterson, Chair, Build Kansas Advisory Committee
Murl Riedel, Kansas Legislative Research Department
Shauna Wake, Office of the Kansas State Treasurer

From: Matthew Volz, Executive Director, Kansas Infrastructure Hub

RE: Build Kansas Fund Application #2024-030-40101d-Anthony

Date: April 12, 2024

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

- Coversheet – provides a high-level overview of the application including a unique identification number, page 1 of 15 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.
- Attachments – Copy of BIL application, pages 9-15.

Project Overview

Under the Preventing Outages and Enhancing the Resilience of the Electric Grid - Section 40101(d), the U.S. Department of Energy (DOE) provides grants to States to improve the resilience of their electric grid against disruptive events. The Kansas Corporation Commission (KCC) received more than \$13.3M from the DOE for fiscal years 2022 and 2023. During the application period, KCC received 31 submissions, with more than \$40.1M in project funding requests. Ultimately, the agency selected 11 applicants across Kansas with Build Kansas Fund requests totaling \$5.84M, unlocking \$12.08M in federal funding.

The City of Anthony seeks funding from the Kansas Corporation Commission (KCC) through the 40101d program. The Anthony Circuit Reconstruction Project will rebuild two sections of the most critical power line locations and replace outdated switching recloser station and control center.

This opportunity is a pass-through discretionary BIL program with a local match requirement of 48.33%. The entity is requesting \$131,161.45 from the Build Kansas Fund. This request has the potential to unlock \$271,368.55 in federal funds.

The State's internal deadline for 40101d applications to Kansas Corporation Commission was December 29, 2023. This is an ongoing Federal program; however, it would be advantageous for the State to submit its application package as soon as possible. This Build Kansas Fund application was received on March 7, 2024, underwent a completeness check, and subsequently deemed acceptable for this program on March 7, 2024.

Build Kansas Fund Steering Committee Recommendation

The Build Kansas Fund Steering Committee reviewed this application on April 3, 2024, 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 2024 Application Package | Coversheet



Build Kansas Fund Application Number	2024-030-40101d-CityofAnthony
Project Name	Anthony Circuit Reconstruction
Entity Type	Local Government
Economic Development District (EDD) Planning Commission	South Central Kansas Economic Development District
Infrastructure Sector(s)	Energy
BIL Program	Preventing Outages and Enhancing the Resilience of the Electric Grid – 40101(d)
BIL Program Type	Discretionary (State Pass-Through)
BIL Application Deadline	12/29/2023
Build Kansas Fund Request	\$131,161.45
Technical Assistance Received	General No
	BIL Application No
	Build Kansas Fund Application Yes
	Other (Brief Description): Support on application and budget submission
Application Notes	Build Kansas Fund contribution of \$131,161.45 will unlock \$271,368.55 in federal BIL funding. <i>The application for BIL funding was submitted to KCC for review and approval and received DOE support prior to submitting for BKF.</i>

Steering Committee Funding Recommendation	4/3/2024 Recommend
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Advisory Committee Target Review	DATE Recommend or Deny
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Advisory Committee Funding Recommendation	DATE Approve or Deny
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Completeness Review Data

Date Build Kansas Application Received:	3/07/2024
Date Of Completeness Check:	3/07/2024
Date Forwarded to Steering Committee:	4/02/2024

Title	City of Anthony	03/07/2024
	by Cyndra Kastens in Build Kansas Fund Fiscal Year 2024 Application	id. 45821514
	ckastens@anthonykansas.org	

Original Submission	03/08/2024
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Score	n/a	
	Part 1: Applicant Information	
The name of the entity applying for the Build Kansas Fund:	City of Anthony	
Project Name:	Anthony Circuit Reconstruction	
Entity type:	Local Government	
Applicant Contact Name:	Cyndra Kastens	
Applicant Contact Position/Title:	City Administrator	
Applicant Contact Telephone Number:	+16208425434	
Applicant Contact Email Address:	ckastens@anthonykansas.org	
Applicant Contact Address:	P.O. Box 504	
Applicant Contact Address Line 2 (optional):	124 S Bluff	
Applicant Contact City:	Anthony	
Applicant Contact State:	Kansas	
Applicant Contact Zip Code:	67003	

Is the Project Contact the same as the Applicant Contact? Yes

Part 2: Build Kansas Fund - Eligibility Criteria

Certify that you are pursuing a viable Bipartisan Infrastructure Law (BIL) funding opportunity for which your entity is eligible: Yes

Certify that the Bipartisan Infrastructure Law (BIL) funding opportunity you are pursuing has a required non-federal match component: Yes

What is the primary county that the project will occur in? Harper County

The Build Kansas Fund is intended to support Kansas-based infrastructure projects. Please provide a list of all the zip codes this project will be located in, along with an estimated percent [%] of the project located in that zip code. For example, if seeking funding for road infrastructure, provide a rough percent of the roads expected in each zip code:

[Zip Code Percentage.xlsx](#)

Part 3: Bipartisan Infrastructure Law (BIL) - Grant Application Information
Please Note: This information is related to the federal Bipartisan Infrastructure Law (BIL) funding opportunity to which you will apply. This is NOT information for the Build Kansas Match Fund.

Please enter the Bipartisan Infrastructure Law (BIL) funding opportunity title that the entity is applying for: Preventing Outages & Enhancing the Resilience of the Electric Grid

What is the funding agency for this Bipartisan Infrastructure Law (BIL) funding opportunity? Kansas State Agency

Enter the Kansas State Agency in which you are applying for funding.

Kansas Corporation Commission

What is the Assistance Listing Number (ALN) for this Bipartisan Infrastructure Law (BIL) funding opportunity?

81.254

What is the application due date for this Bipartisan Infrastructure Law (BIL) funding opportunity?

12/29/2023

What is the federal fiscal year for this Bipartisan Infrastructure Law (BIL) funding opportunity?

2024

Enter the amount of funding being applied for, from the Bipartisan Infrastructure Law (BIL) funding opportunity:

\$271,368.55

Enter the required non-federal match percentage:

48.33

Part 4: Build Kansas Fund - Match Application Information

Enter the non-federal match amount being requested from the Build Kansas Fund:

\$131,161.45

Is the project able to move forward with a lesser match amount than requested?

No

If you are awarded \$131,161.45 less match than the amount requested, at what amount would your project NOT be able to move forward?

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.xlsx](#)

Part 5: Build Kansas Fund - Means Test

Confirm that there are no available funding sources currently planned to go unused by your entity that could be leveraged for this project: Yes

Confirm there are no available American Rescue Plan Act (ARPA) or Coronavirus State & Local Fiscal Recovery Fund monies that could be used for this match: Yes

Confirm that you have explored other readily available funding sources (federal or non-federal) to be used for this match: Yes

Briefly describe your efforts to find other available funding sources for this project:

The city bonded a \$4.7 million dollar substation and tie line in 2017 and raised customer rates in 2017, 2018, and 2019. The city also had to raise water rates by 37% in 2019 due to the water fund being in the red and we are potentially facing completely rebonding the city's primary 16" water main that is only 11 years old due to continued failure. The current water bond does not pay off until 2053. Committing to these financial responsibilities has made maintenance of very aged infrastructure difficult to fund, especially due to the vast dollars needed since the rest of the distribution of the infrastructure is still dated from the 1950's and 1960's. However, understanding the importance of meeting needed infrastructure replacement and O&M, the city has been working diligently to change this. We completed development of an asset management plan in 2021 and have started trying to budget some of the required transfers to capital improvement for this purpose. Though we feel we are finally able to demonstrate pro-active efforts to fund these initiatives, we are so far behind the need, the amount of funding available is completely unable to address replacement of all the critically identified components at present. There is no funding dedicated to 2024 to cover the vital infrastructure replacements identified in our BIL Section 40101(d) grant. We have made great efforts with several years of planning, budgeting, cutting costs, etc. But we are facing very serious potential power disruptions to our entire community the longer we wait to have the funding to replace this approximately 4,000' of distribution equipment and four main reclosers at the city switching station. Though we first focused inward for other available funding, we have now been focusing outward.

In addition to ensuring that we are being good stewards both fiscally and from an infrastructure management planning standpoint internally, the city administrator also continues to remain on several list serves, including KMEA, KMU, Department of Commerce, and enrolled in the Kansas Infrastructure Hub to continue to be aware and seek out any other outside funding sources that could help with this infrastructure replacement. This BIL grant is the only grant thus far that we have determined we are eligible for, and that this infrastructure project fits the goals and directives of the grant, Build Kansas is the only program we have determined so far that would qualify as match for said grant.

Part 6: Additional Information

Please upload a copy of the Bipartisan Infrastructure Law (BIL) program application associated with this request OR a 2-page executive summary providing an overview of the project:

[Grant_Submission__Anthony_Circuit_Reconstruction.pdf](#)

Provide any additional information about this project (optional):

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: Cyndra
The following Kastens
persons are responsible for making this Build Kansas Fund application.

Position/Title: City Administrator

Additional:

Position/Title:

Additional:

Position/Title:

Additional:

Position/Title:

Internal Form

Score n/a

Pre-Award Information:

Post-Award Information:

Deviation Report:

Source	Amount	Zip Code	% of project in zip code
BIL Federal Funds (applied for)	\$ 271,368.55	67003	100
Build Kansas Funds (non-federal match)	\$ 131,161.45		
Additional Project Contribution (if applicable)	\$ -		
TOTAL PROJECT COST	\$ 402,530.00		

Title **Anthony Circuit Reconstruction** 12/29/2023
by **Cyndra Kastens** in **SECTION 40101(d):** id. 45048657
Preventing Outages & Enhancing the Resilience
of the Electric Grid
ckastens@anthonykansas.org

Original Submission 12/29/2023

Section 1: Applicant Information

Entity name: City of Anthony
Entity Type: Electric Grid Operator
Entity address: 124 S Bluff
P.O. Box 504
Anthony
KS
67003
US

Employer Identification Number (EIN): 48-6005261

Unique Entity Identifier (UEI): M78KB6W3GK99

Please upload verification of eligible entity size and documentation of annual sales per year:

[EIA_861_City_of_Anthony.pdf](#)

EIA Table

[2021 Utility Bundled Sales to Ultimate Customers List .xlsx](#)

Project Manager name: Cyndra Kastens

Project Manager phone number: +16208425434

Project Manager e-mail address: ckastens@anthonykansas.org

IRS Form W-9:

[Anthony_W-9.pdf](#)

Latest financial statement and financial statement audit:

Please acknowledge whether your entity has ever submitted an application, similar in nature, to the DOE under BIL Section 40101c, DE-FOA-002740, Grid Resilience and Innovation Partnerships (GRIP):

Section 2: Project Description and Scope

Project Name: Anthony Circuit Reconstruction

Project type: Hardening of power lines, facilities, substations, of other systems

Project description and scope: The City of Anthony Kansas is a disadvantaged rural community of 2,043 citizens located in south central Kansas. The city owns and operates an electric utility of approximately 1,877 meters located in the city and throughout an additional 222 miles of rural customer base the city also serves. Anthony has operated a fully operational power plant to provide reliable and economic electricity to the community for over 100 years, and in 2017 bonded a 138kV substation to aid in reliable energy for our citizens. Though the tie line is a new and very costly infrastructure for our community, the remainder of the electrical system is aged and in dire need of repair. Over 20% of the poles in the system are over 70 years old and an additional 50% are over 40. There is over 90 blocks of feeder line from the late 50's in the in-town alleys identified as needing replaced or near failure, and the OCR's and other components in the old in-town existing regulator station has also aged out. More vitally are the reclosures at the in-town switching station, their continued age is vital to the entire community since they control all circuits that supply the community with power. This is not all of the materials identified for replacement on electric distribution asset/capital plan, and it doesn't even include any of the components of the electric production department. As the inflated costs of materials combines with the enormous amount of outdated material that needs taken care of at once, the need for the city to strive for outstanding funding assistance is a responsible task on our part to continue to strive to serve the community with reliable power as the demand and need for electricity grows in today's technology driven environment. Therefore, the City of Anthony is applying for funding to help rebuild two sections of the most critical power line locations and replace an outdated switching recloser station and control center. The city of Anthony has an expected cost of \$402,530 for the entire three projects. The first of these three projects is the Springfield/Lincoln Alley project. This project is a little over three city blocks or approximately 1600' in total length. The project will consist of replacing 14 power poles, replacement of 12 transformers, and replacement of the 3-phase conductor. This section

of power line has 27 customer meters one of which is the community grade school??? The equipment in this section of line, especially the poles, is approximately 70 years old. The expected life of the equipment is 40-50 years old.

The second project is the Kansas/Bluff alley project. This project is approximately 2300' in length and will replace 22 poles and 16 transformers. This section of line has 44 customers served on this project. The age of the poles on this section is from 1961-1962. This alley project was identified as a key section of the system because of the important infrastructure to the city like the city water tower, the city sewer lift station, and a church that also provides shelter in an event of a disaster occurs????

The third project as part of this circuit rebuild is replacement of four reclosers at the in town switching station. This is a key component of the entire electrical system for the city of Anthony. These reclosers control all of the circuits that supply the community with power. As these continue to age the reliability of the equipment becomes more and more in question. With the importance of these reclosures the city has identified these as key equipment to replace before critical occurrences take place. Though the city has started funding annual transfers to the asset/capital plan, and dollars have started to build for various projects, due to prioritization of more critical components (such as properly operating customer electric meters), the city does certify that this project is not one that is currently funded.

Section 3: Need for Funding

Project funding need: According to the Climate and Economic Justice Screening Tool the City of Anthony is a Rural Disadvantaged Community. Anthony's median household income is \$47,266, since COVID the poverty rate increased from 17% to 20%, and over 65% of the families qualify for Free and Reduced Lunches. The city bonded a \$4.7 million dollar substation and tie line in 2017 and raised customer electric rates in 2017, 2018, and 2019. The city also had to raise water rates by 37% in 2019 due to the water fund being in the red. With the aged infrastructure and large territory of additional rural miles (which is not as common to most municipalities), this means the Anthony Electric Utility must properly maintain a large infrastructure base with a low customer count, all while trying to keep rates as affordable as possible for local income capabilities. Unfortunately, the need to focus dollars on the tie-line in 2017, and the lack of dollars for capital planning and O&M prior to this, funding proper repairs, maintenance, and replacement of aged infrastructure has been a challenge and often keeps getting bypassed to fund more critical items like replacing electric meters that are not recording correctly. The City has been working to rectify the lack of proper maintenance replacements by properly completing an asset management/capital improvement plan and started to include transfers into budgets to fund small portions as we are able. However, these small transfers as compared to the large dollars needed motivate the city to apply for any outside funding sources available to help bring our infrastructure to more reliable and resilient conditions.

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

This City of Anthony does have historical estimates of outages on their system. An average outage is 20-30 minutes. Although historical averages are relatively short in nature as the system ages, the degradation of equipment is starting to show more frequent occurrences. As this continues without repair, and a section like the projects that are being proposed break in multiples the time of outage would be more days than hours. We believe this project would greatly reduce the existing frequency of events but more importantly, the more resilient equipment would prevent what appears to be a coming increase in interruptions.

Provide pro rata customer impact of total project cost.

With an expected cost of \$402,530 each customer would have an expected obligation of almost \$200. This cost would be on top of any normal monthly bills for service.

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

The entire City of Anthony community and rural service area (1,877 services) will be impacted by the project either by a financial impact or by loss of service. The City is designated a disadvantaged community which would affect 100% of those citizens.

Section 4: Complete Budget and Narrative

Award amount requested: \$271,374.64

Matching funds to be provided: \$131,155.36

Budget (Total Costs):

[Budget Template DRAFT.xlsx](#)

Project budget upload (optional):

[Anthony_Budget.pdf](#)

Project budget narrative:

The City of Anthony has received a cost estimate from KMEA Mid-States Engineering. KMEA Mid-States has given a probable cost of construction of \$420,530.00. This is comprised of three primary components. The first is a total material cost of \$154,686. The materials are a mixture of poles, transformers, recloser controls, conductor, and associated equipment. The second is the total cost of labor of \$211,469.00. The third is engineering and design of \$24,000.

Cost match commitment letter:

[Anthony_Match_Commitment.pdf](#)

Section 5: Project Timeline

Project timeline: The City of Anthony expects this project 2 to 3 years to complete. From the point of contracts signed and approvals of grants the city expects a three-month design and bid specifications to be completed by the selected consultant. Following the design phase the city would solicit bids from prospective contractors, taking three months to complete. The construction phase once contracts are executed is expected to be six months to 36 months for full completion. The timeline is primarily dictated by supply chain delays on much of the equipment and contractor scheduling.

Section 6: Bids and Estimates

Bids and estimates:

[OPC.pdf](#)

Section 7: Community Benefit

Community benefit narrative: Though Anthony is small and rural, the City, partnering with surrounding local cities and Harper County, has formed multi-jurisdictional partnerships to create programs, incentives, and long-term solutions for rural economic sustainability. Properly functioning infrastructure is pivotal to the success of these programs and the life of these rural communities. Most people, as you know, flip on the switch or plan for their business program, or whatever normal life function they are living, and all of these things are dependent upon reliable resilient infrastructure. If the infrastructure continues to age, power issues will disrupt not only life functions but can damage equipment causing loss. Correcting this problem will take a vast amount of money and the community cannot bear additional rate increases or bonds. The grant would provide a great benefit to this community because the City could at least target a few of the more critical maintenance components to ensure greater resilience on our system.

Provide historical measurements of resilience and reliability for the targeted areas of each proposed project. Recent events are showing the age of the reclosures in this project. They have started falsely opening and not resetting correctly on downstream faults. Unfortunately, the measurement of these events (since our SCADA does not look at this part of the system) has only been recorded via a handwritten logbook. In addition, the age of the poles and the degradation of technology and condition of the control equipment on the feeder lines are increasing the number of outages events.

Provide expected changes to the historical data as a result of each proposed project. It is expected that with the hardening of these sections of line will undoubtedly enhance the reliability of the entire system. The confidence in the current equipment grows less each year as the age is well past the useful life of the equipment, poles in particular.

<p>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.</p>	<p>The city of Anthony continues to see on average 17 outages per year. Anthony's location in south central Kansas historically has been faced with consistent violent storm events including very high winds, hail, tornadoes, etc. This number may not be high compared to other municipalities but per capita and more importantly, looking at the age of this equipment and the volume of it, if we do not start fixing more equipment sooner, we are going to have an extremely large volume of faulty equipment at the same time that will require far too great a cost than a city of this size can bare.</p>
<p>Provide age of system or line segments to be replaced or repaired, type of equipment that failed, and the number of annual outages for the project area.</p>	<p>The city of Anthony has identified the pole and circuit replacement segments of the proposed project area at 40-70 years old. Records show many of the poles in place on these segments were installed in 1961 and 1962 and over 90 blocks of in-town feeder line from the 1950's. The third project, reclosures, is estimated at the current age of 25 years. The city sees on average 17 outages or operations of this equipment each year. This is caused by several different issues including weather, age of systems, failure of equipment, outside interference, etc. but primarily growing more susceptible to even natural causes due to the age and condition.</p>
<p>Provide a number of protective devices (fuses or breakers) that have operated more than once in a rolling 12-month period.</p>	<p>6 Main Feeder Breakers, 4 In-Town Circuit Fuses, and 3 Alley and 6 Transformer Fuses</p>
<p>Provide a number of customers impacted by project and the percentage to total customers served in Kansas.</p>	<p>The city of Anthony has 2,043 citizens. These proposed projects would impact the entirety of the city not only functionally but financially as well. Anthony and its customers are located entirely in the state of Kansas.</p>
<p>Description of efforts to attract, train, and retrain a skilled workforce for this project.</p>	<p>Although there are no planned training programs for this project it is expected that the contractor selected to construct the project will have apprentices as part of the construction crew that will be learning and training on the job site. These hours are invaluable experience and are imperative to the completion of the employee's apprenticeship program. Ultimately a highly skilled individual that can provide long lasting benefits to the individual and future projects. The project described in this grant application is very technical in scope and requires highly skilled and a very specific skill set to ensure a successful and long-term positive outcome.</p>

Provide an estimate of job creation due to this project.	This project has an estimated 2,880-man hours. This project will create several opportunities for companies to continue to provide high quality and good paying jobs that meet the expectations of their employees. Furthermore, these positions are located, specifically in Anthony, in rural and underserved areas of the state. In areas like the city of Anthony the creation of short term and long-term job creation can vastly improve the economic well-being of the community.
Identify any plans to partner with training providers to support workforce development.	The city of Anthony does not have any plans to formally partner with an agency specific to this project. The city of Anthony does, however, partner with agencies such as Kansas Municipal Utilities for continued training and apprenticeship programs when applicable and appropriate. It is the city's mission to provide the utmost educational opportunities for the employees to provide a safe workplace.
Provide any other metric(s) that indicates potential community benefit.	Out of time, have to submit grant lol!
Confirmation that the applicant will comply with all Davis-Bacon Act requirements.	Yes
Confirmation that the applicant will comply with all Buy America Requirements.	Yes
Confirmation that the applicant will submit an environmental questionnaire (NETL Form 451.1-1-3), if required, for each work area proposed in the application.	Yes