



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 03/26/2024

REQUESTER: Michele Loudenback, Environmental and Sustainability Manager

PRESENTER: Michele Loudenback, Environmental and Sustainability Manager

ITEM TITLE: CONSIDERATION OF ACCEPTANCE, APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF AMENDMENT ONE TO CONTRACT K-2122-107 MODIFYING AN EXISTING GRANT CONTRACT WITH THE ASSOCIATION OF CENTRAL OKLAHOMA GOVERNMENTS (ACOG) THROUGH THE PUBLIC FLEET CONVERSION GRANT PROGRAM TO BE USED FOR THREE (3) "BEAM SOLAR" LEVEL 2 EV CHARGING STATIONS AND TO EXTEND THE CONTRACT TERM AND BUDGET APPROPRIATION.

BACKGROUND:

Each year, the Association of Central Oklahoma Governments (ACOG) issues a Call for Projects for the Congestion Mitigation Air Quality (CMAQ) – Public Fleet Conversion Funding cycle. The grant program is designed to help cities implement clean fuel projects that strive toward the improvement of regional air quality.

Transportation, especially transportation that utilizes fossil fuels, is a significant source of precursors such as volatile organic compounds and nitrogen oxides, the gasses that react to form ozone. Referred to as mobile source emissions, these precursors are emitted through vehicle exhaust and fuel evaporation, reacting to sunlight in windless conditions to create tropospheric ozone pollution. Research continues to demonstrate the effects of ozone pollution on all populations, but children, the elderly, and anyone with respiratory illnesses such as asthma are particularly vulnerable. Any reduction in ozone-forming emissions translates to increased quality of life for everyone in Central Oklahoma.

The CMAQ program was created by the Intermodal Surface Transportation Efficiency Act of 1991. It was continued by the Fixing America's Surface Transportation Act (FAST) in 2015. The FAST Act continued to provide funding for transportation projects and programs to meet the requirements of Clean Air Act. The funding is available to reduce congestion and help improve air quality with respect to ozone, carbon monoxide, or particulate matter. For 2020, Central Oklahoma did not meet National Ambient Air Quality Standards for particulate matter and was close to nonattainment for ozone.

On February 24, 2009, the Norman City Council adopted the City's first Alternative Fuel Program, which strongly supports the acquisition and operation of alternative fuel vehicles (AFVs). This

set the City's goal to increase the usage of alternative fuel vehicles each year as technology allows while monitoring each new technological advancement to suit the application and departmental needs. At that point, fully electric vehicles were not an option, but the technology has now advanced in this direction and the City of Norman is still striving to be a leader in the implementation of alternative fuel technology. This is also in accordance with the "Mayors Climate Protection Agreement" resolution passed by Council on May 28, 2018, which set a goal of 100 percent renewable energy sources for transportation by 2050.

ACOG Clean Air Grants for Public Sector Fleets will allow public entities to access CMAQ funds for fleet conversions to clean fuel technology to include light-duty, medium-duty, and heavy-duty alternative fuel vehicles, hybrid and plug-in hybrid vehicles, off-road equipment, and alternative fuel vehicle refueling infrastructure. Selected projects need to be paid in full, and the awarded entity will submit for reimbursement following project completion. Alternative Fuel Infrastructure Projects may be funded at a ratio of *up to* 80 percent federal funds and 20 percent local funds for installation costs and capital investment in alternative fuel refueling/recharging infrastructure.

DISCUSSION:

On March 8, 2022, the City of Norman approved contract K-2122-107 which accepted and enumerated terms for a grant award of \$186,000 in funding from ACOG's Congestion Mitigation Air Quality – Public Fleet Conversion Grant Program for two (2) high-capacity electric vehicle charging stations to be installed in the parking lot at City Hall. At that time the projects estimated total construction costs were \$246,000 for the two (2) EV chargers with \$186,000 (76%) provided from the ACOG Grant and \$60,000 (24%) provided in local matching funds.

On September 26, 2023, Council approved Resolution R-2324-67 to submit an application to the ACOG Public Fleet Conversion Grant Program for FY24 to increase this project to three (3) off-grid electric vehicle charging stations. Installation of additional electric vehicle infrastructure will provide the community support needed to prepare for the changing vehicle landscape. The deployed systems will support tourism, commerce and economic activity. The revised locations chosen for the installation of the infrastructure are in Ruby Grant Park (two units along the I-35 corridor) and at City Hall.

On Thursday, February 15, 2024, ACOG approved a ranked list of projects for funding. Because the City of Norman had submitted multiple projects, these were grouped together as a single project, which was ranked first out of nine projects that received funding. Overall ACOG awarded \$2,580,782 to the City of Norman through this grant opportunity. As part of the award, this project will receive an additional \$45,642. This additional funding brings the total estimated project cost to \$289,553; the total federal grant amount to \$231,642; and, because the additional funding alters the cost share from a 76% grant/24% local match split to an 80% grant/20% local match split, accepting the additional grant funding will actually decrease the local share from \$60,000 to \$57,911.

Of the anticipated total costs of \$289,553 for this project, 80% (\$231,642) would be provided in grant funding; \$186,000 (64% of the total cost) from a previous award in the FYE 2022 Public Fleet Conversion Grant Program and \$45,642 (16% of the total cost) in the FYE 2024 Public Fleet Conversion Grant Program, both through ACOG. The remaining 20% (\$57,911) would be provided in local match. The \$231,642 in grant funding would be reimbursed to the City once the project is completed. Appropriations for the previously accepted FYE 2022 Public Fleet

Conversion Grant Program award have already been recorded into the City Hall Electric Vehicle Charging Station Construction Account (Project BG0086; Accounts 22550480-46101 and 50594408-46101) however, the matching portion only has \$44,833 available.

Please note that this is a companion item to the proposed contract K-2324-164 which would accept the additional \$45,642 in grant funding.

This amendment would only adjust the initial award contract K-2122-107 to acknowledge the project includes an additional solar charger and to extend the latest date of invoicing for reimbursement for the project. An appropriation is needed to bring the matching portion up to the \$57,911 noted above.

RECOMMENDATION:

1. Staff recommends approval of Contract K-2122-107-AMD-1.
2. Staff requests appropriation of \$13,078 from Capital Fund Balance (Account No. 50-29000) to the City Hall Electric Vehicle Charging Station Construction2 Account (Project BG0086, Account No. 50594408-46101) to adequately fund the City's matching obligation.