

STAFF REPORT

SUBJECT: Resolution in Support of Allocation Request for FY 19-20 Funding through the State Low Carbon Transit Operations Program (LCTOP)

FROM: Jennifer Yeamans, Senior Grants & Management Specialist

DATE: April 28, 2020

Action Requested

Staff requests the Finance and Administration Committee recommend the Board of Directors approve Resolution 11-2020 in support of an allocation request to Caltrans for the Low Carbon Transit Operations Program (LCTOP) toward the future purchase of four zero-emission battery-electric replacement buses in FY 2023. This resolution is required to request allocations for this funding from Caltrans.

Background

The LCTOP was established by California Senate Bill 862 to provide funding, on a formula basis, for operational or capital expansion projects to reduce greenhouse gas emissions and improve mobility, with a priority on serving disadvantaged communities. The funds are derived from California's Cap-and-Trade Program and are the result of quarterly auctions of emission credits for greenhouse gas emitters regulated under AB 32, California's Global Warming Solutions Act of 2006. Auction proceeds, known as the Greenhouse Gas Reduction Fund, are then reinvested in various projects to further reduce emissions. There is a continuous appropriation of 5 percent of Cap and Trade auction proceeds into the LCTOP and other Cap and Trade programs. The auction proceeds are anticipated to vary over time as Cap and Trade revenues fluctuate.

The program guidelines state that transit agencies receiving funds from the LCTOP shall submit expenditure proposals listing projects that meet any of the following criteria:

- Expenditures that directly enhance or expand transit service by supporting new or expanded services, expanded intermodal facilities, and include equipment acquisition, fueling, and maintenance, and other costs to operate those services or facilities.
- Operational expenditures that increase transit mode share.
- Expenditures related to the purchase of zero-emission buses, including electric buses, and the installation of the necessary equipment and infrastructure to operate and support zero-emission buses.

The LCTOP specifically requires documentation that each proposed project will achieve a reduction in greenhouse gas emissions and will not supplant other sources of funds. In addition, project sponsors are required to document how their projects meet all program

requirements related to benefits to Disadvantaged Communities (DACs) and AB 1550 Population requirements to benefit low-income households. LAVTA’s service area has one low-income census tract as defined by AB 1550, shown in the map in Attachment 2.

Discussion

As was previously approved for LAVTA’s FY 18-19 LCTOP allocation, staff proposes to roll its FY 19-20 allocation forward toward the future purchase of four zero-emission battery-electric buses and related support infrastructure to replace diesel-electric hybrids at the end of their useful life in FY 2022-23. LCTOP guidelines permit eligible recipients to roll funds over into a subsequent fiscal year, accruing a maximum of four years of LCTOP funds for a more substantial project. Approved projects must also be completed and funds expended within the subsequent four years. Applying the LCTOP funding to a future zero-emission battery-electric bus purchase will meet the LCTOP program requirements by reducing greenhouse gas emissions associated with operating diesel-electric hybrid buses.

LAVTA’s next replacement-bus purchases are currently scheduled for FY 2022 and FY 2023 according to the agency’s Short Range Transit Plan. The LCTOP funds will specifically be used to offset the incrementally higher cost of battery-electric buses compared to diesel-electric hybrids typically funded with Federal Transit Administration formula funds for transit capital projects.

Because the proposed project requires only two years’ worth of LCTOP funding and funds can only be rolled over a maximum of four years, staff intends to work with Caltrans to modify the FY17-18 LCTOP allocation previously approved for this project, and transfer \$316,274 in FY17-18 LCTOP funds currently available to a different eligible project, Fare Free Summer Rides Promotion.

Budget

The proposed project budget and schedule is as follows, pending future funding decisions in future budget years. The attached resolution only commits FY 2019-20 LCTOP funds highlighted below to a future project, as permitted by the guidelines.

Fund Source	FY 2017-18 (previously committed; to be reallocated to Fare Free Summer Rides)	FY 2018-19 (previously committed)	FY 2019-20 (current allocation)	FY 2021-22 (future anticipated)	Total
LCTOP – Revenue-Based	\$51,389	\$71,461	\$73,339	-	\$144,800
LCTOP – Population Based	\$264,885	\$401,737	\$398,439	-	\$800,176
<i>LCTOP Subtotal</i>	<i>\$316,274</i>	<i>\$473,198</i>	<i>\$471,778</i>	-	<i>\$944,976</i>
FTA 5307	-	-	-	\$2,720,000	\$2,720,000
TDA	-	-	-	\$600,000	\$600,000
Total Budget	\$316,274	\$473,198	\$471,778	\$3,320,000	\$4,264,976

Recommendation

Staff recommends Finance & Administration Committee refer Resolution 11-2020 to the Board of Directors for approval in support of an LCTOP allocation request to Caltrans for the future purchase of four zero-emission battery-electric replacement buses and related support infrastructure in FY 2022. This resolution is required to request allocations for this funding from Caltrans.

Attachments:

1. Resolution 11-2020
2. Map of AB 1550 Low Income Community of North Livermore

RESOLUTION 11-2020

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE LIVERMORE AMADOR VALLEY TRANSIT AUTHORITY
AUTHORIZATION FOR THE EXECUTION OF THE CERTIFICATIONS AND
ASSURANCES AND AUTHORIZED AGENT FORMS FOR THE LOW CARBON
TRANSIT OPERATIONS PROGRAM (LCTOP) FOR THE PURCHASE OF FOUR (4)
ZERO-EMISSION REPLACEMENT BUSES AND RELATED SUPPORT
INFRASTRUCTURE USING \$471,778 IN LCTOP FUNDS**

WHEREAS, the Livermore Amador Valley Transit Authority is an eligible project sponsor and may receive state funding from the Low Carbon Transit Operations Program (LCTOP) for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, Senate Bill 862 (2014) named the Department of Transportation (Department) as the administrative agency for the LCTOP; and

WHEREAS, the Department has developed guidelines for the purpose of administering and distributing LCTOP funds to eligible project sponsors (local agencies); and

WHEREAS, the Livermore Amador Valley Transit Authority wishes to delegate authorization to execute these documents and any amendments thereto to the Executive Director or his/her designee; and

WHEREAS, the Livermore Amador Valley Transit Authority wishes to implement the following LCTOP project(s) listed above;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Livermore Amador Valley Transit Authority that the fund recipient agrees to comply with all conditions and requirements set forth in the Certification and Assurances and the Authorized Agent documents and applicable statutes, regulations and guidelines for all LCTOP funded transit projects; and

BE IT FURTHER RESOLVED that the Executive Director or his/her designee be authorized to execute all required documents of the LCTOP program and any Amendments thereto with the California Department of Transportation; and

BE IT FURTHER RESOLVED by the Board of Directors of the Livermore Amador Valley Transit Authority that it hereby authorizes the submittal of the following project nomination(s) and allocation request(s) to the Department in FY19-2020 LCTOP funds:

Project Name: Purchase Four (4) Zero-Emission Replacement Buses and Related Support Infrastructure

Amount of LCTOP funds requested: \$471,778

Short description of project: LAVTA will purchase four (4) 40-foot zero-emission battery-electric buses to replace four (4) diesel-electric hybrid buses at the end of their useful life

Benefit to a Priority Population: Providing zero-emission vehicles to local bus service will improve air quality in low-income communities disproportionately affected by poorer air quality.

Contributing Sponsor: Metropolitan Transportation Commission

PASSED AND ADOPTED BY the governing board of the Livermore Amador Valley Transit Authority on this 4th day of May 2020.

David Haubert, Chair

Attest:

Michael Tree, Executive Director

Attachment 2. Location of AB 1550 Low Income Community (North Livermore) in LAVTA's Service Area

