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Public Works

City Transit
263-8152

MEMORANDUM

To: Mayor and City Council Members
CC: Gregg Mandsager, City Administrator
FROM: Brian Stineman, Public Works Director
DATE: August 15, 2017
RE: Request to Apply for Rural Grant Funding for Two Buses

Equipment Maintenance
Roadway Maintenance
Collection & Drainage
Building & Grounds
Engineering

INTRODUCTION:

The Iowa Office of Public Transit is submitting a Rural Transit grant on behalf of small urban transit systems in Iowa. This will enable the City of Muscatine to replace 2 of our aging buses with new, more efficient buses.

BACKGROUND:

This funding is offered through the Iowa Rural Transit Vehicle Replacement Grant Award. Funding is at an 85% level. The City is responsible for the remaining 15% of the purchase cost. If funded, we have the opportunity to purchase two buses. It is estimated based on recent purchases that each bus will cost approximately \$88,000.

The buses needing replaced are #242 and #246. Bus #242 is a 2006, light duty diesel bus with 256,828 miles. Bus #246 is a 2009, light duty diesel bus with 166,359 miles. They will be replaced with light duty buses. The total purchase price will be approximately \$176,000. The City's share would be \$26,400.00.

The city has also applied for a Low-Emission Grant for six CNG buses. Should that grant be awarded the city cost-share for those buses would total \$98,100. The award of the low-emission grant is expected in late September or early October of 2017. Award of the rural grant is not expected until January of 2018. If council is uncomfortable with the total cost-share amount should all eight buses be awarded, the rural grant can be declined with no penalty.

RECOMMENDATION/RATIONALE:

Approve the request to support the grant application.

BACKUP INFORMATION:

N/A