

STAFF REPORT



MEETING DATE:	June 25, 2019
SUBJECT:	Cancel Existing Salmon Runner Bus Procurement, Develop and Release New Bus Procurement, and Amend Contract with Center for Transportation and the Environment
AGENDA ITEM:	15
STAFF CONTACT:	Jennifer Pollom, Senior Transportation Planner

SUMMARY:

Responses to the Salmon Runner bus procurement were lacking, and independent modeling showed that the proposed vehicles would not be able to meet the Salmon Runner service requirements. The current procurement needs to be canceled and a new, more flexible request for proposals (RFP) needs to be reissued. An amendment to the Center for Transportation and the Environment contract is needed for procurement support services.

STAFF RECOMMENDATION:

It is recommended that the board of directors:

1. Cancel Procurement 2019-01 – Request for Proposals for Battery Electric Vehicle Procurement for Salmon Runner and North Valley Feeder;
2. Authorize the executive director to release a new zero-emission bus procurement for the Salmon Runner intercity bus service, including the valley feeder service; and
3. Authorize the executive director to amend the contract with Center for Transportation and the Environment (CTE) for Project Management for Procurement of Battery Electric Buses and Charging Stations, increasing the budget by \$12,500, for a total amount of \$62,500 to assist SRTA with the new procurement.

DISCUSSION:

Background – In April 2018, SRTA was awarded over \$8.6 million in capital funding through the Transit and Intercity Rail Capital Program for a new zero-emission intercity bus service between Redding and Sacramento, including a valley feeder that connects the cities of Corning, Orland, Willows and Chico. The service will offer four inter-connected round trips per day and is described in the *North State Intercity Bus System Business Plan*. Most of the grant award is for battery electric motorcoach-style vehicles that reduce greenhouse gas emissions and carry passengers comfortably on long trips. Salmon Runner vehicles have the unique requirements to travel at interstate speeds and reliably complete the 175-mile one-way trip between Redding and

Sacramento on a single charge under strenuous loads (max passenger load, HVAC) over the 12-year life of the vehicle.

Status of RFP – In January 2019, SRTA released an RFP for the manufacture and delivery of seven battery electric motorcoach-buses and charging equipment. Two proposals were received. Independent modeling performed by CTE – under contract with SRTA to assist with the procurement – showed that the proposed vehicles from both proposals would not be able to meet the Salmon Runner service requirements.

SRTA staff recommends canceling the existing procurement and releasing a new RFP with the intent to increase the number of respondents and quality of proposals. The new RFP would add flexibility to the vehicle “fuel” type to include hydrogen zero-emission buses, as hydrogen-fueled buses have up to twice the range compared to battery electric buses. It would also allow for zero-emission low-floor transit vehicles, as opposed to motorcoaches, for the valley feeder service. Lastly, the new RFP would allow for the lease of demonstration vehicles for real-world testing on both the Salmon Runner and valley feeder service.

Contract Amendment with CTE – In addition to the procurement actions, an increase to CTE’s contracted budget is needed, as the existing contract did not anticipate project management support for two RFPs. This requires an amendment to the contract.

Service Updates – Staff continues to work with Caltrans Division of Rail and Mass Transportation, the California State Transportation Agency (CalSTA), and the San Joaquin Joint Powers Authority (JPA) on transitioning the operations of the Interstate-5 (I-5) portion of the current Amtrak Thruway bus service managed by the San Joaquin JPA to SRTA. As it operates now, bus tickets are only available as part of a rail trip. The Salmon Runner service would be open to all passengers. SRTA could receive operating funds from three sources:

- Amtrak ticket sale revenue for carrying rail passengers;
- California Integrated Travel Project for seamless travel across multiple modes on one ticket; and
- State Rail Assistance to fill I-5 gap in the state intercity rail system which includes connecting bus services.

Although SRTA would like to begin running the Salmon Runner service on a regular schedule in the fall of 2019, bus manufacturers indicated in their proposals that the spring of 2020 is a more reasonable delivery time frame. With that said, if the state, San Joaquin JPA and SRTA were to agree on transitioning operations of the I-5 portion of the existing Amtrak Thruway bus service to SRTA, then service could begin sooner with the lease of traditional motorcoaches until the

zero-emission buses arrive. Vehicle leases would be included in an operating agreement. Depending on how quickly the state moves, a special board meeting might be scheduled this summer to consider this further.

ALTERNATIVES:

The board of directors may delay this item and request staff to provide additional information.

OTHER AGENCY INVOLVEMENT:

///The Technical Advisory Committee (TAC) concurs with the staff recommendation.///

FISCAL IMPACT:

CTE Contract Amendment – The amendment will increase the contract budget with CTE by \$12,500, resulting in a maximum compensation of \$62,500. The amendment is funded with a portion of the TIRCP grant award. No amendment to the Overall Work Program is required.

Capital – The Transit and Intercity Rail Capital Program provides full capital funding for the Salmon Runner, including the valley feeder service. Besides the zero-emission buses, the grant includes funding for charging infrastructure and installation; ticketing equipment; stop location lease agreements and improvements; launch marketing; and discounted rider passes. No match is required. Staff and consultant time for project planning, environmental review, consultant selection, partnership agreements, and program administration is also funded through the grant.

Operation – An estimated \$1,200,000 in annual operating expenses is needed for the Salmon Runner and valley feeder service using zero-emission buses. Anticipated operating revenues include San Joaquin JPA, CalSTA, and Caltrans financial support, Federal Transit Administration Section 5311(f) Intercity Bus Program awards, Congestion Mitigation and Air Quality (CMAQ) funds from Tehama County, and a 20% farebox recovery. A fallback for operational funding is the Low Carbon Transit Operations Program (LCTOP) annual regional allocations from both the Shasta Region and other North State Super Region counties. No local Transportation Development Act funds are proposed to be used for operations.

Daniel S. Little, AICP, Executive Director