



DATE: May 15, 2023

TO: Honorable Mayor and Members of the City Council through City Manager

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SUBJECT: Resolution Authorizing the Execution of the Master Agreement for the Transit and Intercity Rail Capital Program (TIRCP) for Fleet Electrification and Bus Stop Facility Improvements

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution Authorizing the Execution of the Master Agreement for the Transit and Intercity Rail Capital Program (TIRCP) for fleet electrification and bus stop facility improvements.

BACKGROUND

The Transit and Intercity Rail Capital Program (TIRCP) is one of several programs that are part of the Transit, Affordable Housing, and Sustainable Communities Program established by the California Legislature in 2014 with Senate Bill 862. SB 862 established the TIRCP as a competitive program, with funding provided by the Greenhouse Gas Reduction Fund (GGRF). TIRCP was created to fund transformative capital improvements that modernize California's intercity, commuter, urban rail systems, and bus and ferry transit systems, to significantly reduce emissions of greenhouse gases, vehicle miles traveled, and congestion. Caltrans administers the program.

DISCUSSION

In 2022, staff successfully applied for a \$24.9 million-dollar TIRCP grant working in conjunction with Sonoma County Transportation Authority, Santa Rosa City Bus, Sonoma County Transit, Sonoma Marin Area Rapid Transit (SMART), and Mendocino Transit. \$10.1 million of this package will be received by SMART to put towards the construction of the rail platform for the second Petaluma SMART station. The City of Petaluma is scheduled to receive a total of

\$3,080,000 to be spent over the period of FY 22/23 through FY 26/27. This award will comprise three separate projects:

Project Name	TIRCP Funding Awarded
Transit Facility Improvements (Electrification) – Phase 2	\$ 940,000
Bus Stop Improvements	\$ 412,000
Bus Fleet Replacement and Electrification	\$1,728,000

TIRCP grant recipients are required to execute a Master Agreement with Caltrans prior to receiving funding, accompanied by a governing board resolution.

The TIRCP program was created to fund transformative capital improvements that modernize California’s intercity rail, bus (including feeder buses to intercity rail services, as well as vanpool services that are eligible to report as public transit to the Federal Transit Administration), ferry, and rail transit systems (collectively referred to as transit services or systems inclusive of all aforementioned modes unless otherwise specified) to achieve all of the following policy objectives of:

1. Reduce emissions of greenhouse gases.
2. Expand and improve transit service to increase ridership.
3. Integrate the rail service of the state’s various rail operations, including integration with the high-speed rail system.
4. Improve transit safety.

Of the four criteria, objective one best meets the current needs of Petaluma Transit while simultaneously maintaining funding flexibility through other sources, including State Transit Assistance and Transportation Development Act (TDA), to go towards operational needs.

TIRCP funding for vehicle replacements will be set aside to serve as matching funds for the replacement of existing fixed-route and paratransit buses beginning in FY 23/24. The vehicle purchases are anticipated to be funded by FTA 5307 funds (58%), with the local match (42%) made up of TIRCP (26%) and TDA funding (16%). Using these funds for the purchase of a replacement bus will enable Petaluma Transit to meet the TIRCP program goal of reducing greenhouse gas emissions while preserving TDA reserve funds for general operating use. The existing vehicles, having reached the end of their useful life, will be auctioned for sale upon receipt of the new vehicles.

On December 14, 2018, the California Air Resources Board approved the Innovative Clean Transit Regulation, which requires California transit agencies to gradually transition their buses to zero-emission technology. In line with this policy and the Petaluma Climate Action Emergency Framework and the City’s goal to achieve climate neutrality by 2030, staff intends to purchase all Zero-Emission Buses using the available TIRCP funds. Additional City Council action will be required at the time of vehicle acquisition. Staff anticipates purchasing the first buses with this funding in the 4th quarter of FY 22/23.

Bus Stop improvements are anticipated to begin in FY 24 and funding for facility electrification is to be utilized in FY 23/24 or FY 24/25 as part of ongoing Transit Facility fleet electrification efforts.

PUBLIC OUTREACH

These projects reflect the identified needs of Petaluma Transit as identified over the past three years for operating and capital improvements, including discussions with the Transit Advisory Committee and associated agency goals.

The item was discussed at the April 2023 Transit Advisory Committee meeting. This agenda item also appeared on the City's tentative agenda document on May 1, 2023, which was a publicly-noticed meeting.

COUNCIL GOAL ALIGNMENT

The proposed action supports the following City Council Goals, Objectives, and Workplan Items:

- Workplan item # 52 - Develop a framework to move the City and Transit vehicle fleet from fossil-fuel-based to hybrid, renewable compressed natural gas, and/ or electric vehicles; continue pursuing grant funding opportunities for electric vehicles.

CLIMATE ACTION/SUSTAINABILITY EFFORTS

By replacing diesel and gasoline buses with zero-emission models, upgrading the transit facility to accommodate charging electric vehicles, and providing bus stop improvements, Petaluma Transit can reduce greenhouse gas emissions from its vehicle fleet and provide its operations in a cleaner, greener way. This will help to achieve many of the goals outlined in the Petaluma Climate Action Framework.

ENVIRONMENTAL REVIEW

The proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) as purchasing one zero-emission bus to replace an existing diesel bus, with no increase in service, is exempt pursuant to CEQA Guidelines Section 15061, the commonsense exemption, and CEQA Guidelines Section 15301 which exempts minor alterations to existing operations. The bus stop improvements and transit facility improvements are exempt pursuant to CEQA Guidelines Sections 15301 (repair of existing facilities) and 15303 (construction of small structures).

FINANCIAL IMPACTS

The TIRCP grant represents \$3,080,000 in capital funding for FY 22/23 through FY 26/27, which will permit the City to complete three projects, without using TDA funds that would otherwise be used for transit operations.

ALTERNATIVES

This proposed action will provide funding to purchase zero-emission buses, upgrade the transit facility to accommodate charging electric vehicles, and provide bus stop improvements. Without this funding, the City would either consider purchasing a lower-cost, diesel-emitting bus or need to identify additional funding sources to help fund the increased expense of battery-electric buses.

ATTACHMENTS

1. Resolution with Exhibit A (TIRCP Master Agreement)