

Finance and Personnel Committee

Monday, March 9, 2020

Presentation by Michael J. Maierle, Transit and Parking System Manager

This presentation is made part of the record at the request of Committee Chairman Q. A. Shakoor II.

1. 0124-20 Subject: Communication sponsored by Alder Jung requesting authorization for the Mayor and City Clerk to authorize an application to the Federal Transit Administration Low or No Emission Vehicle Program - 5339(c) and agree to use funds awarded under the Wisconsin Transit Capital Assistance Grant Program (VW Mitigation Program) in 2019 as the local match. (Grant Control 00291)

Staff Recommendation to the Finance and Personnel Committee on 03-09-2020: Approve authorizing application to the Federal Transit Administration Low or No Emission Vehicle Program - 5339(c) and agree to use funds awarded under the Wisconsin Transit Capital Assistance Grant Program (VW Mitigation Program) in 2019 as the local match.

Fiscal Note: No fiscal impact.

This item seeks authorization to apply to the Federal Transit Administration's (FTA) fiscal year 2020 Low or No Emissions Grant Program. Eligible projects are limited to alternative fuel vehicles. The application is collaborative effort between transit and our office of sustainability, Cara Pratt.

We propose to use the \$ 6,228,658 awarded on Oct 24, 2019 for 6 electric buses and chargers through the Volkswagen (VW) settlement program as a local (non-Federal) overmatch for \$9,412,380 and 9 buses and chargers.

That's a 66.2% local share instead of a standard 20% and a gain of \$3,183,722.

We need a letter from the WI Department of Transportation committing to the use of the VW grant for this purpose. Without the commitment letter the FTA will see our local share as less firm. It is critical.

We are proposing to partner with Proterra on the grant, further increasing the odds of getting the grant, meaning that if we are awarded the grant, we will have selected Proterra as the bus manufacturer. Proterra tells us we will have a highly qualified proposal due to our overmatch.

Over the life of the 9 buses, they will emit 10,854 tons less carbon in the atmosphere.

Our understanding is that all buses acquired through the VW grant will fall under FTA oversight because it is impossible to operate the buses outside of the City's existing partially Federally funded transit program, regardless of whether the VW funds are used for the local share or not.

This is a rare opportunity to seek a grant with essentially no City share, provided that the City is satisfied with all the other conditions.