AGENDA SUMMARY REPORT

SUBJECT:

Discussion and Possible Adoption of a Resolution Authorizing MTA Executive Director, Jacob King, to make Application For and to Sign Certain Assurances with Respect to Applications for Local, State and Federal Program, Projects or Grants relating to the receipt of the Volkswagen Environmental Mitigation Trust Funding

SUMMARY:

Following publication of a report indicating high emissions from Volkswagen vehicles in over-the-road testing, California Air Resources Board (CARB) conducted a focused investigation which ultimately led to Volkswagen’s admission in September 2015 that the company had installed defeat devices in all of its 2.0 liter diesel vehicles manufactured between model years 2009 and 2015.

This was followed in November 2015 by an admission by Audi engineers that 3.0 liter diesel passenger cars manufactured by VW, Audi and Porsche in model years 2009-2016 also contain defeat devices. VW owns all three manufacturers.

Volkswagen has paid $225 million, including $66 million to California, for harm resulting from the sale of its 3.0-liter diesel passenger cars that included emissions control “defeat devices,” under partial Consent Decrees by the courts. The funds available to MTA are being distributed through the San Joaquin Valley Air Pollutions Control District and CARB.

On December 9, 2020 the MTA Board authorized staff to apply for $160,000 in VW mitigation funds to purchase an all-electric cutaway bus. MTA has found another bus in its current fleet that meets the criteria for replacement and removal from use which makes MTA eligible to receive another $160,000 in grant funding through the VW mitigation funds. There is a $123,000 match that will comprised of LTF or LCTOP funds.

RECOMMENDATION:

Adopt and approve Resolution 2021-03 authorizing the Executive Director to apply to the San Joaquin Valley Air Pollution Control District for $160,000 of VW mitigation funding.
RESOLUTION AUTHORIZING TO MAKE APPLICATION FOR AND TO SIGN CERTAIN ASSURANCES WITH RESPECT TO APPLICATIONS FOR LOCAL, STATE AND FEDERAL PROGRAM, PROJECTS OR GRANTS RELATING TO THE RECEIPT OF THE VOLKSWAGEN ENVIRONMENTAL MITIGATION TRUST FUNDING.

WHEREAS, several local, state and federal programs allow public and non-profit transportation providers to apply for administration, capital and operation assistance programs or grants; and

WHEREAS, the Volkswagen Environmental Mitigation Trust Fund (VEMT) became available to public and private owners of transit, schools and shuttle buses to provide funding to eligible applicant recipients for the replacement of old, high-polluting transit, school and shuttle buses with new battery-electric or fuel-cell buses; and

WHEREAS, funds from the VEMT are administered through San Joaquin Valley Air Pollution Control District (SJVAPCD) and the California Air Resources Board (CARB); and

WHEREAS, it is required for Mendocino Transit Authority to make application for, to sign required assurances and to administer VEMT funds with respect to applications for local, state and federal programs, projects or grants; and

WHEREAS, Mendocino Transit Authority will be procuring a 2022 battery electric bus; and

WHEREAS, VEMT funding amount to MTA is $160,000 with provided match of $123,000.
NOW THEREFORE, BE IT RESOLVED by the Mendocino Transit Board of Directors that Jacob King, Executive Director, is authorized to execute all necessary agreements with VEMT, SJVAPCD and/or CARB to receive the funding for purchase of a battery-electric cutaway bus.

ADOPTED THIS DAY OF March 5th, 2021 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

__________________________________________
SAPRINA RODRIGUEZ, CHAIRPERSON OF THE BOARD

Witness:

__________________________________________
HEATHER LINDSTEADT, CLERK OF THE BOARD OF DIRECTORS
By signing this Certifications form, I certify that I have read and understand the Eligibility Criteria and Application Guidelines document and agree to adhere to its requirements. Additionally, by signing this Certifications form, I certify to the statements and agree to adhere to the terms and conditions described below:

1. The emission reductions obtained through this program are not required by any federal, state, or local regulation, memorandum of agreement / understanding (MOA / MOU) with a regulatory agency, settlement agreement, mitigation requirement, or other legal mandate.

2. Projects funded by VW Mitigation Trust Funds will not be used as marketable emission reduction credits, to offset any emission reduction obligation, or for credit under any federal or state emission averaging, banking and trading program. In addition, projects funded through this program may not be used to generate a compliance extension or extra credit for determining regulatory compliance.

3. Proposed project has not received funding or is not under agreement with any other air district, ARB, or any other public agency. Any current financial incentive that directly reduces the project cost; including tax credits or deductions, grants, or other public financial assistance for the same engine or equipment; must be disclosed.

4. Any funding received, including funding from other sources, combined with this grant must not exceed the full cost of the new transit bus.

5. The bus within this application is based within the state of California and operate within the state of California for at least three (3) years from the date the new bus is purchased, unless prior written authorization has been granted by the SJVAPCD to travel outside of the state of California.

6. During the previous 24 months, at least 51% of the total usage of this bus was within California.

7. Bus identified in this application is currently in compliance with any State of California regulations.

8. Applicant understands the VW Mitigation Trust Project Administrator (SJVAPCD), CARB, or their designee maintains the right to inspect the bus at any time during the agreement period.

9. Applicant will not order, purchase, make payment, or take delivery of the new bus without an executed agreement from the VW Mitigation Trust Funds.

I hereby certify that all information provided in this application and any attachments are true and correct to the best of my knowledge.