

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: SHAWN SOSA, ADMINISTRATIVE ANALYST
TRANSPORTATION AND PUBLIC WORKS
SUBJECT: RESOLUTION AUTHORIZING THE FILING AND EXECUTION OF
AN APPLICATION FOR FUNDING FROM THE FEDERAL
TRANSIT ADMINISTRATION LOW OR NO EMISSION BUS
PROGRAM FOR FY 2020-21 AND COMMITTING ANY
NECESSARY MATCHING FUNDS

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Transportation and Public Works Department that the Council, by two resolutions: 1) authorize the Director of Transportation and Public Works or designee to file and execute a grant application and related documents under the Federal Transit Administration Low or No Emission Bus Discretionary Grant Program requesting \$8,127,843 in federal funds for the purchase of electric buses, charging equipment and installation costs, and appropriate any necessary matching funds in partnership with Proterra Inc. as a grant partner for the purchase of 7 electric buses and 5 chargers with installation at an amount not-to-exceed \$9,468,437; and 2) waive competitive bidding pursuant to Section 3-08.100(d) of the City Code for the purchase of up to 7 electric buses and 5 chargers with installation from Proterra Inc. using any grant funding awarded and local match up to an amount not to exceed \$9,468,437.

EXECUTIVE SUMMARY

The Federal Transit Administration (FTA) requires a resolution adopted by the governing board to be included in the grant application for the Low or No Emission Bus Discretionary Program ("Low-No Program") to identify the local cost share for a successful award.

The Transportation and Public Works (TPW) Department is preparing a grant application to request funding for electric buses, charging equipment, and installation to expand our battery electric bus fleet by replacing aging diesel buses. TPW Transit staff

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recommend that the Director of Transportation and Public Works or his designee be authorized to file and execute the necessary documents for the grant funding.

TPW Transit staff also recommend partnering with Proterra, Inc. (Proterra) the manufacturer of the City's first 4 battery electric buses, on this grant application to provide for a more streamlined project, reducing the project timeline by having the competitive procurement be satisfied through the application itself. If grant funding is approved with Proterra as a grant partner, the City would then use the grant funding to purchase of 7 electric buses and 5 chargers with installation from Proterra without a competitive bidding process at an amount not-to-exceed \$9,468,437, since Proterra was the City's grant partner. As such, staff is also requesting that Council waive competitive bidding pursuant to Section 3-08.100(d) of the City Code for this subsequent purchase of 7 electric buses and 5 chargers with installation from Proterra up to an amount not to exceed \$9,468,437, as our partner under the grant.

BACKGROUND

1. Section 5339(c) of Title 49, United States Code, as amended under the Fixing America's Surface Transportation (FAST) Act of 2015 provides funding for the Low-No Program.
2. The Low-No Program provides funding for the purchase or lease of zero-emission and low-emission transit buses, including acquisition, construction, and leasing of required supporting facilities such as charging stations.
3. The Consolidated Appropriations Act 2021 allows Low-No Program applicants to submit with a partner, including specific vehicle manufacturers, and if such an application is selected, the competitive selection process will be deemed to satisfy the requirement for a competitive procurement under 49 U.S.C. 5325(a) for the named entity.
4. Federal transit law authorized \$180 million in FY 2020-21 for competitive grants under the Low-No Program.
5. The Low-No Program covers 85% of the transit vehicle and 90% of the costs to purchase electric bus equipment and requires a 10-15% local match of funds.

PRIOR CITY COUNCIL REVIEW

On May 23, 2017, the City Council approved RES-2017-077 for submission of an application for the 2017 FTA Low-No Program.

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On June 5, 2018, the City Council approved RES-2018-086 for submission of an application for the 2018 FTA Low-No Program.

On April 30, 2019, the City Council approved RES-2019-043 for submission of an application for the 2019 FTA Low-No Program.

On March 3, 2020, the City Council approved RES-2020-032 for submission of an application for the 2020 FTA Low-No Program.

On November 17, 2020, the City Council approved RES-2020-201 approving the purchase of four Proterra 40-foot Low-Floor Battery Electric Buses to replace aged 40-foot diesel buses.

ANALYSIS

1. Transportation and Public Works wishes to apply for funding to replace aging diesel buses in our fleet with cleaner, more efficient battery electric buses and the acquisition of charging equipment and required installation for our current and expanded electric bus fleet.
2. The Low-No Program grant will cover up to 85% of the transit vehicle and 90% of the costs to purchase the vehicle related charging equipment and installation costs.
3. If the grant is awarded to Santa Rosa, the minimum 10-15% required match is anticipated to come from Transportation Development Act Article IV (TDA) funds. Additionally, the Transit Division will pursue other grants that may offset the use of TDA funds.
4. This project supports the Tier 1 goal of the City Council to implement the City's Climate Action Plan.
5. The FTA requires a resolution of the City Council authorizing the submittal of the grant application and committing the matching funds for the grant.
6. The Transit Division wishes to partner with Proterra, Inc., the manufacturer of our first 4 battery electric buses, on this application to provide for a more streamlined project, reducing the project timeline by having the competitive procurement be satisfied through the application itself.
7. The projects the application will ask for funding for are:

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- a. Purchase of seven battery electric buses to replace diesel buses (federal ask of \$6,693,750)
- b. Purchase five charging systems and related installation costs (federal ask of \$1,434,093)

Proterra would be the City's partner on the grant application for the procurement of the electric buses and chargers/installation.

8. If grant funding is approved with Proterra as a grant partner, the City would then use the grant funding to purchase of 7 electric buses and 5 chargers with installation from Proterra without a competitive bidding process at an amount not-to-exceed \$9,468,437, since Proterra was the City's grant partner. As such, staff is also requesting that Council waive competitive bidding pursuant to Section 3-08.100(D) of the City Code for this subsequent purchase of 7 electric buses and 5 chargers with installation from Proterra up to an amount not to exceed \$9,468,437, as our partner under the grant.
9. Section 3-08.100(D) of the City Code provides that purchases of supplies, material, equipment and services may be made without recourse to competitive bidding requirements where the source of supply, necessary restrictions in specifications, necessary standardization, quality considerations, or other valid reasons for waiving competition appears.
10. Council is the award authority for a purchase with a not-to-exceed amount up to \$9,468,437 and must approve the waiver of competitive bidding.
11. The opportunity to partner with Proterra on the City's grant application up-front provides for a more streamlined project, reducing the project timeline by having the competitive procurement be satisfied through the application itself, and has the potential to increase the chances for the City's success in securing grant funds. In addition, the City has already ordered 4 other electric buses under a competitive state cooperative grant late last year, so ordering additional Proterra buses would provide some standardization to the City's fleet of electric buses. For these reasons, the City believes that there are valid reasons for waiving competitive bidding and such a waiver is in the best interests of the City.

FISCAL IMPACT

This action has no impact on the General Fund. The required 10-15% local match would be drawn from the Transit Division's annual allocation of TDA funds. However, the Transit Division will seek funding from other programs and grant opportunities that could be used as local share in place of TDA funds if successful.

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ENVIRONMENTAL IMPACT

This action is categorically exempt from the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Section 15301, Existing Facilities. Specifically, the project consists of the repair, maintenance and minor alteration of an existing public facility involving no expansion of use.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution 1 – Application for Funding from FTA
- Resolution 2 – Waiver of Competitive Bidding

CONTACT

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