

GRANT ANNOUNCEMENT  
VW Mitigation Program  
**Transit Capital Assistance Grant Program**

Issued: July 23, 2018  
Applications Due: **September 28, 2018 at 2:00 PM CST**



**VW Mitigation Program  
Transit Capital Assistance Grant Program**

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<b>ATTACHMENTS</b>	
	GRANT APPLICATION (pdf)
APPENDIX A	PROJECT BUDGET (Excel spreadsheet)

## 1.0 GENERAL INFORMATION

### 1.1 Introduction

The purpose of this document is to provide eligible parties with information to prepare and submit a grant application for the replacement of eligible public transit vehicles under the Volkswagen Transit Capital Assistance Grant Program. The State as represented by the Department of Administration (DOA), Division of Enterprise Operations (DEO) intends to use the results of this Grant Announcement to establish one or more grant agreements. DOA intends to award all available Transit Capital Assistance Grant Program funds through this Grant Announcement.

### 1.2 Scope of the Project

#### 1.2.1 History and Background

Volkswagen Group of America and certain related entities (collectively Volkswagen or VW) admitted to violating the federal Clean Air Act (CAA) from 2009 through 2016 by selling nearly 590,000 2.0-liter and 3.0-liter diesel engine vehicles equipped with software designed to cheat on federal emission tests. This software activated the vehicle emission control devices only during laboratory testing. As a result, the vehicles met CAA emissions standards for nitrogen oxides (NOx) in the lab, but not on the road. Volkswagen entered judicial consent decrees to partially settle its civil liability for the CAA violations. Under these decrees, Volkswagen must pay more than \$2.9 billion into an Environmental Mitigation Trust Fund (Trust) administered by Wilmington Trust, N.A (Trustee). The State of Wisconsin received beneficiary designation status from the Trustee on January 29, 2018 and will receive \$67.1 million over the next ten years to offset excess NOx pollution emitted by affected VW vehicles in Wisconsin.

Governor Scott Walker designated the Department of Administration (DOA) as the lead agency to develop and implement a Beneficiary Mitigation Plan (BMP) that explains how Wisconsin plans to use its allocated Trust funds. The State Budget Bill, 2017 Wisconsin Act 59, authorizes not less than \$42 million of Wisconsin's allocation to be utilized beginning in the 2017-19 biennium to replace eligible state fleet vehicles and establish a DOA-led competitive statewide transit capital assistance grant program to fund the replacement of eligible public transit vehicles. The State of Wisconsin will seek public input for the use of the remaining allocation in subsequent years.

#### 1.2.2 Statement of Purpose

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, giving preference to communities or routes that DOA determines are critical for connecting employees with employers. The program carries out the purposes of the Trust by replacing and scrapping old diesel buses to maximize air quality benefits in Wisconsin, including reduction of NOx and PM2.5.

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, with the engine model year in which the eligible bus mitigation action occurs or one engine model year prior. In addition, the program will fund the scrapping of any replaced bus(es) within 90 days of accepting delivery of the replacement bus(es).

#### 1.2.3 Objectives

The State is seeking to achieve four primary objectives with this grant program:

- Replace and scrap eligible public transit vehicles in accordance with the settlement guidelines and applicable state law.
- Replace eligible public transit vehicles in communities or on routes that are critical for connecting employees with employers.

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- Improve air quality in areas that bear a disproportionate share of the air pollution burden within its jurisdiction
- Fund projects that can be implemented efficiently and effectively (cost and time).

1.3 Granting Agency

This Grant Announcement is issued by DOA/DEO which is the sole point of contact for the State of Wisconsin during the selection process. The person responsible for managing the grant process is:

Ben Vondra, Grants Specialist Advanced  
Department of Administration  
Division of Enterprise Operations  
101 East Wilson Street, 6th Floor  
P.O. Box 7867  
Madison, WI 53707-7867

Email: [benjaminh.vondra@wisconsin.gov](mailto:benjaminh.vondra@wisconsin.gov)  
Fax: (608) 261-6262

The agreement(s) resulting from this Grant Announcement will be administered by the Wisconsin Department of Administration.

1.4 Definitions

Applicant	The legal entity that will enter into a Grant Agreement with the Department in the event of an award.
Department	The Department of Administration.
Eligible Applicant	Local public body in an urban area which is served by an urban mass transit system incurring an operating deficit. §85.20(1)(b), Wis. Stats.
Eligible Vehicle	As defined in the Environmental Mitigation Trust Agreement for State Beneficiaries, Appendix D-2, page 12, Eligible Vehicle shall mean a Class 4-8 Transit Bus with a Gross Vehicle Weight Rating (GVWR) greater than 14,001 lbs. used for transporting people. An eligible vehicle must be powered with a 1992-2009 diesel engine.
Gross Vehicle Weight Rating (GVWR)	As defined in the Environmental Mitigation Trust Agreement for State Beneficiaries, Appendix D-2, page 12, Gross Vehicle Weight Rating (GVWR) shall mean the maximum weight of the vehicle, as specified by the manufacturer. GVWR includes total vehicle weight plus fluids, passengers and cargo.
Local Public Body	Counties, municipalities, or towns, or agencies thereof; transit or transportation commissions or authorities and public corporations established by law or by interstate compact to provide mass transportation services and facilities or 2 or more of any such bodies acting jointly under §66.0301 to 66.0303, Wis. Stats. §85.20(1)(d), Wis. Stats.
Mass Transit System	Transportation by bus, shared-ride taxicab, rail, or other conveyance, either publicly or privately owned, that provides the public with general or special service on a regular and continuing basis. §85.20(1)(e), Wis. Stats.
Operating Deficit	The amount by which the total operating expenses incurred in the operation of an urban mass transit system exceeds the amount of operating revenue derived therefrom. §85.20(1)(f), Wis. Stats.

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Operating Expenses	Costs accruing to an urban mass transit system by virtue of its operations, including costs to subsidize fares paid by disabled persons for transportation within the urban area of the eligible applicant, and maintenance. "Operating expenses" do not include costs accruing to an urban mass transit system from services provided by a publicly owned urban mass transit system under a contract awarded on the basis of competitive bids unless the urban mass transit system's bid used the fully allocated cost methodology described in sub. (8). For a publicly owned system, operating expenses do not include profit, return on investment or depreciation as costs. If a local public body contracts for the services of a privately-owned system on the basis of competitive bids, operating expenses may include as costs depreciation on the facilities and equipment that the privately-owned system acquired without benefit of public financial assistance, profit and return on investment. If a local public body contracts for the services of a privately-owned system on the basis of negotiated procurement, operating expenses may include as costs depreciation on the facilities and equipment that the privately-owned system acquired without benefit of public financial assistance. In an urban area which is served exclusively by shared-ride taxicab systems, operating expenses may include costs to subsidize reasonable fares paid by all users for transportation within the urban area of the eligible applicant. §85.20(1)(g), Wis. Stats.
Operating Revenues	Income accruing to an urban mass transit system by virtue of its operations, but do not include income accruing from operations under a contract awarded on the basis of competitive bids to a publicly owned urban mass transit system that did not use the fully allocated cost methodology described in sub. (8). §85.20(1)(h), Wis. Stats.
Scrapping	As defined in the Environmental Mitigation Trust Agreement for State Beneficiaries, Appendix D-2, page 13, scrapping shall mean to render inoperable and available for recycle by, at a minimum, cutting a 3-inch hole in the engine block for all engines and disabling of the chassis by cutting the vehicle's frame rails completely in half. Scrapping of any vehicle(s) shall occur within 90 days of the applicant accepting delivery of the replacement bus(es).
State	The State of Wisconsin.
Urban Area	Any area that includes a city or village having a population of 2,500 or more that is appropriate, in the judgment of the department, for an urban mass transit system or an area that includes two American Indian reservations and that is served by a mass transit system operated by a transit commission. §85.20(1)(k), Wis. Stats.
Urban Mass Transit System	A mass transit system operating within an urban area. §85.20(1)(L), Wis. Stats.
VIN	Vehicle Identification Number

1.5 Clarifications and/or Revisions to the Grant Announcement

All questions and general inquiries **must** be submitted in writing on or before **August 3, 2018** to the Grant Administrator:

Ben Vondra, Grants Specialist Advanced  
Department of Administration  
Division of Enterprise Operations  
101 East Wilson Street, 6<sup>th</sup> Floor  
P.O. Box 7867  
Madison, WI 53707-7867  
Email: [benjaminh.vondra@wisconsin.gov](mailto:benjaminh.vondra@wisconsin.gov)

**No phone questions or inquiries will be acknowledged to ensure fairness to all applicants in receiving information related to this Grant Announcement.**

Applicants are expected to raise any questions, exceptions, or additions they have concerning the Grant Announcement at this point in the application process. If an applicant discovers any significant ambiguity, error, conflict, discrepancy, omission, or other deficiency in this Grant Announcement, the applicant should notify immediately the above-named individual of such error and request modification or clarification of the Grant Announcement.

All questions posed to the Grant Administrator will be published on the VW Mitigation Program website only after DOA has had the opportunity to formulate the correct response(s). All applicants are encouraged to check the VW Mitigation Program website on a regular basis for posted questions and answers.

Questions limited to the application process may be posed to the Grant Administrator in writing following the Written Question deadline. If it becomes necessary to provide additional clarifying data or information, or to revise any part of this Grant Application, revisions/amendments and/or supplements will be posted to the VW Mitigation Program website.

Each application shall stipulate that it is predicated upon the requirements, terms and conditions of this Grant Announcement and any supplements or revisions thereof.

***All contact with State employees related to this Grant Announcement (except with or authorized by the Grant Administrator) is strictly prohibited between the time that the Grant Announcement is released and the release of the Notice of Intent to Award. Any applicant who fails to adhere to this provision will be disqualified and their application will be rejected.***

1.6 Reasonable Accommodations

The Department will provide reasonable accommodations, including the provision of informational material in an alternate format, for qualified individuals with disabilities upon request. Any applicant in need of reasonable accommodations should contact the Grant Administrator, Ben Vondra, at (608) 261-6262 or via email at [benjaminh.vondra@wisconsin.gov](mailto:benjaminh.vondra@wisconsin.gov).

1.7 Calendar of Events

Listed below are specific and estimated dates/times of actions related to this Grant Announcement. The actions with specific dates must be completed as indicated unless otherwise changed by the State. If the State finds it necessary to change any of these dates and/or times, it will do so by issuing an amendment(s) to this Grant Announcement. It is the applicant's responsibility to check the VW Mitigation Program website regularly for any Grant Announcement amendments. There may or may not be formal notification issued for changes to target dates and times.

EVENT	DUE DATE
Grant Announcement Issue Date	July 23, 2018
<b>Written Questions Due</b>	<b>August 3, 2018</b>
Written Q & A Posted to DOA VW website	August 17, 2018 (estimate)
<b>Applications Due</b>	<b>September 28, 2018 at 2:00 PM CST</b>
Notification of Intent to Award sent	October 15, 2018 (estimate)
Grant Agreement Start Date	December 1, 2018 (estimate)

1.8 Grant Agreement Term

The Grant Agreement shall be effective on the execution date and shall run until no later than June 30, 2025, with an option by mutual agreement of the State and grantee to extend until no later than June 20, 2027.

**2.0 PREPARING AND SUBMITTING AN APPLICATION**

2.1 General Instructions

The evaluation and selection of a grantee(s) and the grant agreement will be based on the information submitted in the grantee's application. Failure to respond to each of the requirements in the Grant Announcement may be the basis for rejecting a response.

Elaborate applications (e.g. expensive artwork), beyond that sufficient to present a complete and effective application, are not necessary or desired.

2.2 Incurring Costs

The State of Wisconsin is not liable for any cost incurred by applicants in replying to this Grant Announcement.

2.3 Submitting the Application

2.3.1 Paper Submission

Applicants must submit one (1) original of all materials, including original signatures of authorized representatives, required for acceptance of its application no later than **September 28, 2018 at 2:00 PM Central Time to:**

<b>U.S. MAIL</b>
Ben Vondra, Grants Specialist Advanced Department of Administration Division of Enterprise Operations 101 East Wilson Street, 6th Floor P.O. Box 7867 Madison, WI 53707-7867

<b>COURIER OR BY HAND</b>
Ben Vondra, Grants Specialist Advanced Department of Administration Division of Enterprise Operations 101 East Wilson Street, 6th Floor Madison, WI 53707-7867

Applications must be received in the above office by the specified time stated above. All applications must be time-stamped as accepted by DEO by the stated time. Applications not so stamped will not be accepted. Receipt of an application by the State mail system does not constitute receipt of an application by DEO for the purposes of this Grant Announcement.

The Department of Administration has building security policies and procedures at the 101 East Wilson Street address in Madison including a security checkpoint in the first-floor lobby. All visitors are required to provide current identification and sign in for a visitor's pass. Security personnel will call the intended state employee prior to the visitor being allowed to proceed to their destination in the DOA building.

This policy may affect the timing for hand-deliveries of time-sensitive packages. However, properly credentialed package delivery couriers (e.g. UPS, FedEx, etc.) will be allowed to proceed without obtaining a pass. If you intend to hand-deliver your application, please plan additional time to account for the security process to be completed. Packages cannot be date/time stamped at the security desk on the lobby level and security personnel will not sign for deliveries; the package must be date and time stamped by the office identified in the Grant Announcement. The application due date and time will not be adjusted to accommodate tardiness due to security processes, nor will any exceptions to the due date and time be made. The State is not responsible for deliveries that do not reach their destination by the required due date and time.



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To ensure confidentiality of the document, all applications must be packaged, sealed and show the following information on the outside of the package:

- Applicant's name and address
- Grant Announcement title: VW Mitigation Program Transit Capital Assistance Grant Program
- Application due date: September 28, 2018 at 2:00 PM Central Time

DOA **will not** accept facsimile machine (fax) submitted applications. Applications that arrive unpackaged and/or unsealed shall not be accepted.

### 2.3.2 Electronic (Email) Submission

**In addition to the paper submission (section 2.3.1)**, the applicant must submit two electronic files **via email** to the Grant Administrator by the application deadline:

1. The original, non-scanned application in Adobe Acrobat pdf format.
2. The original, non-scanned Appendix A Section 4, Project Budget, in Microsoft Excel format. Do not submit the spreadsheet in paper form.

Files must be emailed to the Grant Administrator at [benjaminh.vondra@wisconsin.gov](mailto:benjaminh.vondra@wisconsin.gov).

## 2.4 Application Organization and Format

Applications should be typed and submitted on 8.5 by 11-inch paper and must be securely bound. Applications must be organized and presented in the order shown below.

The Application sections which should be submitted or responded to are:

Section 1	Applicant Information
Section 2	Eligibility Requirements
Section 3	Project Plan
Section 4	DO NOT INCLUDE APPENDIX A (PROJECT BUDGET) IN THE PRINTED PACKAGE, SUBMIT EXCEL SPREADSHEET BY EMAIL
Section 5	Required Signatures: Applicant Authorized Representative
Section 5	Required Signatures: Governmental Unit Authorized Representative
Attachments	Shared Revenue Acceptance Resolution (or equivalent); only applicable to county, city, village and town applicants

Any alteration of the forms or attachments is prohibited and may result in disqualification of the application.

## 2.5 Multiple Applications

Multiple applications from an applicant are not allowed.

## 2.6 Oral Presentations and Site Visits

Top scoring applicants based on an evaluation of the written application may be required to participate in interviews and/or site visits to support and clarify their applications, if requested by the State. The State will make every reasonable attempt to schedule each presentation at a time and location that is agreeable to the applicant. Failure of an applicant to interview or permit a site visit on the date scheduled may result in rejection of the applicant's application.

## 2.7 Withdrawal of Applications

Applications shall be irrevocable until grant agreement award unless the application is withdrawn. Applicants may withdraw an application, in writing, at any time by submitting a written request that is signed



by an authorized representative of the applicant to the Grant Administrator. If a previously submitted application is withdrawn prior to the application submission due date and time, the applicant may submit another application on or before the Grant Application submission due date and time.

**3.0 APPLICATION SELECTION AND AWARD PROCESS**

3.1 Preliminary Evaluation

Applications will be reviewed initially to determine if Eligibility Requirements (Section 4.0) are met. Failure to meet Eligibility Requirements will result in rejection of the application. If all applicants do not meet one or more of the Eligibility Requirements, the State reserves the right to continue the evaluation of the applications and to select the application(s) which most closely meets the requirements specified in this Grant Application as allowed by law and the Trust.

3.2 Application Scoring

Accepted applications will be reviewed by an evaluation committee (“Committee”), consisting of members who have been selected because of their professional expertise and knowledge of the equipment and service(s) that are the subject of this Grant Application.

Applicants may **not** contact members of the Committee except at the State’s specific direction.

The Committee will score all accepted applications against the criteria stated in Section 3.3.

The Committee’s scoring will be tabulated and applications will be ranked based on the numerical scores received.

3.3 Evaluation Criteria

The applications will be scored against the following criteria:

<u>Description</u>	<u>Percent (%)</u>	<u>Possible Points</u>
1. Current Use of Transit Buses	20%	20
2. Future Use of Transit Buses	25%	25
3. Transportation to Employment	30%	30
4. NOx Reduction	15%	15
5. Project Timeline	<u>10%</u>	<u>10</u>
TOTAL	100%	100

3.4 Right to Reject Applications and Negotiate Grant Agreement Terms

The State reserves the right to reject any and all applications. The State reserves the right to negotiate the terms of the grant agreement(s) that result from this Grant Application, including the award amount, with the selected applicant prior to entering into a grant agreement. If grant agreement negotiations cannot be concluded successfully with the awarded applicant(s), the State may negotiate a grant agreement with the next highest scoring applicant(s).

3.5 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).

### 3.6 Notification of Intent to Award

All applicants who respond to this Grant Announcement will be notified in writing of the State's intent to award one or more grant agreements that result from this Grant Application.

After a Notice of Intent to Award is made, copies of the accepted applications, excluding materials deemed to be confidential and proprietary information on Appendix c: Designation of Confidential and Proprietary Information (DOA-3027), will be made available for public inspection on the VW Mitigation Program website.

## 4.0 ELIGIBILITY REQUIREMENTS

This section is NOT scored. (0 points)

Complete Section 2: Eligibility Requirements of the application.

Conditions of this Grant Announcement that include the word "must" or "shall" describe a **mandatory** eligibility requirement. Failure to meet a mandatory eligibility requirement shall disqualify the application. The State reserves the right to delete any specification or condition in the Grant Application as allowed by law if no applicant is able to comply with the given specification or condition of the Grant Application.

The requirements in this section are mandatory and the applicant must satisfy them. If the applicant cannot meet ALL the eligibility requirements, the applicant will be removed from further consideration. In the event there is an individual eligibility requirement that no applicant is able to meet, the State reserves the right to eliminate that individual eligibility requirement as allowed by law; in such case, the State shall continue the evaluation of applicant.

Using Section 2: Eligibility Requirements, answer each item as to whether the applicant either can or cannot (check the appropriate box) meet these eligibility requirements. It is the applicant's responsibility to submit any required supporting documentation for an eligibility requirement.

### 4.1 Eligible Applicant

4.1.1 Pursuant to §85.20 (1)(d), Wis. Stats., the applicant must certify that it is a county, municipality or town, or agency thereof; transit or transportation commission or authority and public corporation established by law or by interstate compact to provide mass transportation services and facilities or two or more of any such bodies acting jointly under §66.0301 to 66.0303, Wis. Stats.

### 4.2 Operating Deficit

4.2.1 Pursuant to §85.20, Wis. Stats., the applicant must certify that it operates an urban mass transit system incurring an operating deficit.

### 4.3 Shared Revenue Reduction

4.3.1 If the applicant is a county, city, village or town, the applicant must agree that the receipt of a grant under this program will result in a reduction of future county and municipal revenue payments pursuant to §79.035(7), Wis. Stats. Further, each applicant that is a county, city, village or town must provide a resolution (or equivalent) action taken agreeing to this reduction in revenue payments and authorizing its application.

### 4.4 Vehicle Eligibility

4.4.1 The applicant must certify that the vehicle(s) submitted for replacement is a Class 4-8 Transit Bus with a Gross Vehicle Weight Rating (GVWR) greater than 14,001 lbs. used for transporting people. In addition, the eligible vehicle must be powered with a 1992-2009 diesel engine.

#### 4.5 Scrapping

- 4.5.1 The applicant must certify that it will render the eligible replaced vehicle(s) inoperable and available for recycle. The applicant, at a minimum, will cause a 3-inch hole to be cut in the engine block for all engines. In addition, the chassis of the vehicle shall be disabled by cutting the vehicle's frame rails completely in half. Scrapping of any vehicle(s) shall occur within 90 days of the applicant accepting delivery of the replacement bus(es).

### 5.0 PROJECT PLAN

This section is scored. (100 total points)

Complete Section 3: Project Plan of the application.

The purpose of this section is to provide the State with a basis for determining an applicant's plan to undertake its project. Be specific when answering the following questions. Applicants shall concisely answer each question thoroughly.

#### 5.1 Current Use of Transit Buses

- 5.1.1 Please explain how the applicant's current buses are used and why they require replacement. Where possible, provide data on ridership, bus condition and other factors that support replacement. Applicant may attach supporting documentation to its application for each bus requested for replacement including:

- Copies of estimates for planned or anticipated major repairs.
- List of recent major repairs.
- Photos of visible condition of the vehicle showing rust, dents and/or other issues.

#### 5.2 Future Use of Transit Buses

- 5.2.1 Please explain how the new bus(es) will be used in the future. Please include information on whether the applicant expects ridership will increase, decrease, or maintain current levels. Applicant may attach supporting documentation to its application.

#### 5.3 Transportation to Employment

- 5.3.1 Please explain how the new bus(es) will connect employees with employers. Applicant may attach supporting documentation to its application.

#### 5.4 NOx Reduction

- 5.4.1 Using the US Environmental Protection Agency Diesel Emissions Quantifier (DEQ) tool, please state the projected NOx benefit as a result of replacing the identified bus(es). Include a description of how bus replacement will mitigate the impacts of NOx emissions on communities that have historically borne a disproportionate share of the adverse impacts of these emissions. Applicant may attach supporting documentation to its application.

#### 5.5 Project Timeline

- 5.5.1 Please provide a detailed timeline for the replacement of each bus for which funding is requested. Include anticipated dates for ordering, delivery, placement in service and scrapping. All work must be completed by June 30, 2025.

## 6.0 PROJECT BUDGET

This section is NOT scored. (0 total points)

Complete Section 4: Project Budget of the application using the Excel spreadsheet. The Excel spreadsheet must be submitted in accordance with instructions in section 2.3.

The purpose of this section is to provide the State with identification of each bus proposed to be replaced, each proposed replacement vehicle and eligible costs for purchase and scrapping. The budget will include a listing of each eligible bus for which funding is requested for replacement. If more than one replacement request is made, buses must be listed in the spreadsheet with the highest priority bus listed first, the second highest priority bus listed second, etc.

### 6.1 Eligible Expenses

6.1.1 For each eligible bus listed for replacement, grant funds may be requested for two purposes:

- 6.1.1.1 The purchase of a class 4-8 transit bus with any new diesel or alternate fueled or all-electric vehicle, with the engine model year in which the eligible bus mitigation action occurs or one engine model year prior. Grant funds may be requested for 100% of the cost of a new diesel or Alternate Fueled (e.g., CNG, propane, Hybrid) vehicle, or 100% of the cost of a new All-Electric vehicle, including charging infrastructure associated with the new All-Electric vehicle.
- 6.1.1.2 Services required to scrap replaced eligible buses per the definition of "scrapping" in section 1.4. Scrapping must be completed within 90 days of accepting delivery of a replacement bus.

### 6.2 Ineligible Expenses

6.2.1 Grant funds may not be requested for the following purposes:

- Fleet expansion (i.e., the purchase of a bus that does not replace an existing bus).
- Administrative costs including applicant expenses, vendor mark-ups or other.
- Any expenses incurred before the grant agreement is fully executed, including applicant's expense to prepare the grant application.
- Any expenses to disable or remove equipment from an existing bus.
- Repowering.
- Bad debts, late payment fees, finance charges or contingency funds, interest, and investment management fees.
- Liens or other interests in any replaced bus.
- Attorney fees.
- Engineering/consultant fees.
- Taxes, except sales tax on eligible equipment and expenses.
- Purchase and/or installation of accessories, either new or transferred from replaced buses.
- Invoices submitted to the Department directly from any vendor, supplier or contractor.

## 7.0 SPECIAL GRANT AGREEMENT TERMS AND CONDITIONS

### 7.1 Reimbursement Requirements

This is a reimbursement program. Before requesting reimbursement from DOA, grant recipients must provide a signed payment request on letterhead for the amount to be reimbursed. Grant recipients must submit invoices and proofs of payment for approved expenses associated with the project. Grant recipients must submit photographic documentation of the VINs and engine serial numbers for the replaced bus(es), and photos and a certificate of destruction documenting that the replaced bus(es) have

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been rendered inoperable. Grant recipients must submit delivery or registration documents identifying VINs and engine serial numbers for the new bus(es) purchased with grant funds; and confirm that the project is complete and that the bus(es) is operating satisfactorily for the intended use. No costs for projects may be incurred before the grant agreement is executed or after the grant agreement end date. All invoices must be submitted by the date specified in the grant agreement to be paid.

## 7.2 Order of Precedence

In the event of grant agreement award(s), the contents of this Grant Application (including all attachments), Grant Application addenda and revisions, and the application of the successful applicant(s), and additional terms agreed to in writing by DOA and the applicant(s) shall become part of the grant agreement. Failure of the successful applicant(s) to accept these as a contractual agreement may result in a cancellation of award. The following priority for grant agreement documents will be used if there are conflicts or disputes:

1. Applicable State of Wisconsin statutes and regulations.
2. The terms of the resulting grant agreement.
3. The terms of the applicant's response as accepted by the State.
4. The terms of the Grant Application as amended.

## 7.3 Grant Agreement

A grant agreement between the grantee and DOA will cover the scope of work, timetable, semi-annual reporting requirements, and budget. Grant agreements cover a pre-determined period after the date DOA signs the contract. DOA may approve, at its sole discretion, a request from a grantee to substitute a bus identified for replacement with another eligible bus for good cause (e.g., mechanical issues, damage). Applicants must agree to abide by applicable state and federal rules and regulations.

DOA must provide the Trustee with a report describing its progress implementing each eligible mitigation action during the six-month period leading up to the reporting dates every year on January 30 and July 30. In order to provide all required information, DOA may collect the following from grantees to comply with the Trustee's reporting requirements:

- Tons/percentage of NOx and PM2.5 reduced over the lifetime of the vehicle replacement.
- Number of employees connected with employers.
- Project implementation timeline.
- All records and documentation supporting all grant funded expenditures, purchases and other fiscal activities to show that all funds were spent in compliance with the Trust Agreement, Consent Decrees and Wisconsin laws.
- Evidence that all vendors were or will be selected in accordance with state and local public procurement and contracting laws.
- Semi-annual reports describing the progress in implementing each project during the six-month period leading up to the reporting date. Such reports shall include a complete description of the status (including actual or projected termination date), development, implementation, and any modification of each approved project, and a summary of all costs expended on the Eligible Mitigation Action through the reporting date.

DOA reserves the right to restrict disposal of assets purchased with Transit Capital Assistance Grant Program grant funds. Such restrictions may apply to sale, insurance and other proceeds resulting from a determination by the applicant that the asset will no longer serve its intended purpose during its useful life. DOA anticipates that details on such restrictions will be determined prior to execution of grant agreements.

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7.4 Public Disclosure

All information submitted by applicant will be made available on DOA's VW Mitigation Website after an Intent to Award is issued.

7.5 Miscellaneous

The State of Wisconsin reserves the right to audit any grantee. Applicants must follow applicable state and local public procurement rules.