Staff Report Details (With Text)

File #:	21-1113	**Version:**	1	**Name:**	
Type:	Resolution			**Status:**	Consent Agenda
File created:	6/11/2021			**In control:**	City Council Meeting Agenda
On agenda:	7/12/2021			**Final action:**	
Title:	CC - (1) Adoption of a Resolution Authorizing Staff to Submit Applications for Various Grant Funding Opportunities Identified through June 30, 2022 for Transportation Projects and Programs; and (2) Adoption of a Resolution Authorizing Staff to Submit Applications through June 30, 2022 for Grant Funding Associated with the Purchase of Alternative Fuel Vehicles and Other Emission Control Technologies.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	1. 2021-07-12_ATT 1_Resolution_Transportation Projects and Programs Grant Apps.pdf, 2. 2021-07-12_ATT 2_Resolution_Air Quality Grant Apps.pdf				

Date	Ver.	Action By	Action	Result

CC - (1) Adoption of a Resolution Authorizing Staff to Submit Applications for Various Grant Funding Opportunities Identified through June 30, 2022 for Transportation Projects and Programs; and (2) Adoption of a Resolution Authorizing Staff to Submit Applications through June 30, 2022 for Grant Funding Associated with the Purchase of Alternative Fuel Vehicles and Other Emission Control Technologies.

Meeting Date: July 12, 2021

Contact Person/Dept: Mike Tobin/Transportation Department

Phone Number: (310) 253-6593

Fiscal Impact: Yes [] No [X] **General Fund:** Yes [] No [X]

Public Hearing: [] **Action Item:** [] **Attachments:** [X]

Commission Action Required: Yes [] No [X] **Date:**

Public Notification: (E-Mail) Meetings and Agendas - City Council (07/07/2021);

Department Approval: Rolando Cruz, Chief Transportation Officer (07/01/2021)

RECOMMENDATION

Staff recommends the City Council (1) adopt a resolution authorizing staff to submit applications for various grant funding opportunities identified through June 30, 2022 for transportation projects and programs (Attachment 1); and (2) adopt a resolution authorizing staff to submit applications through June 30, 2022 for grant funding associated with the purchase of alternative fuel vehicles, infrastructure and other emission control technologies, namely, Clean Transportation Funding from the Mobile Source Reduction Committee (MSRC) and the South Coast Air Quality Management District (AQMD), to assist the City in achieving clean air mandates in the South Coast Region of California (Attachment 2).

BACKGROUND/DISCUSSION

Grant Application Authority

Per the City's *Administrative Procedures for Grant Submission and Management*, Article VI, City staff are required to retain authorization to submit grant applications on behalf of the City. The Transportation Department applies for multiple grants for programs, on both a formula and competitive basis, as they are identified throughout the year. Grants provided by federal, State of California, and regional entities are all considered and utilized based on grant funding program objectives, department needs, and administrative capacity. The Transportation Department utilizes multiple sources as matching funds to meet cost-sharing requirements for these grants, none of which are supplied by the City's general fund. Matching sources are comprised of local-return allocations from sales tax measures, State Transportation Development Act and Transportation Assistance funds, among other sources which comprise a patchwork of transit funding in Los Angeles County, the State of California as well as nationally.

Authority to apply for grant programs will not negate any additional requirements as it pertains to resolutions accepting grant funds, or requirements as set forth in the Administrative Procedures and brought to City Council for due process as outlined therein. Prior to submission of all grant applications, staff will secure written approval from the Chief Financial Officer and the City Manager. In addition, any grants requiring a governing body resolution for the specific application and receipt of funding will be brought to City Council when appropriate.

As was most recently demonstrated by the COVID-19 pandemic, transit is uniquely vulnerable to downstream impacts of reductions in funds given the heavily subsidized nature of transit in the United States. Maintaining a proactive and nimble approach to sourcing funds is tantamount to maintaining service levels, while meeting the strategic objectives of electrification, increased ridership, and innovative service delivery in the face of funding constraints.

MSRC and AQMD Application Resolution

The City, situated in the South Coast Region of California, is mandated to comply with State and local clean air rules for municipal fleets, as administered by the AQMD.

Every year, the AQMD and the MSRC allocate discretionary funds for clean air projects to assist local fleets in meeting these mandates. Proposals are solicited from cities, counties, school districts and private businesses for grant funded projects including, but not limited to, electric and alternative-fuel refueling infrastructure; heavy-duty alternative fuel vehicle purchases; alternative fuel refuse vehicle purchases; diesel retrofit devices for off-road construction equipment; and transit bus purchases.

The City has been committed to the use of renewable compressed natural gas (RCNG) as the alternative fuel of choice for our City's fleet, and has recently transitioned to battery electric, zero-emission vehicle technologies. These alternative fuel sources solidify our opportunity to apply for grant funding to assist in off-setting the costs of zero emission engines versus their diesel- and unleaded-fueled counterparts, as well as grant funds toward CNG refueling station and electric vehicle charging infrastructure. The City's receipt of AB2766 Subvention Funds also establishes our eligibility to participate in Local Government Match Programs offered annually by the MSRC. Staff continues to monitor state and local clean air legislation and keeps informed about opportunities to obtain assistance with the purchase of alternative fuel vehicles and other emission control technologies.

On July 13, 2020, the City Council adopted a Resolution which provided authority for staff to pursue these grants during Fiscal Year 2020-2021. Staff is requesting the City Council adopt a similar resolution for the upcoming fiscal year.

Since the initiation of air quality grant activities in 2002, the City has been awarded over $2.5 million in grant funds from the AQMD and the MSRC for the purchase of alternative fuel vehicles and associated clean air projects. In addition, staff manages the AB2766 Subvention Fund which is utilized to replace petroleum-fueled vehicles which have reached the end of their useful life. These replacements include a variety of alternative fuel vehicles for City use, including hybrid electric vehicles, plug-in electric vehicles, and light-, medium- and heavy-duty CNG vehicles. These funds are also utilized for alternative fuel infrastructure enhancement projects such as the City's CNG refueling station and electric vehicle charging stations for the City's fleet.

The AQMD and MSRC require documented authorization by the City Council for signatory authority on grant applications and associated awarded contracts. The proposed resolution, if adopted by the City Council, would provide such authorization to continue the pursuit of these grant funds during Fiscal Year 2021-2022.

FISCAL ANALYSIS

Awarded grant funds are used to off-set the costs for the alternative fuel vehicles, and also contribute toward alternative fuel infrastructure project costs. Purchases of new alternative fuel vehicles which do not impact the general fund, such as transit buses that have reached their useful life, are purchased using federal and local funds allocated annually in the Transportation Department budget. The purchase of alternative fuel vehicles and equipment is reviewed on an annual basis by the City Council as part of the budget process.

No General Fund monies are necessary to implement the grant funding process.

ATTACHMENTS

1. 2021-07-12_ATT 1_Resolution_Transportation Projects and Programs Grant Applications
2. 2021-07-12_ATT_Resolution_Air Quality Grant Applications

MOTIONS

That the City Council:

1. Adopt of a Resolution authorizing staff to submit applications for various grant funding opportunities as identified through June 30, 2022 for transportation projects and programs; and

2. Adopt a Resolution authorizing the submittal of grant applications and acceptance of such approved funding made available by the AQMD and the MSRC to June 30, 2022 for the purchase of alternative fuel vehicles and other emission control technologies.