

Award Recommendations - REVISED

Transit Capital Assistance Grant Program

VW Mitigation Program

March 8, 2019

Revisions

On November 28, 2018 the Department of Administration (DOA) published the Notice of Intent to Award for the Transit Capital Assistance Grant Program. Since publishing the Notice of Intent to Award DOA has learned that three applicants proposed replacing buses that are ineligible under the terms of the Volkswagen Environmental Mitigation Trust Agreement for State Beneficiaries. Because the initial Award Recommendations were based on the total number of eligible buses proposed for replacement, DOA is required to revise the Award Recommendations based on the buses currently known to be eligible. Evaluator scores were not changed. Revisions to the Award Recommendations are highlighted below.

Background

2017 Wisconsin Act 59 established the Transit Capital Assistance Grant Program to competitively award up to \$32 million to eligible applicants to replace eligible public transit vehicles. The program will fund the replacement of 1992-2009 engine model year class 4-8 transit buses with any new diesel or alternate fueled or all-electric vehicle. The Grant Announcement issued July 23, 2018 provided the following Method of Award governing allocation of funds:

Method of Award. The State will compile the final scores for each application (see section 3.3). The State intends to award to one or more applicants for the resulting grant agreement(s). Awards will be based upon the highest scoring responsive and responsible applicant(s). (*Source: Grant Announcement, p. 9*)

Process

1. **Eligibility.** The program received twelve (12) proposals, each of which were reviewed for compliance with the grant announcement.
 - One (1) proposal was disqualified due to ineligibility of the applicant.
 - One (1) applicant requested replacement of twenty-eight (28) buses that were deemed ineligible because the applicant had previously issued purchase orders for the buses (i.e., an ineligible incurred expense prior to execution of a grant agreement). Therefore, only that applicant's eligible bus replacement requests were considered.
 - Three (3) applicants requested replacement of five (5) buses that were deemed ineligible because the vehicles had engine replacements with engine model years outside the eligible range. Therefore, only the applicant's eligible bus replacement requests were considered.

2. **Scoring.** Three evaluators independently scored each of the eleven (11) responsive and responsible applications on a 100-point scale. Points were awarded in the following categories:

Current Use of Transit Buses	20
Future Use of Transit Buses	25
Transportation to Employment	30
NOx Reduction	15
Project Timeline	<u>10</u>
TOTAL	100

3. **Applicant Scores.** Evaluator scores for each proposal were totaled and averaged, resulting in the following applicant scores:

Applicant	Score
Appleton	94.00
Madison	93.00
Eau Claire	82.33
Janesville	81.33
Racine	75.00
Milwaukee Co.	70.00
Green Bay	67.33
Wausau	66.33
La Crosse	63.33
Sheboygan	54.33
Beloit	29.00

4. **Weighted Replacement Request.** Evaluator scores were converted to a percentage of the 100 possible points (i.e., score divided by 100) and multiplied by the applicant's total number of eligible bus replacements requested to establish a Weighted Replacement Request based on scoring:

Applicant	Score	Percent	Bus Replacement Request	Weighted Replacement Request
Appleton	94.00	94.00%	21	19.7
Madison	93.00	93.00%	14	13.0
Eau Claire	82.33	82.33%	4	3.3
Janesville	81.33	81.33%	5	4.1
Racine	75.00	75.00%	10	7.5
Milwaukee Co.	70.00	70.00%	21	14.7
Green Bay	67.33	67.33%	8	5.4
Wausau	66.33	66.33%	7	4.6
La Crosse	63.33	63.33%	3	1.9
Sheboygan	54.33	54.33%	2	1.1
Beloit	29.00	29.00%	1	0.3
Total			96	77.0

5. **Budget Adjustment and Full Bus Replacement Award.** Based on average bus replacement costs (\$550,160), staff estimated the program budget could fund replacement of approximately 58 buses (\$32,000,000 divided by \$550,160), or 75.3% of the Weighted Replacement Request (77). Therefore, each Weighted Replacement Request was multiplied by 75.3% (Budget Reduction) and rounded to determine a Full Bus Replacement Award for each applicant.

Applicant	Score	Percent	Bus Replacement Request	Weighted Replacement Request	Budget Adjustment (75.3%)	Revised Full Bus Replacement Recommendation
Appleton	94.00	94.00%	21	19.7	14.9	15
Madison	93.00	93.00%	14	13.0	9.8	10
Eau Claire	82.33	82.33%	4	3.3	2.5	3
Janesville	81.33	81.33%	5	4.1	3.1	3
Racine	75.00	75.00%	10	7.5	5.6	6
Milwaukee Co.	70.00	70.00%	21	14.7	11.1	11
Green Bay	67.33	67.33%	8	5.4	4.1	4
Wausau	66.33	66.33%	7	4.6	3.5	4
La Crosse	63.33	63.33%	3	1.9	1.4	1
Sheboygan	54.33	54.33%	2	1.1	0.8	1
Beloit	29.00	29.00%	1	0.3	0.2	0
Total			96	77.0	58.0	58

6. **Recommended Grant Awards.** Recommended Grant Awards were determined by (1) adding the applicant's Replacement Cost Request for each of its top priority replacement buses (limited to the Full Bus Replacement Recommendation in step 5 above)¹, and (2) adding a \$1,500 allowance for the cost of scrapping each replaced bus.²

Applicant	Full Bus Replacement Recommendation	Replacement Cost Request	Scrapping Allowance	Revised Recommended Grant Award
Appleton	15	\$7,666,350.00	\$22,500.00	\$7,688,850.00
Madison	10	\$4,783,800.00	\$15,000.00	\$4,798,800.00
Eau Claire	3	\$1,966,200.00	\$4,500.00	\$1,970,700.00
Janesville	3	\$1,500,000.00	\$4,500.00	\$1,504,500.00
Racine	6	\$6,228,658.00	\$9,000.00	\$6,237,658.00
Milwaukee Co.	11	\$5,445,000.00	\$16,500.00	\$5,461,500.00
Green Bay	4	\$1,840,000.00	\$6,000.00	\$1,846,000.00
Wausau	4	\$1,612,992.00	\$6,000.00	\$1,618,992.00
La Crosse	1	\$420,000.00	\$1,500.00	\$421,500.00
Sheboygan	1	\$450,000.00	\$1,500.00	\$451,500.00
Beloit	0	\$0.00	\$0.00	\$0.00
Total	58	\$31,913,000.00	\$87,000.00	\$32,000,000.00

¹ Racine requested grant funding for electric buses and associated infrastructure costs. The Recommended Grant Award to Racine fully funds the purchase of six electric buses, but is reduced by \$258,342.00 for infrastructure expense to meet the \$32,000,000 program limit.

² Applicants requested \$0 to \$10,000 for the cost of scrapping each bus. Due to this inconsistency and since the actual cost of scrapping will occur one or more years in the future and is yet to be determined, the program has set a consistent award of \$1,500 to be used toward the scrapping of each bus.