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From the Director, Department of Administrative Services, requesting authorization to apply for and accept State of Wisconsin Transit Capital Assistance Grant Program funding in the approximate amount of \$23.9 million to aid in the purchase of 49 eligible buses, replacing Milwaukee County bond financing and allowing for administrative appropriation transfers, by recommending adoption of the following:

**AN AMENDED RESOLUTION**

WHEREAS, Volkswagen Group of America (VW) and certain related entities 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; and

WHEREAS, the vehicles met CAA emissions standards for nitrogen oxides (NOx) in the lab, but not on the road; and

WHEREAS, VW entered judicial consent decrees to partially settle its civil liability for the CAA violations, and was required to pay more than \$2.9 billion into an Environmental Mitigation Trust Fund (Trust) administered by Wilmington Trust, N.A (Trustee); and

WHEREAS, the State of Wisconsin (the State) 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; and

WHEREAS, the State Department of Administration (DOA) is the lead agency to develop and implement a Beneficiary Mitigation Plan (BMP) that explains how the State plans to use its allocated Trust; and

WHEREAS, 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 (Grant Program) to fund the replacement of eligible public transit vehicles; and

WHEREAS, in 2017, Wisconsin Act 59 established the 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; and

WHEREAS, the Grant 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

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WHEREAS, the Grant 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; and

WHEREAS, per Section 56.06 of the Milwaukee County Code of General Ordinances, authorization is required from the Milwaukee County Board of Supervisors to apply for and execute discretionary Federal or State grants that require a local match; and

WHEREAS, the DOA provided notice and application guidelines for the Grant Program; and

WHEREAS, the Milwaukee County Department of Transportation is prepared to submit an application for eligible bus replacements prior to the September 28, 2018, deadline; and

WHEREAS, the bus replacements have been chosen based on eligibility requirements set forth in the Grant Program funding; and

WHEREAS, the bus replacements prepared to be submitted are as follows:

- Milwaukee County Transit System (MCTS) Bus Replacement Program – funding requested for 28 eligible buses included in the 2018 Adopted Capital Improvement Budget under Capital Project WT10401 (\$10,850,915 Bond Financed); (\$2,649,085 Federal Grant Reimbursements)
- MCTS Bus Replacement Program – funding requested for the anticipated replacement of 21 eligible buses expected as part of the 2019 Capital Improvement Budget process (\$10,395,000)

; and

~~WHEREAS, pursuant to the Grant Program guidelines, it is anticipated that Adopted Budget(s) will include a reduction of State Shared Revenue over a 10-year period would be reduced and need to be addressed in annual County budgets pursuant to the Grant Program guidelines; and~~

WHEREAS, the Grant Program “Calendar of Events” section cites a “Notification of Intent to Award” by October 15, 2018, and a grant agreement start date of December 1, 2018; and

91 WHEREAS, the Committee on Transportation, Public Works, and Transit, at its  
92 meeting of September 5, 2018, recommended adoption of File No. 18-640; (vote 4-1);  
93 and

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95 WHEREAS, the Committee on Finance and Audit, at its meeting of  
96 September 13, 2018, recommended adoption of File No. 18-640 as amended (vote 7-0);  
97 now, therefore,

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99 BE IT RESOLVED, the Director, Department of Administrative Services (DAS),  
100 (and/or his designee), is hereby authorized and directed to submit an application for the  
101 Transit Capital Assistance Grant Program (Grant Program), execute the necessary  
102 Grant Program contract, and receive awarded funding for the Grant Program; and

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104 BE IT FURTHER RESOLVED, the Director, DAS, and the Milwaukee County  
105 Comptroller are authorized and directed to perform administrative appropriation  
106 transfers to exchange the 2018 adopted bond and Federal grant reimbursement  
107 financing in Capital Project WT10401-Bus Replacement Program, and anticipated 2019  
108 eligible bus replacements that are bond financed based on the actual Grant Program  
109 award that is received; and

110  
111 BE IT FURTHER RESOLVED, if Milwaukee County (the County) is awarded a  
112 grant under this Grant Program, the County agrees to conform to the grant  
113 requirements ~~a reduction in shared revenue payments~~ pursuant to Section 79.035(7) of  
114 the Wisconsin State Statutes.

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