

CITY OF SANTA ROSA  
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL  
FROM: SHAWN SOSA, ADMINISTRATIVE ANALYST  
TRANSPORTATION AND PUBLIC WORKS – TRANSIT  
SUBJECT: APPROVE PURCHASE OF BATTERY ELECTRIC BUSES AND  
SELECTED COMPONENTS FROM PROTERRA INC USING  
STATE COOPERATIVE PURCHASING CONTRACT

AGENDA ACTION: RESOLUTION

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RECOMMENDATION

It is recommended by the Transportation and Public Works Department that the Council, by resolution: 1) approve the Cooperative Procurement purchase under the California Department of General Services State Cooperative Purchase Contract 1-19-23-17C of four 40-foot battery-electric transit buses and selected components from Proterra Inc, Burlingame, California; 2) authorize the Purchasing Agent to issue a purchase order to Proterra Inc in an amount not to exceed \$3,513,708; 3) authorize the Director of Transportation and Public Works or his designee to execute all documents, including any necessary agreement(s), to effect the purchase, subject to approval as to form by the City Attorney; and 4) authorize the Chief Financial Officer to pay all proper claims for this purchase from the Transit Capital Fund.

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EXECUTIVE SUMMARY

Staff seeks approval of a purchase of four 40-foot battery-electric transit buses and selected components from Proterra Inc using the California Department of General Services State Cooperative Purchasing Contract (SCPC). The buses will be purchased using two competitive grant awards from the Federal Transit Administration's 5339 Buses and Bus Facilities Program, as well as local match from the Transit Division's Transportation Development Act (TDA) Article VI funds.

BACKGROUND

On April 5, 2018, and again on September 25, 2018, the Federal Transit Administration (FTA) awarded Santa Rosa funds from two successful 5339(b) Buses and Bus Facilities Program grant applications. Funds were awarded to replace model year 2002 40-foot diesel buses from our fixed fleet with 40-foot zero-emission battery-electric buses and assist with installation of vehicle charging infrastructure.

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In December of 2018, The California Air Resources Board adopted its Innovative Clean Transit (ICT) Rule which requires all public transit agencies to gradually transition to a 100 percent zero-emission bus (ZEB) fleet by 2040. For small transit agencies like Santa Rosa, the rule begins in 2026 requiring 25% of all bus purchases to be ZEBs.

On April 2, 2019, staff presented a Council study session on the technology and factors involved in CityBus' fleet electrification, considerations involved in the electrification process, and our anticipated fleet replacement plan, including the introduction of ZEBs.

In December of 2019, the California Department of General Services released their award for a Zero Emission Transit Bus contract that is considered a State Cooperative Purchasing Contract (SCPC) under Section 3019 of the federal FAST Act, allowing transit agencies nationwide to utilize the contract for purchases during the life of the contract.

Additionally, in December of 2019, a study prepared for the City by The Cadmus Group, and sponsored by Sonoma Clean Power, provided findings regarding Santa Rosa's potential approaches to fleet and infrastructure development, along with short and long-term recommendations.

On September 22, 2020, the Transit Division presented findings of our research in selecting a ZEB manufacturer to place an order for buses, and the progress of the infrastructure project at our Municipal Services Center Yard to the Council's Climate Action Subcommittee.

Additionally, in September 2020 the Transit Division submitted a Letter of Intent to Proterra Inc to reserve a place in their bus build delivery calendar.

#### PRIOR CITY COUNCIL REVIEW

On May 23, 2017 and June 5, 2018, the City Council, by Resolution Nos. 2017-077 and 2018-086, approved the applications for funds from the FTA's 5339 program for battery-electric buses.

On October 23, 2018 a Council Study Session was presented where zero-emission buses were discussed while reviewing progress in implementing the City's Climate Action Plan.

On April 2, 2019 a Council Study Session was presented by the Transit Division updating the Council on the progress on electrification of the fixed-route fleet.

On December 10, 2019, the City Council, by Resolution No. 2019-183, approved the application for the Volkswagen Environmental Mitigation Trust Funds to support the

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purchase of zero-emission buses.

On May 5, 2020, the City Council, by Resolution No. 2020-066 approved participation in the PG&E EV Fleet Program to develop Battery Electric Bus Charging Infrastructure.

ANALYSIS

Transit Division staff have opted to utilize a State of California cooperative purchasing contract to meet Federal Transit Administration procurement rules, simplify the procurement process, and provide for better economy of scale in terms of bus unit price. Two manufacturers participating in the contract, Proterra Inc and New Flyer, had vehicles meeting the bus specifications and qualifications required by the Transit Division.

In selecting a vehicle type and manufacturer, Transit Division staff used the data provided by the manufacturers on available bus models and technologies in conjunction with the recommendations of the study conducted for the Transit Division by The CADMUS Group.

The Transit Division requires a bus that can perform most, if not all, of the CityBus vehicle "blocks" (the total work completed by a bus in daily service) on a single charge. Eighty percent of CityBus blocks are over 150 miles. Buses must have sufficient energy to perform the vehicle block and have a certain percentage of State of Charge (SOC) at end of day for safety, operational reliability, and to ensure longevity over the years due anticipated battery degradation. The Proterra 660 kWh battery-electric bus was the only vehicle on the State of California cooperative purchasing contract to meet the Transit Division's range requirements.

The Transit Division has evaluated Proterra's battery leasing program and determined that entering into a battery lease in conjunction with this bus purchase is advantageous due to its provision for mid-life replacement of bus batteries. This mid-life replacement providing assurance that battery degradation will not limit use of buses over time due to reductions in effective range. In addition, the battery lease will significantly reduce up-front capital costs, enabling purchase of four buses as well as charging equipment within the available capital grants. Transit Division staff will return to Council for approval of the battery-lease contract. In addition, staff expect to return to Council for approval of a contract to construct electrification infrastructure at the Municipal Services Center yard.

The City's issuance of a purchase order to Proterra will secure a build slot for the four buses. The City will negotiate additional terms and conditions with Proterra in parallel to complete the purchase. Staff recommends that Council authorize the Director of Transportation and Public Works or his designee to execute all such documents, including any necessary terms and conditions or other agreement(s) to complete the

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purchase, provided such documents are in a form approved by the City Attorney.

FISCAL IMPACT

Approval of this action does not have a fiscal impact on the General Fund.

Funds for this initial capital purchase were awarded by the FTA in the amount of \$2,986,651 and match funding through Transit's Transportation Development Act IV (TDA) allocation of \$527,057 and were appropriated by previous Council approvals to Project JL Keys 45159 and 45160. Ongoing battery leasing costs will be funded by Transit's annual allocation from state Transportation Development IV funds.

ENVIRONMENTAL IMPACT

The Council finds that the proposed action is exempt from the provisions of the California Environmental Quality Act (CEQA) under sections 15061(b)(3) and 15378 in that there is no possibility that the implementation of this action may have significant effects on the environment, and that no further environmental review is required.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

On September 22, 2020, the Transit Division reported to the Council's Climate Action subcommittee on the findings of our research in selecting a battery-electric bus type and manufacturer for our initial BEB bus purchase, and the progress of the charging infrastructure project at the Municipal Services Center.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution

CONTACT

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