

# ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



## STAFF REPORT

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**MEETING DATE:** 3/11/2020

**Staff Report No.** 20-107

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**TO:** AC Transit Board of Directors  
**FROM:** Michael A. Hursh, General Manager  
**SUBJECT:** Application for FY 2020 FTA Low-No Funds

### ACTION ITEM

#### **RECOMMENDED ACTION(S):**

Consider authorizing the General Manager or his designee to file and execute grant applications and funding agreements with the Federal Transit Administration (FTA) for Fiscal Year (FY) 2020 Low or No Emission Vehicle Program for the purchase of up to 45 zero-emission buses and associated charging infrastructure.

#### **STRATEGIC IMPORTANCE:**

Goal - Financial Stability and Resiliency  
Initiative - Zero Emission Programs

Applying for grant funds for this project will support the completion of the project that is a significant part of the District's effort to transition its fleet into a zero-emission fleet.

#### **BUDGETARY/FISCAL IMPACT:**

The District is applying for up to \$1.5 million towards the existing project for the purchase of up to 45 zero-emission buses (ZEB) and associated charging infrastructure. The total project cost is estimated to be \$76 million. This includes the cost of the buses as well as full design and construction phases to build charging infrastructure at the District's Divisions 2 and 4 yards.

Approximately \$53.5 million of the funding needed for this project has been secured from federal formula and state Senate Bill 1 and Cap-and-Trade funds. If the project is awarded, the District will have regional or state funds for the Low-No funding match requirement and to complete a substantial portion of the project.

#### **BACKGROUND/RATIONALE:**

FTA issued a Solicitation of Project Proposals for \$85 million of FY 2020 Low or No Emission Program (Low-No) funds on January 17, 2020. The main purpose of the Low-No Program is to support the transition of the nation's transit fleet to the lowest polluting and most energy efficient transit vehicles. The Low-No Program provides funding to State and local governmental authorities for the purchase or lease of zero-emission and low-emission transit buses, including acquisition, construction, and leasing of required supporting facilities.

The District has an existing project for the purchase of up to 45 zero-emission buses and associated charging

infrastructure. The current funding plan for this project includes a couple of revenue sources that are either currently unavailable or not certain to materialize. The funding plan includes Regional Measure 3, which is currently still in litigation, and the California Air Resources Board (CARB) Heavy-Duty Voucher Incentive Program (HVIP), which is very oversubscribed and currently unavailable. The Low-No funds replace these funds and bring the District closer to being able to fund the full original project scope.

The 45 Zero-Emission Bus Project will be the largest ZEB deployment for the District that will involve both electric and hydrogen technologies. It will provide much needed and valuable information to further assess the viability of ZEBs on a larger scale, and will allow the District to continue to deploy zero-emission buses in preparation for compliance with the CARB Innovative Clean Transit (ICT) Regulation. CARB has a target of having all transit buses in the state be zero-emission by 2040, which would mean all bus purchases by 2028 need to be zero-emission.

**ADVANTAGES/DISADVANTAGES:**

Staff cannot identify any disadvantage to applying for the funds. Not applying would cause the District to forgo the opportunity to compete for FTA funds to expand its zero-emission bus fleet.

**ALTERNATIVES ANALYSIS:**

There are no alternative funding opportunities at this time.

**PRIOR RELEVANT BOARD ACTION/POLICIES:**

None

**ATTACHMENTS:**

None

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**Approved/Reviewed by:**

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