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Local Finance Notice

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BPU Local Government Energy Audit Program: Streamlined Budgeting and Contracting Procedures

This Notice affects those municipalities and counties that have applied for grants under the Board of Public Utilities' Office of Clean Energy (OCE) Local Government Energy Audit Program. It provides a procedure for these local units to expedite the contracting cycle resulting in a streamlined grant award and auditor contracting process.

The use of this procedure is limited to the OCE Local Government Energy Audit Program. Contracts for all other programs are not affected by this process and must use the established purchasing and governing body resolution process. It does not affect procedures for local authorities, fire districts, or boards of education.

Streamlined Grant Procedure

The OCE audit program funds energy audits so that energy improvements can be made by the local unit. Under the program's two-part application procedure, after filing a preliminary application (Part A), the local unit will complete a request for quotations process and recommend a vendor **before receiving notice of award of the grant.**

The information about the vendor is provided with the "Part B" submission of the Application Form, which includes the results of the request for quotations for the auditor, scope of work, and facility information, as well as a resolution approving submission of the application.

To streamline the contract award process, the Division of Local Government Services (Division) is authorizing the use of a special fiscal and administrative procedure when Part B of the Application is submitted to the program. The procedure allows a single governing body resolution to be adopted in advance of the grant award that will cover submission of the application, approve receipt of the grant, amend the budget, award a contract for services, and certify the availability of funds.

Use of the procedure is limited to those applications where the recommended contractor (from State Contract #T-2545) submitted the lowest quotation. **In cases where the applicant recommends a contractor that does not provide the lowest price, the resolution cannot be passed until the grant is approved by the OCE.**

Under these conditions, a single “Local Government Energy Audit Program Grant Resolution Pursuant to DLGS Authorization” can be passed authorizing the submission of Part B of the Application. The resolution can include any or all of the following elements:

1. Submitting Part B of the Application
2. Accepting the grant if it is awarded
3. Inserting the amount as an item of revenue and appropriation in the budget
4. Award of contract to the lowest cost quotation: If the cost is in excess of the local unit’s bid threshold, this element will award the audit contract to the lowest cost vendor recommended in the material filed with Part B of the Application.
5. Certification of availability of funds

The resolution takes effect upon its filing with the Division. A copy of the Part A and Part B Application Forms authorizing the grant must also be filed with the Division; do not file the full Part B Application, only the two-page cover sheet. **The contract with the vendors cannot be executed and work cannot commence until final approval is received from the BPU program manager.**

If for some reason the grant is not awarded, the local unit is barred from spending any funds and should cancel the appropriation at the end of the year. If the amount received is different than the application amount, an amendment to the resolution must be filed with the Division. Finally, if an award to a non-lowest price vendor is approved by the OCE, the resolution can be passed once that notification is received.

The form of resolution follows this Notice and is available as a separate Word document under the [Energy & Renewable Energy Efficiency Programs](#) section on the Division’s Local Procurement web page. Other important energy conservation links are on that page as well.

Information on the [Local Government Energy Audit Program](#) can be found on the [BPU Office of Clean Energy](#) website. [E-mail](#) the Division with questions concerning the use of the special resolution or other procurement questions.

Approved: Susan Jacobucci, Director

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2	BPU Office of Clean Energy	www.njcleanenergy.com/commercial-industrial/programs/local-government-energy-audit/local-government-energy-audit
2	E-mail	lpcl@dca.state.nj.us

Local Government Energy Audit Program Grant Resolution Pursuant to DLGS Authorization

*(Grant submission, grant acceptance, budget amendment, contract award,
and certification of availability of funds)*

WHEREAS, the *<name of local unit>* desires to apply for a Local Government Energy Audit Program grant from the New Jersey Board of Public Utilities, Office of Clean Energy in the amount of \$_____ for the purpose of conducting an energy audit; and,

WHEREAS, the *<name of local unit>* has previously submitted Part A of the Application to the Office of Clean Energy and has completed Part B of the Application, including scope of work; solicitation of quotations from vendors; a recommendation and cost proposal from *<name of selected audit firm>* who has been determined to be the most advantageous, price and other factors considered; and facility data forms for each facility to be audited; and,

WHEREAS, N.J.S.A. 40A:4-87 provides that the Director of the Division of Local Government Services may approve the insertion of any special item of revenue in the budget of any county or municipality when such item shall have been made available by law and the amount was not determined at the time of the adoption of the budget; and,

WHEREAS, the Director may also approve the insertion of an item of appropriation for equal amount; and,

WHEREAS, the *<name of local unit>* may, by resolution and without advertising for bids, purchase any goods or services under the State of New Jersey Cooperative Purchasing Program for any State contracts entered into on behalf of the State by the Division of Purchase and Property in the Department of the Treasury; and,

WHEREAS, a Request for Proposals was issued under State Contract #T2545 and *<# of proposals received>* proposals were received and evaluated, with *<name of chosen audit firm>* being recommended *<optional, enter name of official making recommendation>* as the most advantageous, price and other factors considered;

NOW, THEREFORE, BE IT RESOLVED, that upon notice of the Board of Public Utilities' Office of Clean Energy, the *<name of local unit>* herewith accepts the award of a grant to conduct an energy audit in the amount of \$*<amount>*; and,

BE IT FURTHER RESOLVED that the Director of the Division of Local Government Services is requested to approve the insertion of an item of revenue in the budget of the year 20__ in the sum of \$*<amount>* which is anticipated to be available from the Office of Clean Energy from the aforementioned Grant; and,

BE IT FURTHER RESOLVED, that the like sum of \$*<amount>* is hereby appropriated under the caption *<line item name>*; and,

BE IT FURTHER RESOLVED, that the sum of \$*<amount>* representing the amount required for the *<name of local unit>* share of the aforementioned undertaking appears in the *<fiscal year>* budget

under the caption of *<budget line item name>* and is hereby appropriated under the caption of *<budget line item name>*; and,

BE IT FURTHER RESOLVED that upon receipt of the Notice of Award from the Office of Clean Energy the *<title of contracting agent >* is authorized to enter into a contract with *<name of vendor>* pursuant to the proposal received for said services; and,

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:30-5.5(b), the certification of available funds shall either certify the full maximum amount against the budget at the time the contract is awarded, or no contract amount shall be chargeable or certified until such time as the services are ordered, and a separate certification of availability of funds is made by the Chief Finance Officer; and,

BE IT FURTHER RESOLVED that a copy of Part A and cover sheets of Part B Forms of the Local Government Energy Audit Program grant application be annexed hereto and a copy be submitted to the Director of the Division of Local Government Services with this resolution.

Resolution No.: _____

Offered by: _____

Seconded by: _____

Adopted: _____

Clerk: _____

Vote: Aye: _____

Nay: _____

Abstain: _____

Date: _____

I, _____, Clerk to the *<name of local unit>* in the State of New Jersey, do hereby certify that the foregoing is a correct and true copy of a resolution adopted by the *<name of governing body>* in the State of New Jersey.