Draft Agenda – DEP Electric bus grant

1) The current language in the grant of 25% match means districts can get an electric bus for around the same cost as a diesel bus. When I spoke with John Fraites this past year, their expectation was for the districts to foot the bill and reimburse the districts on the $5 million grant that they put out in October 2019 and never awarded. Their issue at the time was they did not have the mechanism in which to pay for the bus upfront.

*“Florida public school districts may use this grant application worksheet to apply for up to 75 percent* ***cost-reimbursement*** *from the Department for the replacement of 2009 or older diesel Type C or Type D school buses with new electric-battery powered Type C or Type D school buses.”*

This means that district would have to encumber the entire cost, around $380K per bus (current FLDOE contract, base bus plus engine plus A/C, plus power module, 71 capacity), pay for the bus and then get a 75% rebate check from the grant. Depending on award, it could be expended out of one year’s capital funds and reimbursed the following year. For example, if a district normally buys 15 buses a year, the base cost of a 71 capacity, comparing sizes, would be $1,359,480. If they were to participate and are required to foot the upfront costs, they would be able to only purchase 3.5 (make the adjustment up or down depending on available capital dollars) electric buses. That reduces the replacement of 11/12 buses, keeps older buses on the road and drives up expenditures from the districts operating budget. Environmentally, will the 3/4 electric buses make up for the higher pollution derived from the existing buses that would have been normally replaced but now would have to stay on the road? While the money would come the following year, it would now put an offset number of buses in any board approved replacement plans.

2) Districts would still have to build infrastructure for charging. There are positive possibilities of partnering with power companies who have shown an interest but those agreements would need to be in place before any district would commit to a grant and it is a short time frame of December 18th. The worksheet encourages Districts to create partnerships to maximize cost-share. At the earliest, it would be mid-January to get these in place with power companies and school board approval. Reality is that it would be sometime in February. It is imperative to have these because the districts with the highest cost-share benefits have a greater chance to win the grant money. Charging station on bid shows $65,000.That does not include any on-site improvements.

3) Is the range still rated at 120 miles between charging? Has that changed and has the time to charge shortened, it was at 8 hours? How are those numbers affected by A/C, the numbers we were provided at 120 miles was a non-A/C equipped bus.

4) What provisions will there be for training for technicians and what costs are associated with specialized equipment for repair?

5) Based on mileage and charging applications, what will be the use in districts? It appears at first glance, large urban district will be able to have some good applications in inner city runs, not sure how it would work in rural applications. Routing departments would need to provide district Directors with the data to support the use of the buses.

6) Has the verbiage allowed us to pursue the additional bus companies with stating that we could identify competitively businesses that could complete the project? Districts have already received letters from the Lyon Bus Company, are they now an approved vendor?

*“The selected districts will purchase electric school buses from Department of Education’s approved vendor list or* ***competitively identify a bus vendor*** *which will supply an electric bus that meets Florida’s school bus safety requirements.”*

7) When Districts replace school buses; the old buses are taken off the road and usually sold at auction. The funds received help offset the capital expenditures for school buses, For example, under the DERA grant, there is a rebate back to the District for $20,000 per bus. This money is used to cover the scrapping cost to the district as well as offset the loss of revenue from selling the bus. The true intent of getting the higher polluting bus off the road. This grant carries the same scrapping requirement with no offset in costs to the district in the initial posting. As read, it appears that the district must bear the scrapping cost as well as lose the revenue stream from the selling of the old buses. Would this cost/loss of revenue be considered as a cost-match.

*“Once the competitively-selected school districts are identified, the Department will prepare grant agreements with specific deliverables, including the permanently disabling of the replaced buses, also known as scrapping.”*