

ARIZONA VW Environmental Mitigation Trust Board Bus Replacement Grant



Background

- VW entered into a settlement with USDOJ in 2016 to resolve Clean Air Act violations due to the automaker's use of software to cheat emissions standards
- Settlement established \$2.7 billion Environmental Mitigation Trust for states to use; Arizona is estimated to get \$57 million
- Provisions of the trust limit spending to replacing or repowering eligible large trucks, buses and other vehicles with new diesel, alt fuel or all electric engines
- Governor Ducey has allocated \$38 million to schools in Arizona to purchase school buses

Eligibility

- School districts with at least a 60% free and reduced SFS status
- Diesel school buses 15 years old with over 100K miles
- Can replace up to 10% of existing fleet
- Participating districts are required to follow and document scrapping procedures for replaced buses as outlined by the state
- Applications submitted through the state online grant management system
- TUSD has submitted an application for 35 each of the large 72 passenger buses

Procurement Process

- Cooperative contracting process suggested procurement process from State Grants and Federal Resources
- The Mohave Cooperative Contract complies with state procurement rules, Board policy and has incorporated the State VW Bus Settlement within its' scope of work
- Three quotes obtained from awarded school bus vendors under this contract
- Lowest quote for the specified buses is from Canyon State Bus Sales
- The cooperative contract vendor quote specifies the required disposal process

FUNDING

- \$110K per new diesel school buses from Grant
- Funding disbursed directly to the school districts
- Expected total expenditures are \$4,047,488
- District Financial Expenditures are estimated at \$197,488
- All transactions must occur by June 30, 2020

Questions?