



City of Austin

Recommendation for Action

File #: 24-6081, **Agenda Item #:** 70.

11/21/2024

Posting Language

Approve a resolution authorizing the submittal of an application to the Low-Carbon Transportation Materials Grants Program through the United States Department of Transportation to fund use of transportation materials that meet the standard of substantially lower embodied carbon to construct right-of-way projects. Funding: This item has no fiscal impact.

Lead Department

Transportation and Public Works Department

Fiscal Note

This item has no fiscal impact.

Prior Council Action:

February 29, 2024 - Resolution No. 20240229-058 directing the City Manager to develop a systemic approach for City procurement processes to prioritize low environmental impact options and support the transition of contracted goods and services to more environmentally-sustainable practices, was approved on a 10-0 vote, with Council Member Harper-Madison off the dais.

April 20, 2023 - Resolution No. 20230420-024 directing the City Manager to create a plan and implementation schedule to transition the City to sustainable low-embodied-carbon concrete, was approved on an 11-0 vote.

September 30, 2021 - Resolution No. 20210930-099 adopting the Austin Climate Equity Plan, which sets a new community-wide goal of equitably reaching net-zero community-wide greenhouse gas emissions by 2040, using a steep decline path followed by negative emissions, includes a goal of reducing the embodied carbon footprint of building materials used in local construction by 40% by 2030, was approved on a 10-1 vote, with Council Member Kelly voting nay.

For More Information:

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Additional Backup Information:

This item would authorize the City to submit a grant application to the United States Department of Transportation's Low-Carbon Transportation Materials (LCTM) program. The LCTM program has the potential to cover costs associated with developing a process to demonstrate materials meet the standard of substantially lower embodied carbon and are appropriate for use, and the cost difference between standard construction materials and low carbon construction materials, where the latter may carry a higher cost to procure.

On March 12, 2024, the U.S. Federal Highway Administration (FHWA) announced \$2 billion available to fund the use of low carbon transportation materials (concrete, cement, glass, asphalt mix, and steel) to reduce the levels of embodied greenhouse gas emissions by encouraging applicants to build successful low carbon transportation material frameworks. Under FHWA's LCTM Program, \$800 million is available to non-State

Departments of Transportation.

The City's application for the LCTM program is under development as a multi-departmental effort with stakeholders from Transportation and Public Works (TPW), Office of Sustainability (OOS), Capital Delivery Services (CDS), and Financial Services Departments (FSD). The application will seek to offset potential costs from incorporating low carbon transportation materials into transportation projects by using LCTM funding to cover cost differences.

If awarded, the application would facilitate the City's transition to lower-carbon materials as directed through several Council actions. The funding would also advance strategies in the Austin Climate Equity Plan that specifically call for "prioritizing partnerships within local materials markets to decarbonize high-impact materials, specifically glass, steel, aluminum, concrete, drywall, insulation, and carpet."

The Office of the City Engineer is leading the application development and is doing so in coordination with the City of Austin's Plan to Transition to Low-Embodied Carbon Concrete in pursuit of a Carbon Neutral Austin, a first official attempt to establish a reporting structure/protocol of concrete usage on City projects to ensure that concrete volumes and cement usage are being tracked to establish the COA carbon footprint. Further information about the Plan is available as an attachment in a Memorandum on Climate Equity and Resilience Framework from then Interim City Manager Jesus Garza, dated February 14, 2024.

An application to the LCTM supports prior Council action, staff responses to Council action, and current City policy. If awarded, LCTM will reimburse 100% of the difference in cost of eligible activities associated with incorporating low carbon transportation materials into transportation projects.

The Low-Carbon Transportation Materials Grants Program is a reimbursement program that will cover the difference in cost of purchasing low-carbon materials for construction projects.