



Item #7

DATE: March 3, 2021

TO: Board of Directors

FROM: Marlena Kohler, Purchasing Manager/DBE Officer *MK*
Margaret Heath-Schoep, Paratransit & Special Projects Manager *MS*

SUBJECT: Consider Approval for the Purchase of One (1) Ford Transit 350EL Electric Vehicle for Micro-Transit Service from A-Z Bus Sales

I. EXECUTIVE SUMMARY

Last month staff advised the Board of an anticipated award from the CA Energy Commission to fund micro-transit in the South Oxnard area using an all-electric van. Micro-Transit is a public transportation solution typically provided in small vehicles within a small geographic area where the passenger will ask for a ride in real-time using an on-demand service app; similar to what you might see in Uber or Lyft. The Clean Energy award will provide capital and operating assistance to purchase the all-electric van to run service in this low-income area that is significantly impacted by pollution.

As a member of the California Association for Coordinated Transportation (CALACT), GCTD has access to purchase a variety of transit vehicles from the CALACT/MBTA purchasing cooperative. These competitively bid contracts are restricted to FTA grantees geographically located within the State of California. After reviewing all available models, staff recommends the purchase of a Ford Transit 350EL electric vehicle from A-Z Bus Sales.

This vehicle will be paid for using Clean Energy Grant and funding from California Proposition 1B funds from the Public Transportation Modernization, Improvement, and Service Enhancement Account Program (PTMISEA). Funding for these vehicles has been allocated and funds are available.

It is recommended the Board of Directors authorize the purchase of one (1) Ford Transit 350EL electric vehicle for GCTD's Micro-Transit project from A-Z Bus Sales at a cost of \$218,421 and an additional 5% (\$10,921) to cover any contingencies or possible changes which may occur during the finalization of the specifications for a total approval amount of \$229,342.

GOLD COAST TRANSIT DISTRICT

II. BACKGROUND

Staff in conjunction with the Ventura County Regional Energy Alliance (VCREA) applied for Clean Energy monies to fund eligible projects to reduce greenhouse gas emissions in the County. In January, this joint grant application with VCREA was selected and recommended for funding by California Energy Commission staff with the South Oxnard Micro-Transit identified as one of the five VCREA projects. The Clean Energy award will provide capital and operating assistance to purchase an all-electric van to run demand-response service in a low-income area that is significantly impacted by pollution.

In January 2021, staff requested a quote from A-Z Bus Sales for an all-electric Ford Transit for use in the Micro-Transit project. The amount quoted was \$218,420.18. The price is based on the CALACT Contract 19-01. The California Association of Coordinated Transportation's (CALACT) Zero Emission Bus competitive procurement (CALACT RFP 19-01) was completed in 2019. CALACT is the largest state transit association in the United States, with over 300 members dedicated to advocating for effective community transportation. As a member of CALACT, GCTD has access to their procurement contracts. Staff has determined that A-Z's quote is fair and reasonable based on adequate competition.

Electric vehicles remain more expensive because of the **development costs** associated with bringing new technology to the market. These early adopter costs end up being passed down to the consumer in the way of a higher overall vehicle price. (Ergo, the HVIP to jumpstart innovation.) Compared to internal combustion engine vehicles, electric vehicles are quieter, have no exhaust emissions, and lower emissions overall. In the United States, as of 2020, the total cost of ownership of recent EVs is cheaper than that of equivalent ICE vehicles, due to lower fueling and maintenance costs. As the popularity of Electric Technology gains momentum, the quantities of vehicles built will go up and the costs should start to come down. GCTD experienced this same dynamic when we made the clean air choice to move to CNG technology in the early 1990's. Funding for this vehicle will come from Clean Energy grants anticipated to be awarded at the CA Energy Commission meeting March 17th.

To offset the high cost per vehicle, staff plans to apply for a Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) that if accepted, will provide reimbursement to GCTD in the amount of \$51,750/vehicle. HVIP is a program the California Air Resources Board (CARB), in partnership with CALSTART, launched the Hybrid and Zero-Emission Truck and Bus **Voucher Incentive** Project (HVIP) to accelerate the adoption of cleaner, more-efficient trucks and buses. HVIP works directly with dealers to apply the voucher incentive at the time of purchase. However, the purchase order used to

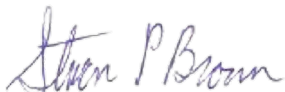
purchase the vehicle may not be more than 30 days older than the date of the HVIP application. The HVIP program is very popular and typically over-subscribed. It is anticipated that the window to accept new applications will open in mid-April.

A responsibility determination was also conducted on A-Z. The System for Award Management (SAM) was checked for this contractor and no results were found, nor were there any complaints filed with the Better Business Bureau (BBB). In 2018, GCTD purchased five (5) Ford Transit for its paratransit fleet, although not electric but with basically the same configuration. Maintenance staff has not had any major issues with any of the vehicles received. Therefore, A-Z is determined to be a responsive and responsible firm capable of meeting GCTD's requirements.

III. SUMMARY & RECOMMENDATION ACTION

It is recommended the Board of Directors authorize the purchase of one (1) Ford Transit 350EL electric vehicle for GCTD's Micro-Transit project from A-Z Bus Sales at a cost of \$218,421 and an additional 5% (\$10,921) to cover any contingencies or possible changes which may occur during the finalization of the specifications for a total approval amount of \$229,342.

General Manager's Concurrence



Steven P. Brown