

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
2	09/10/18	Open	Action	09/05/18

Subject: Approving a Sole Source Procurement and Delegating Authority to the General Manager/CEO to Execute a Contract with Green Power Motor Company, Inc. for Purchase of Six EV-STAR Electric Buses to Operate SmarT Ride Service

ISSUE

Whether or not to approve a sole source procurement and delegate authority to the General Manager/CEO to execute a Contract to purchase six EV-Star Shuttle Buses with GreenPower Motor Company, Inc. to operate SmarT Ride Service.

RECOMMENDED ACTION

Adopt Resolution No. 18-09-____, Approving a Sole Source Procurement and Delegating Authority to the General Manager/CEO to Execute a Contract for the Purchase of Six EV-Star Electric Buses with GreenPower Motor Company, Inc.

FISCAL IMPACT

Budgeted:	Yes	This FY:	\$	522,000.00
Budget Source:	Capital	Next FY:	\$	
Funding Source:	Prop 1B	Annualized:	\$	522,000.00*
Cost Cntr/GL Acct(s) or Capital Project #:	B149	Total Amount:	\$	
Total Budget:	\$ 800,000**			

*estimate does not include sales tax and fees.

**includes installation of necessary equipment

DISCUSSION

On February 12, 2018, Sacramento Regional Transit (SacRT) launched SmarT Ride, an on-demand microtransit service in the City of Citrus Heights, enabling residents to hail rides on smaller, neighborhood friendly-sized public transit buses. This approach to service is commonly called microtransit and is a curb-to-curb, shared ride service that operates much like services provided by Transportation Network Companies (TNC). SmarT Ride has been very well received by customers. Ridership on SmarT Ride continues to grow, with an average of 275 riders per day in its sixth month of service.

In May 2018, SacRT received a \$12 million grant from the Sacramento Transportation Authority (STA) to fund the operating cost to launch additional SmarT Ride services in the Sacramento region. SacRT plans to eventually electrify its entire SmarT Ride fleet. The purchase of these six electric buses will assist with testing the new technology for range capacity and reliability.

Approved:

Presented:

Final 09/05/18

General Manager/CEO

Deputy Chief Operating Officer

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The California Air Resources Board (CARB), in partnership with CALSTART, launched the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP). The vehicles will be partially funded by the HVIP incentive. GreenPower is the only manufacturer that offers a 25' electric-battery-powered bus that is not built on a third-party manufacturer chassis and is eligible for the HVIP incentive. The EV-Star is a purpose built battery electric bus that was designed for a ten (10) year vehicle life. All other vehicles in this class are built on a cutaway chassis by removing the gasoline engine and converting to a electric drive system. SacRT has had negative experience with converted hybrid drive power systems on third-party cutaway platforms.

The full price, excluding sales tax, for the six electric buses and chargers is \$1,197,000.00. The HVIP incentive provides SacRT with a discount of \$675,000.00, so the total purchase price will be \$522,000.00, plus sales tax and fees. The total budget of \$800,000 includes Connect Card devices (INIT), Mobileview camera systems, SmarT ride microtransit equipment and vehicle wraps.

A standard electric bus production schedule for this manufacturer is six to nine months. Due to a lack of funding for a California-based public agency, SacRT has the unique opportunity for immediate purchase and delivery of these buses. Purchasing directly from GreenPower Motor Company will allow SacRT to remain on schedule for its upcoming expansion of SmarT Ride Service. Staff is currently working with GreenPower to finalize the Contract terms and conditions, including vehicle finishes, delivery, warranty, training, and spare parts.

Staff recommends the Board approve a sole source contract with GreenPower Motor Company, Inc. for purchase of Six EV-STAR Electric Buses and charging equipment for an amount not to exceed \$522,000, plus applicable sales tax and fees, and delegating authority to the General Manager/CEO to execute the Contract.

RESOLUTION NO. 18-09-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

September 10, 2018

APPROVING A SOLE SOURCE PROCUREMENT AND DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO EXECUTE A CONTRACT FOR PURCHASE OF SIX EV-STAR ELECTRIC BUSES TO GREENPOWER MOTOR COMPANY, INC.

WHEREAS, in accordance with Section 1.405 B.1 of the SacRT Procurement Ordinance, a sole source procurement for supplies is permitted upon a determination by the Board that the supplies can be provided only by one firm and that efforts to seek competition would be futile.

WHEREAS, GreenPower Motor Company, Inc. builds purpose -built battery electric buses.

WHEREAS, because GreenPower's buses are the only vehicles in this Gross Vehicle Weight Rating and 25' length offered that qualify for Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) incentives, no other manufacturer can meet SacRT's needs.

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Board hereby determines that a sole source procurement with GreenPower is appropriate because the supplies can be provided only by one firm and efforts to seek competition would be futile.

THAT, the Board delegates authority to the General Manager/CEO to execute a Contract for purchase of Six EV-STAR Electric Buses by and between the Sacramento Regional Transit District (therein "SacRT") with GreenPower Motor Company, Inc. (therein "Contractor") whereby Contractor agrees to sell and SacRT agrees to purchase six 25' electric buses for an amount not to exceed \$522,000.00, plus applicable sales tax and fees.

THAT, the Board hereby authorizes and directs the General Manager/CEO to execute said Contract.

PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary