



SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO) CAPITAL PROJECTS STANDING COMMITTEE MEETING AGENDA

FEBRUARY 12, 2021 – 1:00PM

DUE TO COVID-19, THE FEBRUARY 12, 2021 SANTA CRUZ METRO CAPITAL PROJECTS STANDING COMMITTEE MEETING WILL BE CONDUCTED AS A TELECONFERENCE PURSUANT TO THE PROVISIONS OF THE GOVERNOR’S EXECUTIVE ORDERS N-25-20 AND N-29-20, WHICH SUSPEND CERTAIN REQUIREMENTS OF THE RALPH M. BROWN ACT.

MEMBERS OF THE PUBLIC MAY NOT ATTEND THIS MEETING IN PERSON.

Directors, staff and the public may participate remotely via Zoom [at this link](#) and entering the passcode 100156 or by calling 1-669-900-9128 Meeting ID 827 1693 3251

Public comment may be submitted via email to boardinquiries@scmttd.com. Please indicate in your email the agenda item to which your comment applies. Comments submitted before the meeting will be provided to the Directors before or during the meeting. Comments submitted after the meeting is called to order will be included in the Board’s weekly correspondence that is posted online at board meeting packet link.

The Capital Projects Standing Committee Meeting Agenda Packet can be found online at www.SCMTD.com.

The Committee may take action on each item on the agenda. The action may consist of the recommended action, a related action or no action. Staff recommendations are subject to action and/or change by the Board of Directors.

COMMITTEE ROSTER

Director Bruce McPherson
Director Larry Pageler
Director Kristen Petersen

County of Santa Cruz
County of Santa Cruz
City of Capitola

Alex Clifford
Julie Sherman

METRO CEO/General Manager
METRO General Counsel

MEETING TIME: 1:00PM

NOTE: THE COMMITTEE CHAIR MAY TAKE ITEMS OUT OF ORDER

1. CALL TO ORDER

- 2. ROLL CALL**
- 3. ADDITIONS/DELETIONS FROM AGENDA/ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS**
- 4. ORAL AND WRITTEN COMMUNICATIONS TO THE CAPITAL PROJECTS STANDING COMMITTEE**

This time is set aside for Directors and members of the public to address any item not on the Agenda, but which is within the matter jurisdiction of the Committee. If you wish to address the Committee, please follow the directions at the top of the agenda. If you have anything that you wish distributed to the Committee and included for the official record, please include it in your email. Comments that require a response may be deferred for staff reply.
- 5. RECEIVE A REPORT REGARDING THE EXTENDED PROJECT SCHEDULE FOR PROTERRA ZERO EMISSIONS BUS PROJECT**

Margo Ross, COO
- 6. ORAL PACIFIC STATION UPDATE**

John Urgo, Planning and Development Director
- 7. ORAL PARACRUZ UPDATE**

Daniel Zaragoza, Operations Manager, Paratransit Division, and Sandi Woods, Project Manager
- 8. ADJOURNMENT**

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Public Comment

If you wish to address the Board, please follow the directions at the top of the agenda. If you have anything that you wish distributed to the Board and included in the official report, please include it in your email. Comments that require a response may be deferred for staff reply.



DATE: February 12, 2021
TO: Capital Projects Standing Committee
FROM: Margo Ross, Chief Operations Officer
**SUBJECT: RECEIVE A REPORT REGARDING THE EXTENDED PROJECT
SCHEDULE FOR PROTERRA ZERO EMISSIONS BUS PROJECT**

I. RECOMMENDED ACTION

That the Capital Projects Standing Committee receive the report on the extended project schedule for the Proterra Bus Project

II. SUMMARY

- This staff report provides the Capital Projects Standing Committee with an update to the Proterra Zero Emissions Bus Project.
- At its September 25, 2015 meeting, the Santa Cruz Metropolitan Transit District (METRO) Board of Directors (Board) adopted its first Electric Bus Implementation Strategy authorizing METRO to pursue grant funding to deploy electric buses.
- At its May 19, 2017 meeting, the METRO Board adopted a resolution to set a goal for achieving a full zero-emission fleet by 2040 and to support a fleet management plan which phases out the purchase of Compressed Natural Gas (CNG) buses by 2030.
- Between 2016 and 2018 METRO received grants sufficient to fund four zero emission fixed route buses.
- METRO has worked with Proterra, Inc. (Proterra) since March 2017 to acquire battery electric buses.
- In September of 2018 Proterra improved their bus range from the 440 kWh to 660kWh; which prompted METRO to terminate the purchase of the 440 kWh, and move to the 660 kWh, which was yet to be produced.
- The 660 kWh bus has now cleared the Altoona testing, the FTA requirement, and is expected to be delivered to METRO in mid-March 2021.
- The buses will then be put through an exhaustive acceptance program before they are accepted and placed into service, estimated Fall 2021.
- Staff requests that the Capital Projects Standing Committee receive and file this report.

III. DISCUSSION/BACKGROUND

At its September 25, 2015 meeting, the Board authorized METRO to begin pursuing grant funding to deploy electric buses and adopted its first Electric Bus Implementation Strategy, which documented a favorable technological, regulatory, operating and financial environment for Zero Emission Bus (ZEB) deployment, and proposed a timeline to implement ZEBs incrementally, beginning with the first acquisition in 2016.

On June 1, 2016, Caltrans announced a grant award to METRO for the purchase of one battery electric bus to run new circulator service in downtown Watsonville. The grant is funded through the States Cap and Trade Program – Low Carbon Transit Operations Program (LCTOP). In October 2018, the California Transportation Commission approved an allocation of State Transportation Improvement Program (STIP)/Local Partnership Program (LPP) funding to METRO for the purchase of two electric buses. In June 2018, the combined fiscal year 2017 and fiscal year 2018 LCTOP awards were approved to fund one ZEB.

On December 14, 2018, the California Air Resources Board (CARB) adopted its Innovative Clean Transit (ICT) Regulation which requires any transit agency designated as a small transit agency to transition their bus fleet to all ZEBs beginning in 2026. Starting in 2026, small transit agencies must purchase ZEBs for 25% of all bus purchases; and, 100% of all bus purchases must be ZEBs starting in 2029 (Zero Emission Buses or Battery Electric Buses).

On April 28, 2017, the Board authorized staff to participate in a joint procurement with Clemson Area Transit (CAT). On May 1, 2017, CAT issued a Request for Proposals for Purchase and Delivery of Zero Emission Electric Buses and Equipment. On June 16, 2017, proposals were received and opened from Build Your Dreams (BYD), New Flyer of America and Proterra, Inc. An evaluation team composed of CAT, Solano County Transit (SolTrans), Center for Transportation and the Environment (CTE), and METRO staff reviewed and evaluated the proposals, and interviewed BYD and Proterra, Inc. On February 23, 2018, staff recommended an award to Proterra, Inc. for the Purchase and Delivery of one Zero Emission Electric bus and related charging equipment, with nine additional bus purchase options. The Board awarded the contract and authorized the CEO to execute future amendments with Proterra, Inc. for the nine options as funding became available. Staff added each subsequent purchase to the applicable Capital Budget for Board approval before proceeding with an order.

In March 2018, Proterra and METRO started engaging in the initial configuration discussion to meet METRO's routes, local terrains and performance and range expectations. METRO's bus configuration consists of Proterra's 660kWh battery energy capacity and Duo-Power transmission. Both configuration options required full Altoona testing. However, due to the COVID-19 pandemic, the Altoona testing facility was completely closed from March 2020 until September 2020, shifting the project timeline.

Proterra recently announced that their 40' Catalyst E2 Plug-In Electric Bus has successfully completed the safety, structural strength and distortion tests at the Altoona Bus Research and Testing Center. The new-targeted delivery date for the vehicle is March 15, 2021. With delivery of the vehicle in early March 2021 and vehicle testing and operator training through the summer of 2021, METRO intends to include the bus to service as part of its Fall service change in early September 2021.

Project Details	Date
CATZEB RFP Issued	05/01/2017
CATZEB RFP Awarded to Proterra	09/07/2017
First Discussion between METRO & Proterra	03/19/2018
Proterra submitted a program timing letter for 660kWh+DuoPower per METRO's request to upgrade from 440kWh to 660kWh battery capacity Contract Executed	09/10/2018
Notice to proceed issued by METRO	04/12/2019
Proterra engineering design started	07/23/2019
Design Review Meeting #1	09/09/2019
Contract Amendment #1 executed	10/29/2019
Design Review meeting #2	11/20/2019
Contract Amendment #2 executed	02/24/2020
Production of Bus #1 started	04/01/2020
Proterra sends Force Majeure letter to METRO related to COVID-19 delays within the Proterra plant	04/03/2020
Production of bus #4 completed	07/16/2020
METRO Bud Post-build inspection visit to Proterra	07/21/2020

Proterra CPM changed	10/08/2020
Altoona Testing-Phase 1- Full Test for Durability Test Started-3/28/2020 Altoona Facility Shut Down-March 2020	3/28/2020
Altoona Facility Reopened 9/10/2020	9/10/2020
Test Completed 9/10/2020	9/10/2020
Test Report (LTI-BT-R1906)Released	9/24/2020
Altoona Testing-Phase 2: Partial Test for Performance & Fuel Economy Test Started	8/24/2020
Test Completed	9/17/2020
Test Report (LTI-BR-R2020-06-P) Released	11/09/2020

IV. STRATEGIC PLAN PRIORITIES ALIGNMENT

The actions taken in this report tie to METRO’s Financial Stability, Stewardship and Accountability and State of Good Repair.

V. FINANCIAL CONSIDERATIONS/IMPACT

Funding for this project is currently available from various identified sources at total budget of \$5,254,315. METRO has combined the scopes of work from various sources of funding into one project to purchase four ZEB replacement bus. Attachment A reflects funding sources for the purchase agreements for four Proterra Electric buses:

- METRO received \$709,292 from the FY2015-16 LCTOP program to purchase one ZEB for Watsonville Circulator. Additional funding in amount of \$357,216 in Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA), \$150,000 in the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) and \$185,051 in Measure D were needed to purchase the first ZEB.

- METRO received \$863,102 from the FY2017-18 LCTOP program. Additional funding in amount of \$150,000 in HVIP and \$231,843 in Measure D were needed to purchase the second ZEB for the Watsonville service area.
- In October 2018, METRO received \$1,656,000 from CTC's STIP and LPP funding to purchase two ZEBs. Additional funding in amount of \$300,000 in HVIP and \$651,811 in Measure D were needed to purchase the two ZEBs.

Eddie Benson, Maintenance Manager, is the Project Manager responsible for budgeting the appropriate capital amount in the budget during the life of the project.

VI. ALTERNATIVES CONSIDERED

There are no alternatives to consider. This is just a project status report.

VII. ATTACHMENTS

Attachment A: Funding Sources for the Purchase agreements for Four Proterra Electric Buses

Attachment B: SC METRO's Preliminary Outlook for Zero Emission Bus Purchases

Prepared by: Margo Ross, Chief Operations Officer
Wondimu Mengistu, Grants/Legislative Analyst

VIII. APPROVALS

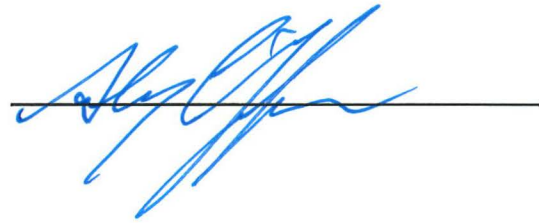
Margo Ross, COO



Approved as to fiscal impact:
Kristina Mihaylova,
Finance Deputy Director



Alex Clifford, CEO/General Manager



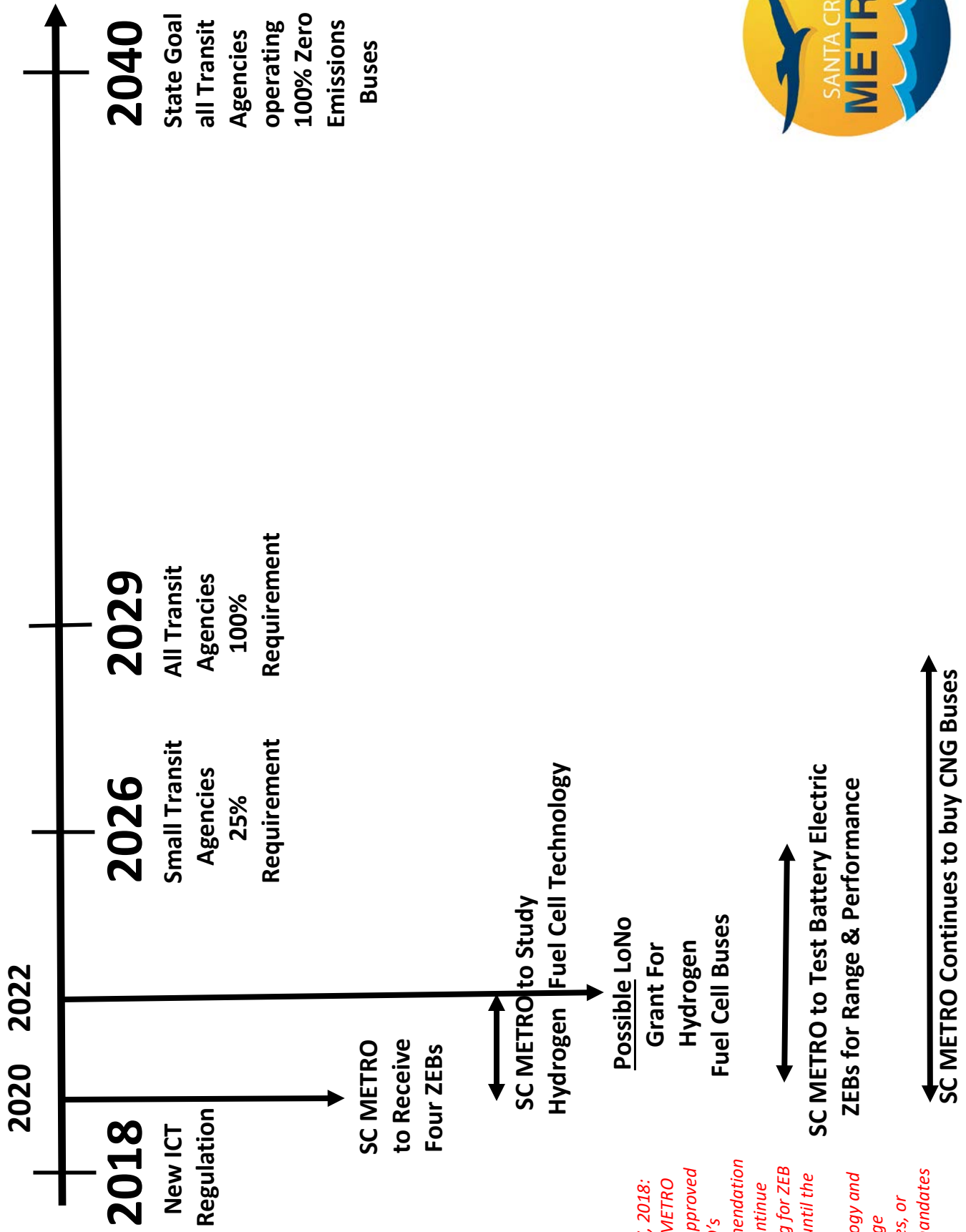
Attachment A

Table 1: Funding sources for the Purchase agreements for 4 Proterra Electric buses

Funding Sources	19-4006	19-4008	19-4009
	1 bus	1 bus	2 buses
FY16 LCTOP Grant	\$709,292		
PTMISEA Local Match	\$357,216		
HVIP local Match	\$150,000		
<i>misc (Measure D)</i>	\$185,051		
TOTAL FUNDING	\$1,401,559		
FY7-18 LCTOP Grant		\$863,102	
HVIP Local Match		\$150,000	
<i>misc (Measure D)</i>		\$231,843	
TOTAL FUNDING		\$1,244,945	
FY18 CTC STIP Grant			\$ 870,000
LPP Metro & RTC Local Match			\$ 786,000
HVIP Voucher			\$ 300,000
<i>misc (Measure D)</i>			\$ 656,811
TOTAL FUNDING			\$ 2,612,811

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SC METRO's Preliminary Outlook for Zero Emission Bus Purchases



5B.1

*April 27, 2018:
The SC METRO Board approved the CEO's recommendation to discontinue applying for ZEB grants until the battery technology and bus range improves, or CARB mandates begin.*

SC METRO to Test Battery Electric ZEBs for Range & Performance

SC METRO Continues to buy CNG Buses

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VERBAL PRESENTATION

PACIFIC STATION UPDATE

John Urgo,
Planning & Development Director

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VERBAL PRESENTATION

PARACRUZ UPDATE

Daniel Zaragoza, Operations Manager,
Paratransit Division
and
Sandi Woods, Project Manager

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