

**YOLO COUNTY TRANSPORTATION DISTRICT
BOARD OF DIRECTORS MEETING**

July 10, 2017

**Yolo County Transportation District Board Room
350 Industrial Way, Woodland, CA 95776**

Agenda Item 1 – Call to Order/Roll Call/Pledge of Allegiance

Chair Rodriguez called the meeting to order at 7:00 pm. She stated that all members were present with the exception of Director Frerichs. She then led the assembly in the pledge of allegiance. The following representatives were in attendance:

West Sacramento – Chris Ledesma (Primary)

Winters – Harold Anderson (Primary)

Woodland – Tom Stallard (Alternate)

Yolo County – Don Saylor (Primary)

Caltrans District 3 – Jeff Morneau (Primary)

UC Davis – Matt Dulcich (Primary)

Not present was the City of Davis representative.

Staff present were Terry Bassett, YCTD Executive Director; Mike Luken, YCTD Deputy Director Operations, Planning & Special Projects; Tom Follansbee, YCTD Associate Transportation Planner; Hope Welton, YCTD Legal Counsel; and Kathy Souza, YCTD Executive Assistant.

Also present were Carmen Alba, Dick Alexander, Executive Vice President, and Scott Hagen Communications Director of Transdev.

Agenda Item 2–Consider Approval of Agenda for June 12, 2017 meeting

Minute Order 2017-24

Director Saylor made the motion, seconded by Director Ledesma, to approve the agenda for the July 10, 2017 meeting. Roll call resulted in:

AYES: Anderson, Ledesma, Rodriguez, Saylor

NOES: None

ABSENT: City of Davis representative

ABSTAIN: None

The motion passed.

Agenda Item 3 - Comments from public regarding matters NOT on the Agenda, but within the purview of YCTD

None

Agenda Item 4–Consent Calendar

Minute Order 2017-25

Director Saylor made the motion, seconded by Director Anderson, to approve the following items on the Consent Calendar.

4a. Approve YCTD Board Minutes for Meeting June 12, 2017

4b. Approve Proposed Revisions in YCTD Intern Hourly Wage Rates (Extra Help)

4c. Authorize Executive Director to Amend Memorandum of Understanding for the Downtown Riverfront Streetcar Project.

Roll call resulted in:

AYES: Anderson, Ledesma, Rodriguez, Saylor

NOES: None

ABSENT: City of Davis representative

ABSTAIN: None

The motion passed.

Agenda Item 5 - Board Member Reports, Announcements, Appointment Nominations, Presentations

Chair Rodriguez reported the new Woodland multiplex theater opening was a success.

Director Saylor stated that Nathan Streeter would make be a valuable addition to the Citizens' Advisory Committee.

Minute Order 2017-26

Director Saylor made the motion, seconded by Director Ledesma, to appoint Nathan Streeter to the Citizens' Advisory Committee. Roll call resulted in:

AYES: Anderson, Ledesma, Rodriguez, Saylor
NOES: None
ABSENT: City of Davis representative
ABSTAIN: None

The motion passed.

Agenda Item 6–Oral Update from Transdev

Carmen Alba, General Manager Transdev Yolo, introduced corporate visitors Dick Alexander, Executive Vice President, Scott Hagen Communications Director. Mr. Alexander briefly spoke about Transdev's electric vehicle operations and the autonomous vehicle demonstration that would occur on July 11, 2017.

Agenda Item 7 – Consider Proposed Steps for Financing and Building a Third CNG Skid

Mr. Bassett presented the staff report.

Director Ledesma stated the District should develop methods to increase the number of public station users that could make up for any lost consumption when Waste Management of Woodland constructs its own station.

Mr. Bassett indicated that to maximize third party consumption, YCTD might wish to explore enlarging the footprint of the public station ingress and egress, which would provide sufficient room for larger trucks to make use of the facility. Mr. Bassett stated that YCTD needed to determine if the City of Woodland would be supportive of such an effort and stressed that the current planned improvement does not increase the footprint of the public station dimensions.

Director Anderson stated there should be sensitivity to the City of Woodland's concerns about potential increased truck traffic at the site.

Director Ledesma asked when the loan would be in place. Mr. Bassett responded that staff was attempting to have the loan in place before the new skid construction was complete (i.e., by the end of January 2018).

Director Ledesma asked for an update on the loan status by October 2017. He also asked for a report on the District's debt obligation ratio.

Director Saylor asked that the debt obligation ratio be included in future budgets.

Minute Order 2017-27

Director Saylor made the motion, seconded by Director Ledesma, to:

- 1) Approve the attached proposed revised term sheet with Trillium LLC and authorize YCTD's Executive Director to amend these terms into Agreement Number 2004-03 between Yolo County Transportation District and Trillium USA Company, LLC, subject to review and minor adjustments recommended by YCTD's legal counsel.
- 2) Approve the design, permitting, construction, testing and commissioning of a third Compressed Natural Gas skid for YCTD by Trillium LLC at a cost not to exceed \$1,009,000, plus change orders up to a cumulative total of no more than \$50,000.
- 3) Approve Trillium LLC's proposed interim financing of said improvements:
 - ✓ **Base Trillium Contract:** **\$1,009,900**
 - ✓ **Change Orders:** Up to **50,000**
 - ✓ **Max. Trillium Loan Amount:** **\$1,059,900**

 - ✓ **Effective Date of Loan:** Upon commissioning/YCTD acceptance of the CNG Improvements (estimated around January 30, 2018--29 weeks after execution date of agreement amendment.)
 - ✓ **Annual Interest Rate:** 4%
 - ✓ **Loan principal and Interest Due Date:** 6 months (estimated around July 30, 2018) after commissioning/YCTD acceptance

- ✓ **No Pre-payment Penalty**
- ✓ **If principal and interest are not fully paid by the loan due date (estimated at July 30, 2018), the annual interest rate charged to YCTD for the remaining balance will be 17%**

- 4) Direct staff to finalize steps to obtain proposals to finance up to \$1,159,900, which is estimated at the above \$1,059,900 in Trillium fees, plus up to \$100,000 to cover YCTD project management, testing services and other unforeseen YCTD expenses. (Note that loan issuance fees would be in addition to the above amounts.)
- 5) Acknowledge that due to proprietary operational and technical considerations, as well as the need for complete integration of a third CNG into the Trillium-built CNG facility, this procurement must be a sole source procurement requiring an independent cost analysis; and
- 6) Acknowledge that YCTD had an independent contractor perform a cost analysis of Trillium's proposal and that the total cost for this sole source project is reasonably close to the independent contractor's cost estimate.
- 7) Direct that the execution of this agreement amendment shall be dependent upon:
 - a. The Executive Director being satisfied with resolution of any portion of the oil contamination problem which was determined to be the responsibility of Trillium; and
 - b. Trillium complying with environmental review and approval by the appropriate governmental agencies.

Roll call resulted in:

AYES: Anderson, Ledesma, Rodriguez, Saylor
NOES: None
ABSENT: City of Davis representative
ABSTAIN: None

The motion passed.

TERM SHEET (July 11, 2017)

- 1) Contract expires at midnight, December 6, 2020 (as planned) if YCTD does not elect to have CONTRACTOR build a third CNG skid. In the event YCTD does have the CONTRACTOR install a third skid, the contract term shall be extended to June 30, 2026.
- 2) **SCOPE OF WORK is amended to include the following:**

CONTRACTOR shall, at CONTRACTOR's expense, operate, maintain, rebuild or replace components of the entire CNG facility, as needed, to keep the facility fully operational, including all original CNG facility improvements, plus other improvements described in the Amendment.
- 3) CONTRACTOR shall perform the safety study described in Exhibit J of CONTRACTOR's proposal at CONTRACTOR's expense. The study will anticipate the proposed expansion and operation of the CNG station.
- 4) **PUBLIC CNG DISPENSER USE.** YCTD grants CONTRACTOR the authority to consume natural gas provided by YCTD, operate, maintain and repair all CNG facility equipment and components, compress and dispense CNG, as well as collect revenue and pay all fees attributable to the YCTD CNG public dispenser, including all commodity related fees and commissions. YCTD reserves the right to fuel some or all of its CNG vehicles from the CNG public dispenser, as needed. CONTRACTOR agrees to work with YCTD to assure that total expenses per therm or GGE associated with fueling YCTD vehicles at the public dispenser shall not exceed expenses per therm or GGE associated with fueling YCTD vehicles at the YCTD dispenser.
- 5) YCTD shall pay all charges and expenses associated procuring, compressing and dispensing natural gas at the CNG bus dispenser during the Term of the Agreement. Because YCTD is shifting to NGV-4, it must abide by California Public Utilities Commission (CPUC) and Pacific Gas and Electric (PG&E) requirements established for non-core natural gas,

including the possibility of natural gas curtailments in the event of natural gas fuel shortages or other emergencies. Both parties recognize this risk and agree to comply with curtailment requirements that are established by CPUC and PG&E.

6) For CNG facility operations and maintenance fees by CONTRACTOR, the following updated price table will apply, effective following the execution date of a contract between YCTD and the CONTRACTOR.

Volume Used per Month	Rate (\$/therm)	Rate (\$/GGE)
30,000 – 34,999 Therms	\$.454	\$.567
35,000 – 39,999 Therms	\$.430	\$.537
40,000 – 44,999 Therms	\$.418	\$.522
45,000 – 49,999 Therms	\$.392	\$.490
50,000 – 54,999 Therms	\$.364	\$.455
55,000 – 59,999 Therms	\$.268	\$.335
60,000 – 64,999 Therms	\$.249	\$.311
65,000 – 69,999 Therms	\$.222	\$.278
70,000 - 99,999 Therms	\$.209	\$.261
100,000+ Therms	\$.200	\$.250

(a) The rate per therm charged to YCTD shall be based on COMBINED therms dispensed at the YCTD CNG bus and YCTD CNG public dispensers on a monthly basis. YCTD shall not be required to pay CONTRACTOR maintenance and operations fees for third party CNG gallons dispensed through the YCTD public dispenser.

(b) The prices in this table will be inflated on an annual basis following PPI index: Pumps, Compressors, and Equipment¹, or by 5% per year, whichever is less. The adjustment shall be effective January 1, 2018, and each subsequent year thereafter for the remainder of the term.

7) CNG FACILITY PUBLIC ACCESS USE FEE:

a) Royalty:

i) CONTRACTOR agrees to pay to YCTD thirty-five cents (\$0.35) per gasoline gallon equivalent (GGE) for CNG dispensed to third-party customers from YCTD’s CNG public dispenser during the Term of this Agreement. This reimbursement rate shall be increased by \$0.01 per GGE, per year, effective January 1, 2018 and each subsequent year thereafter for the remainder of the term. CONTRACTOR shall not be assessed this royalty fee for CNG dispensed to YCTD.

- ii) In the event YCTD authorizes improvements associated with a third skid, and upon completion and acceptance of that third skid, CONTRACTOR agrees to pay to YCTD an additional sixteen cents (\$0.16) royalty per gasoline gallon equivalent (GGE), effective immediately, for CNG dispensed to third-party customers from YCTD's CNG public dispenser during the Term of this Agreement.
- 8) OTHER FEES. Additionally, each month, CONTRACTOR shall pay or receive from YCTD, costs for or revenues associated with the pro-rata share of CNG sold to third parties. This includes the following:
- a) All natural gas commodity expenses plus all transportation and distribution charges, Public Purpose Program (PPP) charges and any other California public utility commission related expenses passed on by the local utility which are intended for CNG sold to the public;
 - b) All electricity related costs incurred to operate the CNG facility;
 - c) In the event YCTD procures Renewable Natural Gas (RNG) through a third party, CONTRACTOR shall pay YCTD a pro-rata shares of the costs for RNG;
 - d) In the event YCTD procures Renewable Natural Gas (RNG), YCTD shall credit to CONTRACTOR a pro-rata share of renewable natural gas (RNG) revenue generated from the sale of the environmental credits including but not limited to the federal RFS (Renewable Fuel Standard), the California LCFS (Low Carbon Fuel Standard) when the revenue is received.
 - e) YCTD shall split with the CONTRACTOR any federal alternative fuel excise tax credits which are generated and received from third party sales at the YCTD public dispenser on a 50/50 basis.
- 9) CONTRACTOR shall collect and pay directly to the appropriate authorities local, state and federal taxes and fees that are applicable from sales to third parties.
- 10) In the event YCTD authorizes CONTRACTOR to build a third CNG skid, as described in Exhibit I, the following changes apply and shall be incorporated into an agreement amendment:
- a) The construction project shall be completed by a mutually agreed upon date.
 - b) YCTD shall compensate CONTRACTOR for permits, design, engineering, drawings, construction management and construction a fee not to exceed One Million, Nine Thousand, Nine-Hundred Dollars (\$1,009,900).
 - c) Payment Terms:
 - i) YCTD shall pay CONTRACTOR an amount up to \$1,059,900 which represents \$1,009,900 for the base project, plus up to \$50,000 for change orders. Said change orders shall be subject to review and approval by YCTD's Executive Director, or his/her designee (see Section 15).
 - ii) In addition, YCTD shall pay contractor interest which accrues following station commissioning and acceptance for up to 180 (one hundred eighty) days, or up to the point when the facility is paid in full. YCTD's acceptance of the CNG facility shall not be unreasonably withheld.
 - iii) CONTRACTOR will begin accruing interest on the base amount of \$1,009,900 at 4% annual interest rate following station commissioning. CONTRACTOR will notify YCTD when commissioning is completed.
 - iv) Change orders up to \$50,000 may be added to the \$1,009,900 base amount subject to the same terms and conditions.
 - v) CONTRACTOR will not charge a pre-payment penalty if the accrued amount is paid off prior to 180 (one hundred eighty) days following station commissioning and acceptance.
 - vi) Should YCTD fail to pay CONTRACTOR said amount within the 180 (one hundred eighty) day period, the interest rate will be revised to 17% per year, and YCTD will be required to make monthly payments to the CONTRACTOR over a subsequent 60 (sixty) month term for the amount due.
- 11) REAL ESTATE TAXES: YCTD shall pay directly to the appropriate taxing authority if assessed, charged, due and payable all real estate taxes and assessments, whether general or special, levied against the CNG related facility and improvements.
- 12) Throughout the demolition and construction, with the exception of no more than 4 hours in any day, CONTRACTOR will provide a continuous flow of CNG to the YCTD bus dispenser to meet YCTD's needs and the public dispenser to

meet those needs, coordinating closely with PG&E. YCTD and CONTRACTOR shall mutually determine when such 4-hour windows will be in effect.

- 13) CONTRACTOR shall propose a project demolition and construction, testing and acceptance schedule, after which time, CONTRACTOR may be subject to \$141 per calendar day in liquidated damages for late completion.
- 14) CONTRACTOR acknowledges and agrees that the CNG compression and dispensing facility includes a pace-lock priority fueling upgrade, as part of the \$1,009,900 third CNG skid project and shall sequence the system so that YCTD buses can be fueled first, per CONTRACTOR's proposal.
- 15) **CHANGE ORDERS:** The YCTD Executive Director, or his/her designee, may approve a written request by CONTRACTOR for a change order, up to an aggregate increase for all change orders not to exceed \$50,000. Combined change order requests which exceed the aggregate amount of \$50,000 shall require the approval of the YCTD Board of Directors (hereinafter referred to as "YCTD Board"). CONTRACTOR must document in writing the need for the change order and must present adequate backup and justification, as determined solely by the YCTD Executive Director, or his/her designee. The YCTD Executive Director, or his/her designee and the YCTD Board will consider only reasonable change order requests and will act reasonably in response to each change order request. CONTRACTOR shall not perform any work proposed in the change order until CONTRACTOR receives written approval by the YCTD Executive Director, or his/her designee, and the YCTD Board, as appropriate.
- 16) **Insurance.** CONTRACTOR shall obtain and maintain a standard commercial general liability policy providing bodily injury and property damage insurance with coverage limits of not less than Two and a half million dollars (\$2,500,000) per each occurrence and in the aggregate insuring against any and all liability of CONTRACTOR. Such insurance shall name YCTD as additional insured. CONTRACTOR shall provide YCTD with a certificate of insurance, which shall provide that the insurance may not be canceled without providing YCTD a minimum of thirty (30) calendar days' prior written notice of such cancellation. Contractor shall be responsible for all costs associated with maintaining, repairing and operating the CNG facility, including all related subsystems on both the YCTD bus dispenser side and the public dispenser side. Such coverage shall include, but not be limited to, repair and replacement of all subsystems damaged, in need of rebuilding, lost or stolen.
- 17) YCTD reserves the right to establish rules that CONTRACTOR must follow as they relate to ingress and egress at YCTD's facility and access to YCTD owned CNG systems and subsystems. CONTRACTOR shall perform work in a manner that does not interfere with the traffic flow and fueling of YCTD CNG vehicles.
- 18) CONTRACTOR agrees to exert renewed efforts to assure that other requirements of the base contract are being met, including the timely arrival of qualified service personnel and the expeditious repair of any deficiencies.
- 19) CONTRACTOR and YCTD shall mutually determine and set the price per GGE at the public dispenser. Additionally, both parties may mutually determine and set discount prices, if applicable, to third party consumers that fuel multiple vehicles at the public dispenser. At no time will Trillium be required to sell fuel to third parties at a loss.
- 20) **WEIGHTS AND MEASURES.** CONTRACTOR shall, at CONTRACTOR's expense, have the public station dispenser tested and certified for Weights and Measures compliance by the Yolo County Agricultural Commissioner, or his/her designee, at an interval that meets all legal requirements

Agenda Item 8 – Consider Proposed Steps to Be Included in Smart Phone Fare Pre-payment System Hosted by Sacramento RT

Mr. Luken presented the staff report.

Minute Order 2017-28

Director Saylor made the motion, seconded by Director Ledesma, to authorize the Executive Director to take the steps necessary to negotiate a proposed agreement or Memorandum of Understanding with Sacramento Regional Transit District to include YCTD in a regional mobile (Smart Phone) ticket program. Roll call resulted in:

AYES: Anderson, Ledesma, Rodriguez, Saylor
NOES: None
ABSENT: City of Davis representative
ABSTAIN: None

The motion passed.

Agenda Item 9 – Update on Development of Countywide Transportation Capital Improvement Plan

Mr. Luken provided an overview of the staff report including comments from the Technical Advisory Committee (TAC) at their meeting earlier in the day.

Director Ledesma stated he liked the corridor approach and wanted to include other transportation needs. He stressed that non-corridor projects be considered and a goal should be to look for improved levels of funding countywide. He also requested that goals be developed, along with check-ins with both the Yolo Managers' Group and the YCTD board.

Director Anderson stated that concerns about public health should be included in light of the number of accidents on County Road 31 alone. Mr. Luken replied that public safety would be expected to be a component of projects for multiple corridor projects.

Director Dulcich said that he was excited about the project but concerned about the role UC Davis would play and how it would propose its projects and weigh in on decision-making.

Director Ledesma stressed that the initial list of projects needed to be ready in time for when SB1 funds might become available.

Agenda Item 10 – Review 2016-17 Yolo County Grand Jury Report, Findings and Recommendations Regarding Bicycle Safety and Bicycle Related Facilities

Mr. Bassett reviewed the Grand Jury comments pertaining to the District and asked for their comments before staff prepared a response.

Director Ledesma stated his appreciation that the item was brought to the board. He felt that staff needed to explain the role of the District to the Grand Jury. The other Board members shared similar thoughts.

Agenda Item 11 – Consider Director's Report

- a. Oral Report
- b. Autonomous Shuttle Vehicle Display Event by Transdev (previously discussed)
- c. Status of West Sacramento On-Demand Transit Service RFP
- d. Update on Other CNG Matters
 - i. PG&E Pipeline Work
 - ii. Troubleshooting and Removing of Oil in CNG Buses
- e. Attachments
 - i. Ridership Report through May 31, 2017 – Terry reported that fixed route ridership was down but at a less dramatic rate than previously. He added that Unitrans had even reported a 3% drop in ridership

Agenda Item 11 – Adjournment

Minute Order 2017-29

Director Ledesma made the motion, seconded by Director Saylor, to adjourn until the August 14 meeting. Roll call resulted in:

AYES: Anderson, Ledesma, Rodriguez, Saylor
NOES: None
ABSENT: City of Davis representative
ABSTAIN: None

The motion passed.

The meeting adjourned at 8:30 pm

Respectfully submitted:

Kathy Souza, Clerk to the Board