



Oregon

Kate Brown, Governor

Department of Transportation

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DATE: May 9, 2019

TO: Joint Subcommittee on Transportation and Economic Development

FROM: Hal Gard, Rail and Public Transit Division Administrator

SUBJECT: Grant Request for Low or No Emission Buses

INTRODUCTION

ODOT's Rail & Public Transit Division requests permission to apply for a Federal Transit Administration (FTA) Low or No Emission Discretionary 5339(c) Grant (CFDA Number 20.526) not to exceed \$6,004,581 (\$5,038,350 in Federal Funds with \$966,231 in local match). Although the application would take place during the 2017-19 biennium, projects, if awarded, would be delivered during the 2019-21 biennium.

The funds will be used for the purchase of eleven low or no emission transit buses, along with associated infrastructure and training required for deployment, on behalf of:

- Central Oregon Intergovernmental Council (five Diesel-Electric Hybrid Vehicles and associated infrastructure and training)
- Coos County Area Transit Service District (five Gas-Electric Hybrid Vehicles)
- Sunset Empire Transportation District (one Battery Electric Bus and associated infrastructure and training)

ODOT applies for these funds on behalf of local agencies; matching funds will be provided by the local agencies.

BACKGROUND

The FTA's Low or No Emission Discretionary Grant Program was established with the FAST (Fixing America's Surface Transportation) Act in FY 2016 within the Bus and Bus Facilities Program. The program was developed as a specific allocation of discretionary funding to state and local governmental authorities for the purchase or lease of zero-emission and low-emission transit buses, as well as the acquisition, construction, and leasing of required supporting facilities. Under the FAST Act, \$55 million per year is available until fiscal year 2020, although Congress has often allocated additional funds since its original inception.

Funding award history

This funding opportunity has been offered the past three years. In 2016, as larger transit agencies, TriMet and Lane Transit District (LTD) applied directly to the FTA's Low or No Emission Discretionary Grant Program. TriMet was awarded \$3.4 million and LTD was awarded \$3.5 million for Battery Electric Buses and associated equipment. ODOT applied for the FTA's Low or No Emission Discretionary Grant Program on behalf of transit providers in 2017 and 2018. In 2017, ODOT applied on behalf of Josephine County and Josephine County Transit, Sunset Empire Transportation District, and City of Wilsonville South Metro Area Regional Transit (SMART).

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SMART was awarded \$1.45 million for Battery Electric Buses and equipment. In 2018, ODOT applied on behalf of Sandy Area Metro and Sunset Empire Transportation District, but was not awarded. In 2018, TriMet applied for the FTA's Low or No Emission Discretionary Grant Program as a direct recipient and was awarded \$2.3 million for Battery Electric Buses and associated equipment.

Program use eligibility

Eligible projects include:

- purchasing or leasing low- or no-emission buses
- acquiring low- or no-emission buses with a leased power source
- constructing or leasing facilities and related equipment (including intelligent technology and software) for low- or no-emission buses
- constructing new public transportation facilities to accommodate low- or no-emission buses
- rehabilitating or improving existing public transportation facilities to accommodate low- or no-emission buses

Also eligible for funding is the training of both the maintenance staff on how to service the alternatively fueled buses, and the drivers on how to efficiently and safely operate and fuel an alternatively fueled bus.

- Central Oregon Intergovernmental Council's request includes \$2,200 for Workforce Training
- Sunset Empire Transportation District's request includes \$16,000 for Workforce Development Training

Benefits of Low- and No-Emissions Buses

This grant assists in the transition of transit fleet in Oregon outside of the large urban areas. The replacement of diesel-fueled buses with electric buses and hybrid-electric buses will reduce emissions in each of these provider's service areas and improve air quality impacting community health. Additionally, the replacement of older buses will decrease the proportion of the statewide transit fleet exceeding useful life (per federal standards). Decreasing the proportion of the statewide transit fleet that exceeds federal useful life standards will also aid in meeting FTA Transit Asset Management goals for Oregon.

CONCLUSION

ODOT Rail & Public Transit Division requests permission to apply to FTA for a Low or No Emission Discretionary Grant, not to exceed \$6,004,581 (\$5,038,350 in Federal Funds with \$966,231 in local match). These funds will support transit fleet transition in three areas across the state.