

STAFF REPORT

SUBJECT: Resolution in Support of Allocation Request for FY 18-19 Funding through the State Low Carbon Transit Operations Program (LCTOP)

FROM: Jennifer Yeamans, Senior Grants & Management Specialist

DATE: February 26, 2019

Action Requested

Staff requests the Finance & Administration Committee refer Resolution 05-2019 to the Board of Directors for approval 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 2022. 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 transit facilities, and may 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 17-18 LCTOP allocation, staff proposes to roll its FY 18-19 allocation forward toward the future purchase of four zero-emission battery-electric buses to replace diesel-electric hybrids at the end of their useful life in FY 2021-22. 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. Because FY 18-19 LCTOP allocations came in higher than previously budgeted based on actual Cap-and-Trade auction proceeds, LAVTA will also roll over some additional funding toward the purchase of support infrastructure needed for zero-emission 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.

Budget

The proposed project budget and schedule is as follows, pending future funding decisions in future budget years. The attached resolution only commits FY 2018-19 LCTOP funds highlighted below to a future project, as permitted by the guidelines.

Fund Source	FY 2017-18 (previously committed)	FY 2018-19 (current allocation)	FY 2021-22 (future anticipated)	Total
LCTOP – Revenue-Based	\$51,389	\$71,461	-	\$122,850
LCTOP – Population Based	\$264,885	\$401,737	-	\$666,622
<i>LCTOP Subtotal</i>	<i>\$316,274</i>	<i>\$473,198</i>	-	<i>\$789,472</i>
FTA 5307	-	-	\$2,720,000	\$2,720,000
TDA	-	-	\$600,000	\$600,000
Total Budget	\$316,274	\$473,198	\$3,320,000	\$4,109,472

Recommendation

Staff requests the Finance and Administration Committee refer of Resolution 05-2019 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 05-2019
2. Map of AB 1550 Low Income Community of North Livermore

RESOLUTION 05-2019

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE LIVERMORE AMADOR VALLEY TRANSIT AUTHORITY
AUTHORIZING 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 \$473,198 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 Michael Tree, Executive Director;

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 Michael Tree, Executive Director, 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 that the Board of Directors of the Livermore Amador Valley Transit Authority hereby authorizes the submittal of the following project nominations and allocation requests to the Department in FY 2018-19 LCTOP funds:

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

Amount of LCTOP funds requested: \$473,198

Short description of project: Purchase four (4) 40-foot zero-emission battery-electric buses and related support infrastructure to replace diesel-electric hybrid buses at the end of their useful life.

Contributing Sponsor: Metropolitan Transportation Commission

PASSED AND ADOPTED BY the governing board of the Livermore Amador Valley Transit Authority on this 4th day of March 2019.

Scott Haggerty, Chair

Attest:

Michael Tree, Executive Director

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

