

RESOLUTION NO. 2272

A RESOLUTION OF THE CITY OF WILSONVILLE ACTING THROUGH ITS SOUTH METRO AREA REGIONAL TRANSIT DEPARTMENT, HEREINAFTER REFERED TO AS SMART, AUTHORIZING THE PURCHASE AND ACCEPT AN (FTA) GRANT TRANSFER FOR A 2002 CHANCE COACH CNG FUELED, RUBBER TIRED, ENCLOSED TROLLEY REPLICA FROM SANTA CRUZ METROPOLITAN TRANSIT DISTRICT UPON RECEIPT OF THE CITY OF SANTA CRUZ'S RELEASE OF INTEREST AND FTA APPROVAL OF SUCH TRANSFER.

WHEREAS, a 2002 Chance Coach CNG fueled, rubber tired, enclosed trolley replica (Vehicle Identification #1C9S2CCS62W535135), hereinafter referred to as trolley, was originally purchased by the City of Santa Cruz for \$362,233, with the Federal Transit Administration (FTA) providing 80% (\$289,786) of the funds via grant CA-90-X873, and the City of Santa Cruz providing the 20% local share of \$72,447;

WHEREAS, the City of Santa Cruz ceased funding for a beach shuttle and the vehicle was no longer needed;

WHEREAS, the Santa Cruz Metropolitan Transit District Board of Directors advertised for transit systems with an interest in the transfer of the trolley;

WHEREAS, the City of Wilsonville, South Metro Area Regional Transit, as a direct recipient of Federal Transit Administration (FTA) funding is interested in transferring the FTA asset to be placed in revenue service, safely transport the trolley to Wilsonville, Oregon, and to reimburse Santa Cruz METRO for the depreciated value of the City of Santa Cruz's investment of public funds. (estimated at \$22,659.53 as of 12/31/10);

WHEREAS, the remaining depreciated federal interest in the 2002 Chance trolley as of 12/31/10 is \$90,558 and this amount will be transferred to Wilsonville/SMART via a transfer of Santa Cruz METRO's grant contract CA-90-X873;

WHEREAS, SMART agrees to maintain the vehicle in accordance and compliance with FTA requirements and will include the vehicle in SMART's inventory records;

WHEREAS, On June 16, 2008, City Council adopted the Transit Master Plan with Implementation *Measure 5.10*; “*Research potential alternative fuels for transit vehicles, with a focus on environmental sustainability as well as cost efficiency*”. ;

WHEREAS, City Council Goal 2 is to Engage Community in Smart Growth and Sustainability Concepts and the use of alternative fuels for City/SMART fleet supports this goal;

WHEREAS, SMART’s goal is to replace older buses with cleaner more fuel efficient buses and recommends transition of a portion of SMART’s fleet to alternative fuels in conjunction with construction of a new fleet facility;

WHEREAS, Staff was directed to install a small CNG fueling station (80 GGE – Gas Gallon Equivalent) at 8455 Elligsen, the transportation departments current location and purchase two grant funded 25’ buses with CNG fueled engines with a long term goal of transitioning a portion of SMART’s fleet to CNG;

WHEREAS, the trolley has been inspected and driven by City of Wilsonville (Fleet) staff, is in excellent condition with less than 8,500 original miles, with a useful life of twelve years and CNG tanks are certified for 15 years from original purchase date.

WHEREAS, SMART customers enjoy SMART’s open air trolley that was purchased in 1998 is still in excellent condition and SMART receives many special requests for use of the trolley in regular service and for special events; and

WHEREAS, Chance Trolley’s are considered “top of the line” trolleys in the transit industry and this vehicle is fully enclosed and can be utilized year round on local service routes such as the Crosstown Shuttle and will be a clean air transportation alternative for residents and commuters, and is anticipated to enjoy a similar popularity with them as well.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. The City Council does hereby approve and authorize SMART to purchase and implement the grant transfer of the 2002 Chance Coach CNG Fueled, Rubber Tired, Enclosed Trolley Replica from Santa Cruz Metropolitan Transit District, upon receipt

of the City of Santa Cruz's release of interest and FTA approval of such transfer.

2. Authorize the expenditures for this purchase

Account

260-160-45060

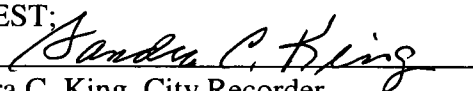
\$22,659.53

3. This resolution is effective upon adoption.

ADOPTED by the Wilsonville City Council at a regular meeting on February 7, 2011 and filed with the Wilsonville City Recorder this date.


TIM KNAPP, MAYOR

ATTEST:


Sandra C. King, City Recorder

SUMMARY OF VOTES:

Mayor Knapp - Yes

Councilor Goddard - Yes

Councilor Starr - Yes

Councilor Núñez - Yes

Councilor Hurst - Yes

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: December 17, 2010

TO: Board of Directors

FROM: Angela Aitken, Finance Manager and Acting Assistant General Manager

SUBJECT: **CONSIDERATION OF APPROVING THE TRANSFER OF THE 2002 CHANCE COACH CNG RUBBER TIRED TROLLEY TO SOUTH METRO AREA REGIONAL TRANSIT IN WILSONVILLE, OREGON, UPON RECEIPT OF THE CITY OF SANTA CRUZ'S RELEASE OF INTEREST AND FTA APPROVAL OF SUCH TRANSFER**

I. RECOMMENDED ACTION

That the Board of Directors approve the transfer of the 2002 Chance Coach CNG rubber tired trolley to South Metro Area Regional Transit in Wilsonville, Oregon, upon receipt of the City of Santa Cruz's release of interest and FTA approval of such transfer.

II. SUMMARY OF ISSUES

- The trolley was originally purchased in 2004 with the City of Santa Cruz providing the local match. The total price was \$362,233; the Federal Transit Administration (FTA), through Santa Cruz METRO, paid \$289,786; and, the City of Santa Cruz paid \$72,447 in three installments. The intent was to run a beach shuttle, but shortly after the vehicle was delivered, the City ceased funding for the shuttle.
- On April 27, 2007, a Staff Report to the Board of Directors (Attachment A) recommended that staff identify other eligible transit agencies who would be interested in acquiring the CNG trolley as a transfer of FTA assets.
- In the April 27, 2007 Staff Report, it was also recommended that if another eligible transit agency was identified to take possession of the trolley, that the City of Santa Cruz be refunded the undepreciated value of their original investment of public funds. At December 31, 2010, this value will be \$22,639.53.
- The City of Santa Cruz was asked for a letter releasing its interest in the trolley in exchange for the undepreciated value of their investment. A letter was obtained in June 2010, but that transfer fell through. Because the undepreciated dollar amount of the local share has changed since then, another letter is required for this transfer.
- Santa Cruz METRO has available funds for the return of undepreciated value to the City of Santa Cruz.
- The City of Wilsonville, Oregon, which runs the South Metro Area Regional Transit agency, an eligible FTA direct recipient, has expressed interest in a transfer of the trolley and is willing to arrange and pay for its transport once the transfer is approved.

III. DISCUSSION

In February 2002, existing FTA grant #CA-90-X873 was amended to purchase a trolley replica vehicle. Members of the Santa Cruz METRO Board from the City of Santa Cruz were interested in running a Beach Shuttle and offered to pay the 20% local share required for the purchase of the trolley. Shortly after the acquisition of the trolley, in 2004, the City ceased funding for the shuttle. Since then, the trolley has had very limited usage.

When fleet vehicles are no longer in use, Santa Cruz METRO is required to let the FTA know through updates to the "fleet status list" in the federal grants administration program. In the case of the trolley, it is also a vehicle that is not eligible for replacement. The trolley can, however, be transferred to another eligible transit agency who is a recipient of FTA funding.

In October 2010, Santa Cruz METRO received a serious inquiry from the City of Wilsonville, Oregon's South Metro Area Regional Transit (SMART), an FTA recipient willing to take possession of and transport the trolley, and transfer the remaining FTA interest (\$90,558 as of 12/31/10) via taking over our grant contract CA-90-X873. This is contingent on Santa Cruz METRO's Board of Directors' approval, a release from the City of Santa Cruz, FTA District IX (CA) and District X (OR) approval and any required action by the Wilsonville City Council.

The City of Santa Cruz had released its interest in the trolley on June 30, 2010, in exchange for the return of the undepreciated value of their original investment, or \$25,168.13 at that time. That deal fell through and, since then, the equipment has further depreciated, with a new remaining value of \$22,639.53 at December 31, 2010. A new letter from the City of Santa Cruz's Director of Finance has been requested and is required prior to exchange of the asset.

Staff recommends approval of the transfer of the trolley as described above. Following this approval, Santa Cruz METRO will advise the City of Wilsonville, OR so that they can move forward with the required City Council action to approve the purchase and transporting of the trolley. Staff will review and forward correspondence to the FTA requesting approval of the transfer of assets and related grant contract. Following the receipt of FTA approval, staff will proceed with the transfer of the 2002 Chance Coach CNG trolley to Wilsonville SMART.

IV. FINANCIAL CONSIDERATIONS

Santa Cruz METRO will return the undepreciated value of the City of Santa Cruz's investment, or \$22,639.53, and will transfer the remaining value of the FTA investment of \$90,558 (at 12/31/10) to Wilsonville, OR, South Metro Area Regional Transit. Santa Cruz METRO has available funds to return the undepreciated value to the City of Santa Cruz.

V. ATTACHMENTS

Attachment A: April 27, 2007 Staff Report to Board of Directors

Attachment B: Board Resolution Authorizing the Transfer of the 2002 Chance Trolley

● ATTACHMENT A ●
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: April 27, 2007
TO: Board of Directors
FROM: Les White, General Manager
SUBJECT: CONSIDERATION OF DIRECTING STAFF TO IDENTIFY TRANSIT SYSTEMS INTERESTED IN ACQUIRING METRO'S RUBBER TIRED TROLLEY

I. RECOMMENDED ACTION

That the Board of Directors instruct the General Manager to identify and solicit interest from transit systems that may be able to purchase the METRO/City of Santa Cruz Trolley Replica vehicle and discuss the issue with the City of Santa Cruz.

II. SUMMARY OF ISSUES

- In February of 2002, the Board of Directors directed staff to procure a Trolley replica vehicle for use in the operation of the Santa Cruz Beach Shuttle.
- At that time, the City of Santa Cruz provided the local share of 20% for the trolley.
- The cost of the trolley when purchased was \$362,233.
- Shortly after delivery of the trolley replica, the City of Santa Cruz ceased the funding for the operation of the Beach Shuttle.
- The trolley has seen limited operation since that time.
- FTA monitors the use of federally funded assets used in the provision of mass transit service.
- METRO is scheduled to receive a Triennial Review this year, and the limited use of the trolley replica is expected to be discussed.
- One option that is available for METRO to address the "underused" trolley replica is to do a "federal assets transfer", whereby another transit system can agree to have the bus transferred to them for the undepreciated value of the local share of the vehicle.

III. DISCUSSION

In February of 2002, the Board of Directors asked staff to amend an existing FTA grant to purchase a trolley replica vehicle. Members of the Board from the City of Santa Cruz were interested in using a rubber-tired trolley to run on the Santa Cruz Beach Shuttle, and they offered to pay the 20% share of the grant. The trolley was purchased for a cost of \$362,233, with the

local share amounting to \$73,354. Shortly after the delivery of the trolley, the City of Santa Cruz ceased funding for the Beach Shuttle (last year of operation was 2004), and the trolley has seen very limited usage. The chart below summarizes the mileage for the trolley

Date	Mileage
June 2003	2,850
June 2004	2,748
June 2005	1,310
October 2006	112
March 2007	128

METRO is required to certify that all assets purchased with federal funds are actively used for the provision of mass transit services. This year METRO is scheduled for a Triennial Review that is conducted by FTA. As part of that review, they evaluate the number of buses in the fleet. As can be seen from the above chart, the trolley is not actively used for service. The FTA allows for the transfer of federal assets that are not eligible for replacement to other transit agencies. The federal share of the asset is transferred and the undepreciated value of the local share is paid to the agency as reimbursement for the asset.

Staff is recommending that the Board direct staff to identify other transit agencies that may be interested in acquiring METRO's trolley replica vehicle. Should this be done, there will be a depreciated refund of the local share from the purchase of the trolley. Staff is also recommending that staff discuss the issue of the trolley replica vehicle with the City of Santa Cruz.

IV. FINANCIAL CONSIDERATIONS

Should another transit agency acquire the trolley replica vehicle, it will result in a refund of the depreciated portion of the local share. These funds shall be returned to the City of Santa Cruz.

V. ATTACHMENTS

None

● ATTACHMENT B ●
**BEFORE THE BOARD OF DIRECTORS OF THE
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

Resolution No. _____

On the Motion of Director: _____

Duly Seconded by Director: _____

The Following Resolution is Adopted:

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
AUTHORIZING THE TRANSFER OF THE 2002 CHANCE COACH CNG
RUBBER TIRED TROLLEY TO SOUTH METRO AREA REGIONAL TRANSIT
IN WILSONVILLE, OREGON, UPON RECEIPT OF THE CITY OF SANTA
CRUZ'S RELEASE OF INTEREST AND FTA APPROVAL OF SUCH
TRANSFER**

WHEREAS, the 2002 Chance Coach CNG rubber tired trolley (Vehicle Identification #1C9S2CCS62W535135) was originally purchased for \$362,233, with the Federal Transit Administration (FTA) providing 80% (\$289,786) of the funds via grant CA-90-X873, and the City of Santa Cruz providing the 20% local share of \$72,447; and,

WHEREAS, the City of Santa Cruz originally intended to run a beach shuttle, but shortly after the vehicle was delivered in 2004, the City ceased funding for the shuttle and the vehicle was no longer needed; and,

WHEREAS, the Santa Cruz Metropolitan Transit District Board of Directors instructed the General Manager on April 27, 2007 to identify transit systems with an interest in the transfer of the trolley; and,

WHEREAS, the City of Wilsonville, Oregon's South Metro Area Regional Transit (SMART) agency, a direct recipient of Federal Transit Administration (FTA) funding, has expressed their intent to transfer the FTA asset to place it in revenue service, safely transport the trolley to Oregon and to reimburse Santa Cruz METRO for the undepreciated value of the City of Santa Cruz's investment of public funds at 12/31/10 (\$22,659.53); and,

WHEREAS, the remaining undepreciated federal interest in the 2002 Chance trolley as of 12/31/10 is \$90,558 and this amount will be transferred to Wilsonville, Oregon SMART via a transfer of Santa Cruz METRO's grant contract CA-90-X873; and,

WHEREAS, Wilsonville, Oregon SMART agrees to maintain the vehicle in accordance and compliance with FTA requirements and will include the vehicle in their equipment inventory records;

NOW, THEREFORE, BE IT RESOLVED, that the General Manager of Santa Cruz METRO is authorized to implement the transfer of the 2002 Chance Coach CNG

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rubber tired trolley to South Metro Area Regional Transit in Wilsonville, Oregon, upon receipt of the City of Santa Cruz's release of interest and FTA approval of such transfer.

PASSED AND ADOPTED this 17th Day of December, 2010 by the following vote:

AYES: Directors -

NOES: Directors -

ABSTAIN: Directors -

ABSENT: Directors -

APPROVED _____
ELLEN PIRIE
Board Chair

ATTEST _____
LESLIE R. WHITE
General Manager

APPROVED AS TO FORM:

MARGARET GALLAGHER
District Counsel

Federal Transit Administration FTA Circular 5010D page IV 27
Transfer FTA vehicle from one provider to another.

(7) Transfer of Rolling Stock—Grantee-to-Grantee. For property where the useful life has been met and with prior FTA approval, a grantee may transfer rolling stock to another grantee. In such event that transfer of rolling stock is desired prior to the end of useful life, the Federal interest of the vehicles will be transferred, and therefore, there is no obligation to reimburse FTA. However, no additional FTA funds may be used to acquire the vehicles. Both grantees should coordinate with their FTA Regional Office and the following information should be submitted:

(a) A written request for approval to transfer/receive vehicles. The request should include the transferor/transferee grantee name, list of vehicles (year, make, model), date placed in revenue service, date removed from revenue service, grant number which originally funded the vehicle, mileage, remaining useful life, Federal share of remaining useful life, reasons for transfer.

(b) A Board Resolution (or other appropriate legal action) from each grantee. The transferring grantee's board resolution (or other appropriate legal action) should identify the receiving grantee, a statement that the vehicles are no longer required, a list of the vehicles to be transferred including VINs, and the remaining Federal interest that is transferred to the receiving grantee. The receiving grantee's board resolution (or other appropriate legal action) should identify the transferring grantee, a statement that the vehicles are needed for revenue service, a list of the vehicles to be acquired including VINs, the remaining Federal interest for each vehicles, agreement that the vehicles will be maintained in accordance and in compliance with FTA requirements, and that the transferred vehicles will be included in its equipment inventory records.

(c) A Rolling Stock Status Report. Each grantee should provide a Rolling Stock Status Report that includes all information as identified in Chapter IV, Subsection 3.1.(1). The Rolling Stock Status report should reflect the impact that the transfer/addition of the vehicles will have on the grantee's total fleet and spare ratio.

If approved, the receiving grantee will be directed to include the transferred vehicles in its next grant application.