



Questions and Answers

Transit Capital Assistance Grant Program – Round 2

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Grant materials, including this document, are available at:

<https://doa.wi.gov/Pages/vwsettlementwisconsin.aspx>

DOA published the VW Transit Capital Assistance Grant Announcement – Round 2 on January 15, 2020. The following questions were submitted to DOA prior to the February 5, 2020 Q & A deadline. Questions may have been edited for clarity or combined with other questions of similar nature. DOA reserves the right to alter responses, interpretations, grant agreements, grant awards or other Program conditions based on information contained in applications received and as required by the State Trust Agreement or applicable State of Wisconsin law.

- 1. May DOA's Transit Capital Assistance Grant Program funds be used as local matching funds ("local share") for federal or state capital grants that finance bus replacements satisfying DOA's grant program eligibility requirements? And if so, what unique requirements, if any, apply to such use of DOA grant funds?**

Yes. DOA provides the following guidance:

- DOA reserves the right to negotiate match source and amount in any grant agreement resulting from a Transit Capital Assistance Grant Program (Program) award.
 - DOA will identify a milestone date or time period by which a grantee must have match funds secured or committed. Grantees will be required to provide evidence that match funds are secured or committed before that date or time period ends.
 - DOA reserves the right to terminate grant agreements and reallocate award funds if match funds have not been secured or committed within the period provided in the grant agreement.
 - Grantees may not incur costs before a grant agreement is fully executed. Incurred costs extend to commitments to make purchases of any kind as provided in an applicant's agreement(s) with other funding sources.
 - Transit Capital Grant Program funds may not be used to supplant local funds presently committed as match for non-Transit Capital Assistance Grant funding sources.
 - DOA shall bear no responsibility for conflicts between grant, match or fund requirements, such as, but not limited to, incompatibility of asset retirement restrictions, conflicting reporting requirements or incompatible procurement rules.
- 2. Based on a possible funding arrangement of up to 50/50 between the FTA and VW Settlement, how would the partial funding of a bus be viewed during the application review? Would it have a negative impact if the VW Settlement doesn't cover the full cost of the replacement bus? This process would not change the disposal process, we can still do a 1 for 1 replacement/scrap disposal. By proceeding in this manner, we would be able to leverage both Federal and State funding to acquire more vehicles and possibly lower emission technology, like electric vehicles and/or articulated buses.**



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No specific evaluation criteria have been applied to applications proposing projects with partial funding. For further response, see answer to question 1.

- 3. If we apply for a 60 foot articulated bus, then would we need to dispose of more than one 40 foot diesel bus? Or is it still a 1 for 1 replacement?**

Replacement buses must be of similar kind, but do not have to be of the same engine propulsion, make, model or manufacturer. Example: a heavy-duty transit bus must be replaced with another heavy-duty transit bus. Replacement of one 40-foot class 8 eligible diesel-powered transit bus with one 60-foot class 8 eligible diesel-powered, electric or alternative-fueled articulated transit bus is allowable, subject to DOA's review and approval of all project details. All other program provisions apply, including replacement and scrapping requirements.

- 4. Would the VW Settlement Transit Capital Assistance Grant Program consider funding solar energy generating infrastructure to power electric buses: solar panels, batteries, associated electrical equipment such as meters and wiring, and installation? Substituting solar for some of our electricity currently generated by coal would further reduce emissions.**

No. The State Trust Agreement limits costs to, "charging infrastructure associated with the new All-Electric engine". For purposes of the Transit Capital Assistance Grant Program, DOA will not consider costs associated with the generation of electricity as eligible costs. DOA reserves the right to limit and/or negotiate eligible project costs and amounts for all charging infrastructure associated with an eligible all-electric transit bus replacement project.

- 5. Are partnerships with utilities and/or electric bus manufacturers acceptable? The partnership with the bus manufacturer would speed up the procurement timeline and help put our specific budget detail together. This would be similar to the FTA's Low or No Emission grant program where the application we submit would be the competitive aspect to satisfy the procurement requirements.**

Indeterminate. The question does not provide details of an anticipated partnership agreement. Therefore, a response to question 5 is not possible.

- 6. If partnerships are not allowed, then what specific procurement guidelines are to be followed? Would it be the Federal procurement guidelines?**

The VW State Trust Agreement and the Transit Capital Assistance Grant Program do not require adherence to Federal procurement guidelines. The VW State Trust Agreement requires that, "all vendors...be selected in accordance with state public contracting laws". Additionally, the Transit



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Capital Assistance Grant Announcement and any subsequent grant agreements require grantees to follow applicable state and local public procurement law.

Further, if grantees are not subject to state public contracting or procurement law, they must follow their local public contracting or procurement law or guidelines. Evidence of adherence to these requirements is a condition for reimbursement of eligible project costs.

7. Will matching funds be required from the applicant? If so, what percent or dollar amount?

No.

8. Will municipalities or counties that receive funds have their shared revenue payments reduced? If so, by how much?

Yes. According to §79.035(7), Wis. Stats. DOA, “shall reduce the payment under this section to each county and municipality that receives a grant under s. 16.047 (4m) for replacement of public transit vehicles”. The total shared revenue reduction shall be a percentage of the total payments received under the program based on population served (see table below). The annual reduction shall be ten equal amounts commencing in the fiscal year following each grant payment.

POPULATION SERVED	SHARED REVENUE REDUCTION (as a percent of grant payments)
> 200,000	75 percent
50,000 to 200,000	20 percent
< 50,000	10 percent

9. Is there a goal for funding electric buses (as a percentage of the total available or an absolute number)?

No.

10. In the funding breakdown, will there be a dollar or percentage cap on any electric buses funded?

No.

11. Is there a limit for how many electric buses a transit system can apply for?

Applicants are limited only by the number of buses eligible for replacement in their fleet.



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12. Are EV charging stations eligible costs in the Transit Capital Assistance Grants? If so is there a cap on the amount/charger or number of chargers? If so, what amount or number?

Electric vehicle charging infrastructure is an eligible cost for those projects that propose to replace an eligible vehicle with an all-electric vehicle. Applicants may apply for a maximum of one charging unit per bus replacement. DOA reserves the right to limit and/or negotiate the award amount, number of chargers, eligible installation costs, or other project costs in accordance with program objectives, applicable State Trust Agreement requirements or State of Wisconsin law.

13. The DOA has a scoring rubric for parts of the application and noted only that preference will be given to routes deemed critical for connecting employees with employers. Has specific criteria in each category been decided or how this will be weighted in evaluating proposals?

No specific criteria have been applied to the workforce transportation preference referenced in question 13. §16.047(4m)(c), Wis. Stats. requires DOA to, “give preference to the replacement of public transit vehicles in communities or on routes that the department determines are critical for the purpose of connecting employees with employers”. Section 5.3 Transportation to Employment of the Grant Announcement instructs applicants to, “explain how the new bus(es) will connect employees with employers”. Applicants may attach supporting documentation. An evaluation committee will review each application’s narrative and supporting documentation and assign a score.

14. While the priority counties were identified based on job openings, are these all to be equally weighted? Has the DOA determined what routes or communities will be served?

No. DOA has not identified priority counties nor determined what routes or communities will be served.