

REQUEST FOR BOARD ACTION

HENDERSON COUNTY BOARD OF COMMISSIONERS

MEETING DATE: September 3rd, 2019

SUBJECT: VW Settlement Grant Program

PRESENTER: Christine Brown

ATTACHMENTS: Yes,
1. VW Settlement BOC Presentation

SUMMARY OF REQUEST:

In 2015, the Environmental Protection Agency cited Volkswagen (VW) with a Notice of Violation for manufacturing and installing emissions defeat devices in 2009 – 2015 2.0 - 3.0-liter diesel engine vehicles. This led to a settlement with 2.9 billion used to fund U.S. projects that reduce NOx emissions and North Carolina receiving 3.23% or about \$92 million. The settlement was appropriated into a Volkswagen Environmental Mitigation Trust and the Department of Environmental Quality has divided the funding into three phases over the next five years. Phase 1 has two Request for Proposals available that were announced July 1st, 2019: Diesel Bus and Vehicle program and DC Fast Charger program. Both RFPs are due September 30th, 2019.

The Diesel Bus and Vehicle program awards governments 100% of funding to replace or repower Class 4 -7 trucks. Facility Services is interested in replacing a 2006 Diesel Boom truck with a NiftyLift Self Drive Work Platform that costs about \$60,000 for the bienergy option. Rescue Squad is interested in replacing a 2007 Ford F-450 4x4 truck that costs about \$60,000. The truck will have a double cab with a flat bed and fuel tank that is utilized as a tow vehicle. Both models have newer technology that would reduce NOx emissions and improve air quality.

Henderson County Environmental Programs is interested in applying for the DC Faster Charger program that funds 100% of the equipment for a DC Fast Electric Vehicle charging station on government owned property available to the public. The proposed location would be in the 95 Courthouse overflow lot on 4th Avenue and is within a priority corridor that will receive funding preference. It also meets other station requirements including filling in charging station gaps, accessible to the general public and within a short walking distance to retail or service establishments.

Another exciting feature is the addition of a solar canopy to supply power to the charging station, lessening the environmental impact. The solar power generated can be sold to the grid, sent into a building to offset grid electricity, or stored in an on-site battery for emergency situations.

Drivers would pay to use the DC Fast charger station. The county can choose to pass on the direct cost of electricity to drivers by pricing the kWh at the same rate the county pays or mark up the price to cover long-term operation and maintenance costs. The charging station would require two parking spots and if interested, the county could expand to four with additional funding opportunities coming soon for Level 2 chargers. The cost of the charging station with the solar canopy and installation is about \$75,000 with the VW Settlement grant potentially funding 100% or the county contributing a small match to increase the

chance for funding.

The DC Fast Charging Station provides various benefits to the County including supplying 80% of the vehicle's charge in less than 30 minutes, diversifying fuel options for citizens, reducing greenhouse gas emissions, supporting the expansion of green infrastructure, and providing a highly visible example of the county's environmental values.

BOARD ACTION REQUESTED:

It is requested that the Board approve staff to apply for both Department of Environmental Quality's VW Settlement grant programs.

Suggested Motion:

I move that the Board approve staff to apply for both Department of Environmental Quality's VW Settlement grant programs.



Diesel Vehicle and DC Fast Charger

Christine Brown
Environmental Programs Coordinator
Henderson County

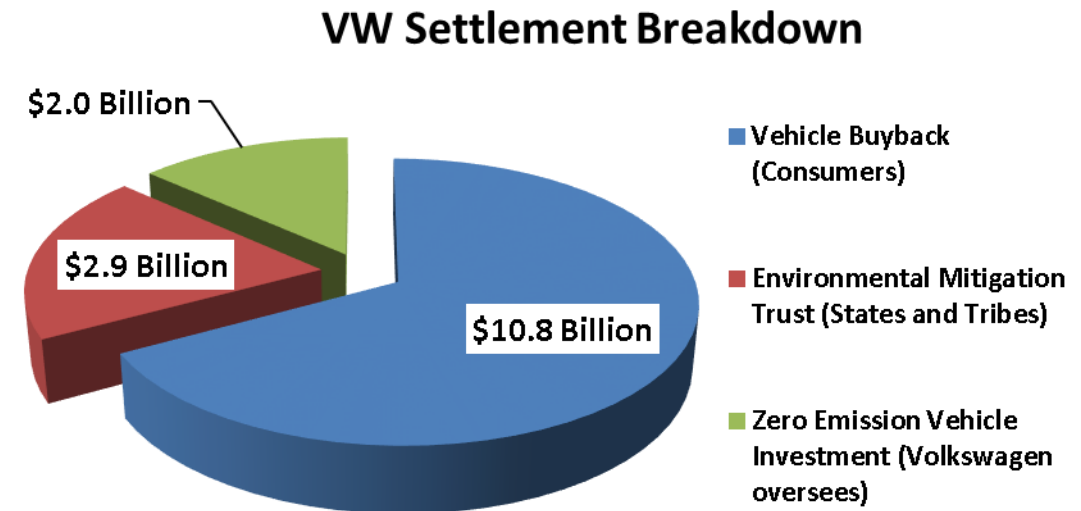
History

In 2015, the EPA cited Volkswagen (VW) with a NOV for manufacturing and installing emissions defeat devices in 2009 – 2015, 2.0 - 3.0-liter diesel engine vehicles.

- 2.9 billion for project across U.S.

North Carolina received about \$92 million.

- Mitigation Trust
- Three funding phases over the next five years.



Phase 1 Funding

Phase 1 Request for Proposals were announced July 1st, 2019 and are **due September 30th**.

Two RFPs available:

- Diesel Bus and Vehicle
- DC Fast Charger
 - *Level 2 Charger RFP coming soon!*
- Henderson County staff from multiple departments are interested in applying for both programs.



Diesel Bus and Vehicle Program

NC Grant Programs (2018-2020)	Eligible Action Category	Eligible Fuels	2018-2020 Funding (Phase 1)	
			Targeted Percent*	Targeted Funding Amount
School bus replacement program	School buses	Diesel	25%	\$7,670,472
		Propane & Natural Gas	10%	\$3,068,189
		All-electric	5%	\$1,534,094
Transit bus replacement program	Transit buses	All (diesel, propane, natural gas, electric)	20%	\$6,136,377
Clean heavy-duty on-road equipment program	Class 4-8 Local Freight trucks	All (diesel, propane, natural gas, electric)	10%	\$3,068,189
Clean heavy-duty off-road equipment program	Switcher locomotives, ferries, tugs, forklifts, port cargo handling equipment, ocean-going vessel shorepower, airport ground support equipment	All (diesel, propane, natural gas, electric)	10%	\$2,739,302
	Diesel Emission Reduction Act (DERA)			\$328,887
	Total:			\$24,545,510

Diesel Bus and Vehicle Program

Reimbursement grant that awards governments **100% of required funding**

Facility Services is interested replacing a 2006 Diesel boom truck with a NiftyLift Self Drive Work Platform.

- Cost estimate: \$60,000

Rescue Squad is interested in replacing a 2007 Ford F-450 4x4 to be utilized as a tow truck.

- Cost estimate: \$60,000



DC Fast Charger Program

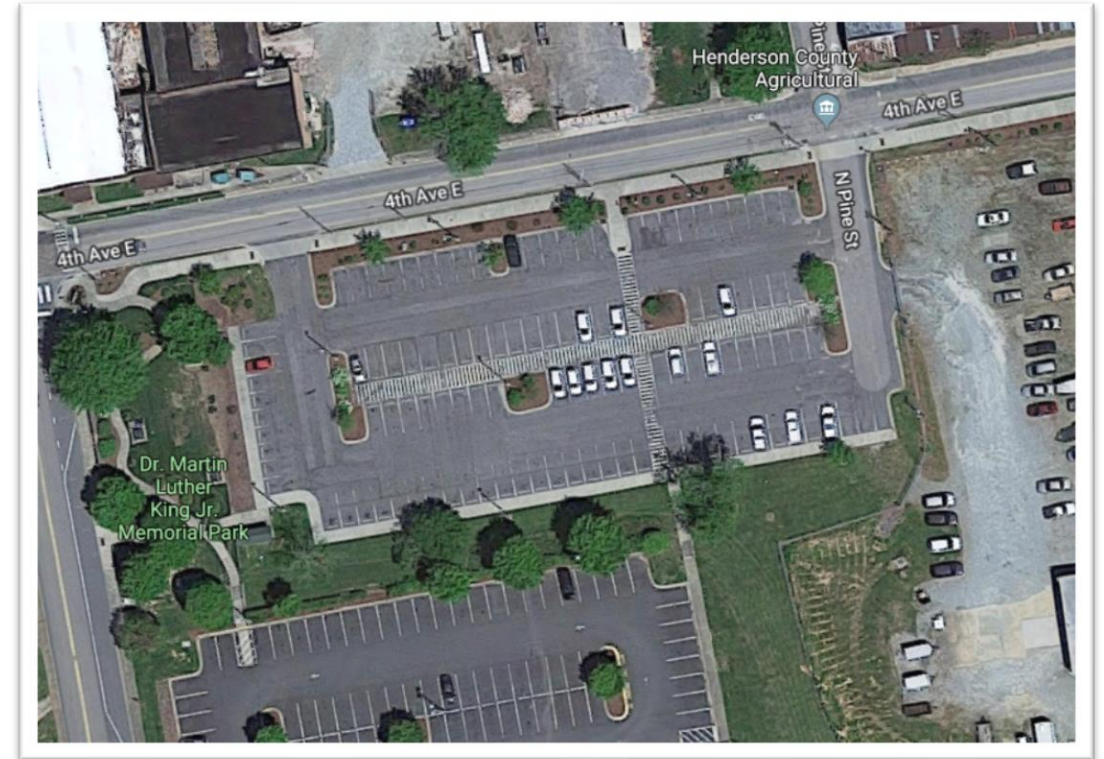
Reimbursement grant that awards **100% of the equipment** on government owned property available to the public.

Eligible DC Fast Charging Projects:

- Light-duty electric vehicle supply equipment (50kW or higher)
- Publicly accessible.
- Adjacent to Priority Corridors.

Proposed location:

- 95 Courthouse Overflow Lot

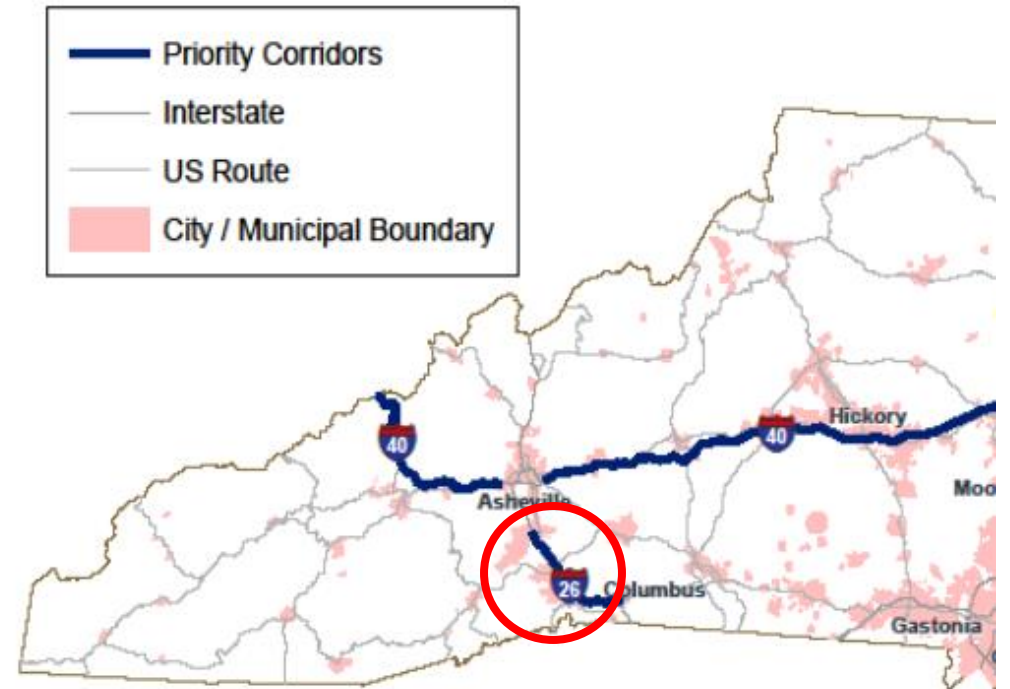


DC Fast Charger Program

Henderson County is within a priority corridor that will receive funding preference.

Other station requirements:

- Fills in charging station gaps.
- Accessible to the general public.
- Within a short walking distance to retail or service establishments.
- Minimum of two spaces.
- Effort to be ADA accessible.
- On-site lightning, signage and bollards to protect the equipment.



DC Fast Charger Program

Opportunity for a solar canopy

- Lessens environmental impact
- Solar power generated
 - a) sold to the grid
 - b) offset grid electricity in a building
 - c) stored in an on-site battery for emergency situations

Drivers would pay to use the DC Fast charging station.

County can either:

- Charge consumer the same rate the county pays KWh
- Mark up the price to cover long-term operation and maintenance costs

Cost:

- Charging station + solar canopy + installation = estimate \$75,000



DC Fast Charger Program

Benefits:

- 80% of the EV's charge in less than 30 minutes
- Diversifies fuel options for citizens
- Reduces greenhouse gas emissions
- Supports the expansion of green infrastructure
- Highly visible example of the county's environmental values.



Thank you!

Christine Brown
Henderson County
Environmental Programs