

CLEAN TRANSIT ENTERPRISE BOARD MEETING - MARCH 29, 2022

SCHEDULE & AGENDA

I.	Welcome, Roll Call, Agenda Review (5 minutes) Matt Frommer, Chair	2:00 - 2:05 p.m.
II.	Action Agenda (5 min) A. Approval of Minutes - 2/22/22 CTE Board Meeting Matt Frommer, Chair	2:05 - 2:10 p.m.
III.	Rulemaking Hearing Update (5 minutes) Herman Stockinger, Deputy Director and Director of Policy (CDO)	2:10 - 2:15 p.m.
IV.	Updates from Other SB-260 Enterprises (15 min) A. NAAPME (Fahad Khan, CDOT) B. Clean Fleet (Steve McCannon, CDPHE) C. Community Access (Carrie Atiyeh, CEO)	2:15 - 2:30 p.m.
V.	RFTA Case Study (20 min) Jason White, Assistant Planner, Roaring Fork Transportation Author	2:30 - 2:50 p.m. Pority (RFTA)
VI.	Continuation of 10 year plan discussion (1 hour) Mike King, Assistant Director, Electrification and Energy (CDOT) Kay Kelly, Chief, Innovative Mobility (CDOT)	2:50 - 3:50 p.m.
VII.	Wrap Up and Next Steps (15 min) Kay Kelly, Chief, Innovative Mobility (CDOT)	3:50 - 4:00 p.m.

The Clean Transit Enterprise Board Meeting took place on Monday, January 31st, 2022. These meetings were held in a virtual format only, in an abundance of caution due to the COVID-19 pandemic.

The documents are considered to be in draft form and for information only until final action is taken by the Clean Transit Enterprise Board.

Clean Transit Enterprise Board Meeting Monday, February 22nd, 2022, 2:00pm – 4:30

Call to Order, Roll Call:

Board Members: Matt Frommer – SWEEP, Bonnie Trowbridge – Drive Clean Colorado, Mark Garcia – TC District 8, David Averill – Executive Director for San Miguel Authority Regional Transportation, Kelly Blynn - CEO, Richard Coffin – CDPHE Air Pollution Control Division

Kay Kelly – CDOT, Herman Stockinger – CDOT, Jennifer Uebelher – CDOT, Amber Blake – CDOT, Michael King – CDOT, Sari Weichbrodt – CDOT

Board Elections (Kay Kelly)

Purpose: Elect the CTE Chairperson and Vice-Chairperson.

Action: Motion by Mark Garcia to approve Matt Frommer as Chairperson and David Averill as Vice-Chairperson, seconded by Bonnie Trowbridge. Passed unanimously.

Discussion:

- The governor's office appointed Dawn Block from the La Junta Office of Transportation as a CTE board member replacing Deya Zevala.
- Election of Officers:
 - 1. Chairperson: Matt Frommer has volunteered for the role of Chairperson.
 - 2. Vice-Chairperson: David Averill volunteered for the role of Vice-Chairperson.

Action Agenda

Purpose: To approve action items (minutes, Articles of Organization, Bylaws, Transportation Commission Loan) included in the board packet.

Action:

- A. Approval of Minutes January 31, 2022 CTE Board Meeting: Motion by Bonnie Trowbridge to approve January 31, 2022 CTE Board Meeting minutes, seconded by David Averill. Passed unanimously.
- B. Clean Transit Enterprise Board Articles of Organization: Motion by Mark Garcia to approve the Clean Transit Enterprise Board Articles of Organization, seconded by Kelly Blynn. Passed unanimously.
- C. Clean Transit Enterprise Board Bylaws. Motion by Matt Frommer to approve the Clean Transit Enterprise Board Bylaws, seconded by Bonnie Trowbridge. Passed unanimously.
- D. Approval of Transportation Commission Loan for Clean Transit Enterprise Start-up Costs: Motion by David Averill to approve the Start-Up Loan Agreement between the CDOT Transportation Commission and the CTE Board in the amount of \$73,500, seconded by Matt Frommer. Passed unanimously. Mark Garcia abstained from this vote because of his position on the Transportation Commission.

Discussion:

- Mark Garcia: Has the CDOT attorney looked at the articles of organization?
- <u>Kay Kelly</u>: Yes, Kathy Young has reviewed the Articles of Organization. The Attorney General's Office has also reviewed the Bylaws.

Federal & State Transit Funding Landscape (Amber Blake)

Purpose: Review of transit funding sources for 2022-2023, including: pass-through Federal Transit Administration (FTA) funding, other federal funding sources with transit eligibility, state transit, and state enterprise funding sources.

Action: No approval action was requested.

Discussion:

- Two types of funding: Discretionary funding are made through a competitive process and are subject to annual appropriations. Formula program funding consists of set amounts that are distributed annually and are guaranteed.
- Federal Funding
 - 1. FTA 5304 Statewide and Non-Metropolitan Planning: \$0.5 M for FY23 administered by Division of Transit and Rail (DTR) and awarded as pass through grants via an annual call for projects. Eligible projects include development of transportation plans/program, plan, design, evaluate, or conduct technical studies related to public transportation. Planning projects may not exceed 80% federal funding.
 - 2. 5310 Enhanced Mobility for Seniors and Individuals with Disabilities: \$2.8 M in federal funding forecasted for FY23, administered by DTR and awarded as pass through grants via an annual call for projects. Eligible projects include capital, operating and mobility management. Capital costs and mobility management may not exceed 80% federal funding; operating costs may not exceed 50% federal funding.
 - 3. 5311 Rural Area Formula Program to support public transportation in rural areas with less than 50,000 people. \$17.6 M forecasted in federal funding and administered byDTR and awarded as pass through grants via an annual call for projects. 5311 programs include operating & admin and capital (fleet, facilities, equipment). 5311(b)(3) is the Rural Transit Assistance Program (RTAP). 5311(f) is the intercity bus (Bustang, Outrider) program. The federal share is 80% for capital projects, 50% for operating assistance, and 80% for American with Disabilities (ADA) non-fixed route paratransit service.
 - 4. FTA 5339 to maintain a state of good repair. \$6.5 M in federal funding forecasted for FY23 and administered by DTR and awarded as pass through grants via an annual call for projects. This program is to replace, rehabilitate, and purchase buses and related equipment, construct bus-related facilities including technological changes and modify low or no emission vehicles and facilities.
 - 5. Surface Transportation Block Grants (STBG) and Risk/Resiliency Formula Program are "Strategic" sources of funding for the CDOT Pipeline of Projects 10-year plan.
 - 6. Transportation Alternatives (TA) for non-motorized projects and environmental mitigation such as first and last mile connections. \$18.5 M in federal funding forecasted for FY23. 59% of this program is allocated to CDOT regions based on population. The remaining funding is allocated based on 45% VMT, 40% lane miles, and 15% truck VMT.
 - 7. Congestion Mitigation and Air Quality (CMAQ) to support activities with air quality benefits. \$46M in federal funding forecasted for FY23. Most of these funds are distributed to ozone nonattainment areas (DRCOG, NFRMPO, UFR TRP) on the basis of 75% population and 25% VMT.
 - 8. PROTECT Formula & Discretion Program provides formula and grant funding for resilience improvements. \$19 M in federal finding forecasted for FY23. Formula funding for highway and transit projects. Competitive grant funding covers highway, transit, intercity rail, resilience planning & improvement plans, evacuation planning and preparation.
 - 9. Carbon Reduction Program to support the reduction of transportation emissions. \$16.8 M in federal funding forecasted for FY23. New funding program from the IIJA requiring 65% of the funding to be obligated based on population. Transit system improvements are included it is unclear if this is for operations.

State Funding

1. SB 267 strategic funding from the state legislature for capital projects. \$500M/ year on average over four years FY19-22. 25% of funding must be spent in rural areas. 10% minimum to transit projects.

- 2. SB 260, the Multimodal Transportation & Mitigation Options Fund (MMOF) to promote complete and integrated multimodal systems. Total \$17.4 M forecasted for FY23; \$2.6 M (15%) allocated to CDOT, \$14.9M (85%) to local entities administered by CDOT. Transit projects, including operating, are eligible.
- 3. FASTER to improve roadway safety, repair deteriorating bridges, support and expand transit. \$85M forecasted for FY23 for state transportation, \$23M allocated to cities, \$28M allocated to counties.
- 4. Volkswagen Settlement program to mitigate NOx by replacing older diesel transit vehicles with zero emission options. \$5M forecasted for FY23 administered by DTR and allocated through an annual call for projects. Funding is available to replace diesel-fueled vehicles with zero emission vehicles and for charging/fueling infrastructure to support zero-emission vehicles.

• CDOT Enterprise Funding

- 1. SB 260 Non-Attainment Enterprise was created to mitigate transportation-related emission in ozone nonattainment areas. Total fee revenue for FY23 is \$7.1M from air pollution mitigation fee on retail deliveries and rides, revenue will ramp up over time. This funding is eligible for projects that reduce traffic, including demand management projects.
- 2. SB 260 Clean Transit Enterprise to support public transit electrification planning efforts, facility upgrades, fleet motor vehicle replacement, construction and development of electric charging and fueling infrastructure. \$8.3M is forecasted for FY23.
- Mark Garcia: How do these funds play into the CTE annual budget?
- Amber Blake: The Transportation Commissions resolution for FASTER funding goes through FY23. The FY24 budget will be reviewed in FY23 depending on where we are with regional services. The FTA funds do not come to the Transportation Commission, unless there is a distribution methodology in a format that is not a call for projects. The strategic funds for the 10-year pipeline all go to the Transportation Commission for project approval, these are included in the CTEs budgeting process. At the CTE next board meeting we can make a relationship table with Jeff Sudmeier's team on how these funds relate to the CTEs budget.
- <u>Kay Kelly</u>: This presentation is intended to be a landscape overview of funding sources for different transit projects.
- Mark Garcia: When do we start to work on the CTE budget?
- <u>Kay Kelly</u>: The CTE has \$134M over 10 years, the funds ramp up over time; we project about \$8.3M the first fiscal year. The Colorado Department of Revenue will start collecting the fee on July 1, 2022. It should be available in September to the CTE to start issuing funds.
- Mike King: We have about \$30M allocated from the state's Volkswagen Settlement for transit projects. To date we have awarded about \$21M, leaving about \$9M unawarded. This was a one-time allocation.
- <u>Kay Kelly</u>: There are two other electrification focused enterprises in SB 260, the Community Access Enterprise and the Clean Fleet Enterprise.
- Mark Garcia: How are we communicating with the other enterprises to prevent redundant programs and overlap?
- <u>Kay Kelly</u>: The fees for each enterprise are set for the first year by the legislature. We will have to communicate with the other enterprises going forward. The Clean Fleet Enterprise will not be funding transit vehicles, they might fund school buses or airport shuttles, but all FTA entities are in CTE. We should communicate with Community Access Enterprise regarding charging infrastructure. We anticipate the majority of charging infrastructure for transit agencies will be in depots or at facilities where it is dedicated for transit use.

Transit ZEV Roadmap and 10-Year Plan (Mike King)

Purpose: Overview of pre-existing planning activities completed by the state in 2021 to provide context for CTE 10-Year Plan development.

Action: Continue to flesh out the 10-Year Plan outline and outreach avenues including standing transit meetings and public outreach.

Discussion: No approval action was requested.

- HB 19-1261 set statewide GHG reduction targets: 26% by 2025, 50% by 2030, and 90% by 2050 (from a 2005 baseline). Transportation is the largest sector, contributing 21% of GHG. The Colorado GHG Pollution Reduction Roadmap developed strategies and pathways to reach these targets. We are currently on a trajectory to achieving approximately half the level of emission reductions to meet the 2025 and 2030 goals.
- Colorado's Electric Vehicle Plan 2020
 https://energyoffice.colorado.gov/sites/energyoffice/files/2020-07/colorado ev plan 2020 final.pdf
 established a state target of 940,000 registered ZEVS by 2030 is largely focused on the passenger vehicle market.
- The Clean Truck Strategy targets emission reductions from medium- and heavy-duty vehicles.
- The goal of the Transit Zero Emission Vehicle Roadmap
 https://www.codot.gov/about/committees/trac/Agendas-and-Minutes/2021/march-12-2021-meeting/0

 5-transit-zev-roadmap-presentation-for-trac.pdf is to develop a reasonable pathway for achieving
 Colorado's target of 1,000 transit ZEVs by 2030 and a 100% ZEV fleet by 2050.
 - Colorado ZEV Environment (as of 2021): there are 3,301 total transit vehicles in Colorado; 100 are ZEV transit buses (deployed or on-order), 170 light rail train cars, 66 commuter rail cars, and 27 Renewable Natural Gas (RNG) transit buses. 9 transit agencies are currently operating ZEVS and 10 transit agencies that have or will complete a ZEV transition plan in the near future.
 - 2. The Transit ZEV Roadmap financial model is intended to provide an estimate of what it would take to meet the ZEV transition targets, not to determine the overall cost benefit of the transition (social cost of carbon, public health benefits, etc.). Transitioning the Colorado fleet to ZEVs is projected to cost \$230M to \$285M (30-45%) more than maintaining the existing fleet. The majority of the incremental cost is for electric vehicle charging infrastructure, rather than the vehicles themselves. Assuming the cost difference between zero emission buses and regular buses continues to decrease year over year eventually the cost difference will be zero. No natural growth in the number of state transit vehicles was included in this model.
 - 3. The ZEV Transit Roadmap includes recommendations on policy, planning & technical support, information sharing & research, funding, and education & training that will support the transition to ZEVs across Colorado.
- <u>Kay Kelly</u>: We will send the link to the Transit ZEV Roadmap out with the next board packet and will post a link on the CTE website.
- Matt Frommer: Regarding the functionality of ZE buses, are they a 1:1: replacement for diesel buses?
- Michael King: In general, 1:1 replacement has worked for some of our mountain communities that have been early adopters. In urban areas where the buses run long blocks of service for 12 hours a day, not every route is achievable with a ZEV.
- <u>Dave Averill:</u> I concur, the ZEV bus replacement study for SMART concluded that ZEV buses were feasible for some routes but not for the entire system (due to terrain, weather, and conservative modeling). We are optimistic as the technology and battery capacity increases.
- Michael King: The financial model can be adjusted for each individual vehicle type. In order to make a model that could work for the entire state it was necessary to simplify certain decision points.
- Matt Frommer: Are you assuming the same number of vehicles in 2030 or anticipating an increase? The GHG rules cost benefit analysis compliance scenario assumes we will need a 70% increase in transit vehicles, about 400 new buses or other transit vehicles.
- <u>Michael King</u>: We assumed that the overall number of transit vehicles in the state would remain unchanged, but vehicles can be added to the model. You can adjust the dollar cost for each bus to account for a different replacement ratio.
- <u>Kelly Blynn</u>: For the agencies, does the model provide information about projected maintenance and fuel costs?
- Michael King: No, this model does not address the operation costs, savings, or social benefits. NREL also
 has a modeling tool that agencies can use to address operational costs. This model should be used to see
 if the 2030 target achievable is and what level of funding is needed to achieve it.

- SB 260 details the CTEs 10-Year Plan. The 10-Year Plan should include how this enterprise will execute its business purpose and estimates what funding is needed. This proposed draft of the CTEs 10-Year Plan includes portions that are already well developed in the Transit ZEV Roadmap. The proposed draft also includes information from the CDOT Division of Accounting & Finance, the Department of Revenue, and SB 260 itself. The board may choose to focus its time and energy on big picture policy decisions (including but not limited to funding mechanisms & category prioritizations, project prioritization, match levels, scrapping requirements, and/or replacement ratios) that determine how and who interacts with the CTE grant programs in the future.
- Mark Garcia: What is the timeline for a draft outline?
- <u>Kay Kelly</u>: The draft outline is before you, the 10-Year Plan must be published by June 1st. By presenting this high-level outline to the board we would like to know which sections the board would like to spend more time on over the next three months.
- Matt Frommer: What is the process for soliciting feedback from RTD?
- Michael King: We have existing stakeholder engagement with all of the transit agencies in the state
 including RTD. While developing the 10-Year Plan we will engage with all those agencies regularly. In
 addition to the standing meetings, we will invite transit agencies to participate in CTE meetings and
 comment on our discussions.
- <u>Kay Kelly</u>: The 81 state transit agencies meet monthly. CASTA also has regular meetings. The Transit and Rail Advisory Committee meets bi-monthly. We have been working to get placeholders on all those meetings for CTE for the next several months to engage stakeholders. We will also hold a public meeting to get public input as a matter of course.
- <u>David Frommer</u>: I would like a better understanding of the fleet mix and technology available to better inform how we prioritize projects.
- Kay Kelly: Some of that information is included in the Transit ZEV Roadmap.
- <u>Amber Blake</u>: We can pull our current transit asset management plan for the state, but it will not include what RTD has or the larger 5307 agencies. We have that information for anyone that is a subrecipient.
- Michael King: The fleet mix by vehicle type and fuel type is included in the roadmap. Of the 3,100 vehicles, 851 are cutaways, 1,296 are full size buses, 125 are articulated buses, etc.
- <u>Kelly Blynn</u>: I would like more discussion of strategy on the potential funding match sources.
- <u>Michael King</u>: Since these funds are state funds, they can be used to match some of the federal grant programs. This board can develop a strategy on how to maximize or incentivize that impact.

Rulemaking (Herman Stockinger)

Purpose: Open the CTE rules, required for the CTE to set the fee and establish the grant process.

Action: Mark Garcia moves to authorize CDOT staff to open the Clean Transit Enterprise Rules and appoint a CDOT staff member to serve as the hearing officer to preside over the Rulemaking Hearing and process, seconded by David Averill. Passed unanimously on February 22, 2022.

Discussion:

- Rules must be authorized in statute: 43-4-1203(6)(g) to set the clean transit retail delivery fee and establish the award and grant process. 43-4-1203(7)(b) the clean transit retail delivery fee is a maximum of \$0.03.
- Rule parts:
 - 1.0 Statement of Basis and Purpose and Statutory Authority
 - 2.0 Definitions
 - 3.0 Fees: fee is effective July 1, 2022, in conjunction with the Department of Revenue the fee will be adjusted with inflation, the CTE must notify the Department of Revenue by March 15 with fee changes.
 - 4.0 Process of awarding and overseeing grants, loans, and rebates: grants selection will be competitive. The CTE process will be part of the annual CDOT DTR call for projects. Grant criteria will be established by the CTE and published no fewer than 60 days before the grant deadline.

Grants will be scored based on the business purpose of this enterprise. Grants will be approved by the CTE and overseen by CDOT DTR staff.

- 5.0 Declaratory Orders
- Timeline: February 22nd enterprise opens rules. CDOT staff will file the rule with the secretary of state. April 4th CDOT staff will conduct a public hearing per the Administrative Procedure. Board will adopt the Rule on April 12. Effective date: as early as May 31.
- CTE board members are invited to the Rulemaking Hearing but are not required to attend.
- Mark Garcia: Are the grant criteria in section 4.15 in any priority?
- <u>Herman Stockinger</u>: They are not in priority order. When we ask the CTE agreement on the process to put the call out, we can have a conversation with Kay on what that looks like.
- Rick Coffin: How involved will the CTE board be in the grant review process? In Section 4.14, will CDOT staff make up the review panel?
- Herman Stockinger: The rule does not specify that.
- <u>Kay Kelly</u>: Typically, a panel made up of subject matter experts on the topic being reviewed will evaluate applications. The panel will put forth a list of applicants recommended for awards to the CTE board. CTE board will make the final selection.
- Mark Garcia: We had a lot of input on the GHG rule at transportation commission level, are you anticipating that level of participation with CTE rulemaking?
- <u>Herman Stockinger</u>: We are not anticipating any controversy, there is not a lot of flexibility to divert from the statutes.
- Mark Garcia: Has there been any feedback from retailers?
- <u>Herman Stockinger</u>: We have not had any feedback from retailers yet. We will include them in stakeholder outreach when the rules have been published.
- <u>Sari Weichbrodt</u>: We are monitoring the comments from the two non-CDOT enterprises with retail delivery fees. We will be doing our own stakeholder outreach to retailers.
- Mark Garcia: Do you know of any other states that are using retail fees for GHG reduction programs?
- Herman Stockinger: there might be other states that are taking this approach, we are not sure.

Wrap Up and Next Steps

Purpose: Summary of important dates, board meeting packets, and meeting minutes will be posted on the CTE website https://www.codot.gov/programs/innovativemobility/cte.

Action: Please submit any agenda items for CTEs next board meeting to Kay Kelly

Discussion:

- March 15th CTE Board Confirmation Hearings
- March 29th CTE Board Meeting
- April 4th CTE Rulemaking Hearing
- April 12th CTE Board Meeting
- May 25th CTE Board Meeting
- June 1st Deadline to post CTSs 10-year plan

Questions and Board Discussion

No further discussion.

Meeting Adjourned at: 3:53





Clean Transit Enterprise Board

Department of Transportation

March 29, 2022





Topic	Presenter
Welcome, Agenda Review, Announcements (5 min)	Matt Frommer, Chair
Action Agenda (5 min) • Approval of Minutes - 2/22/22 CTE Board Meeting	Matt Frommer, Chair
Rulemaking Update (5 min)	Herman Stockinger, CDOT
 Other SB260 Enterprise Updates (15 min) CDOT Non-Attainment Area Pollution Mitigation Enterprise CDPHE Clean Fleet Enterprise CEO Community Access Enterprise 	Fahad Khan, CDOT Steve McCannon, CDPHE Carrie Atiyeh, CEO
RFTA Case Study (20 min)	Jason White, RFTA
10 Year Planning Process (1 hour)	Mike King and Kay Kelly, CDOT
Wrap Up and Next Steps (10 min)	Kay Kelly, CDOT



Members of the Clean Transit Enterprise Board

For terms expiring 9/28/2024

Matt Frommer CHAIR (Denver): Member with an expertise in zero-emissions transportation, motor vehicle fleets or utilities

Bonnie Trowbridge (Berthoud): Member representing a public advocacy group that has transit or comprehensive transit expertise

Dawn Block (La Junta): Member representing a transportation-focused organization that services an environmental justice community

For terms expiring 9/28/2025

Mark Garcia (Pagosa Springs): Member of the Transportation Commission and have statewide transportation expertise

Cris Jones (Boulder): Member representing an urban area, having transit expertise

David Averill CO-CHAIR (Telluride): Member representing a rural area having transit expertise

Agency Appointments

Theresa Takushi: Colorado Department of Transportation designee

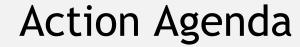
Kelly Blynn: Colorado Energy Office designee

Richard Coffin: Colorado Department of Public Health & Environment designee



CTE Loan Agreement

Clean Transit Enterprise				
Expense Description	Quantity	FY22 Funding		
Director	5.0% of 1.0 FTE	\$6,500		
Office of Innovative Mobility (OIM) Chief	2.5% of 1.0 FTE	\$3,500		
OIM Staff	50.0% of 1.0 FTE	\$37,500		
Program Assistant	5.0% of 1.0 FTE	\$2,750		
Division of Accounting and Finance (DAF) Staff	15.0% of 1.0 FTE	\$15,000		
Policy Staff	2.5% of 1.0 FTE	\$2,500		
Board Travel/Reimbursement	\$1,000 per meeting for 6 meetings	\$6,000		
Meeting Expenses	\$100 per meeting for 6 meetings	\$600		
Total		\$74,350		





Motions to Approve:

- 1. Minutes of the February 22, 2022 CTE Board Meeting
 - a. correction of CTE loan amount in the minutes to \$74,350



CTE Rulemaking Update

Process and Timeline

- Open Rule: Enterprise Opened Rule February 22
- File Rule: Filed rule with the Secretary of State and DORA February 25
- Outreach: CDOT staff sent outreach emails February 25, March 7
- Updated Hearing Date: CDOT staff filed notice March 4
- Public Notice in Colorado Register: Published March 10
- Comment Deadline: April 7
- Public Hearing: April 12 (more than 20 days after Colorado Register date)
- Adopt Rule: Enterprise Board adopts Rule on April 12
- Effective Date: As early as May 31



Updates from Other SB260 Enterprises





Nonattainment Area Air Pollution Mitigation Enterprise

COLORADO

Department of Transportation

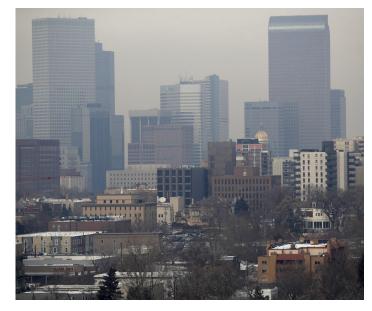
Update March 29, 2022



Enterprise Overview

The Nonattainment Area Air Pollution Mitigation Enterprise is created to serve the primary business purpose of mitigating the environmental and health impacts of increased air pollution from motor vehicle emissions in nonattainment areas that results from the rapid and continuing growth in retail deliveries made by motor vehicles and in prearranged rides provided by transportation network companies by:

- Providing funding for eligible projects that reduce traffic
- Including demand management projects that encourage alternatives to driving alone or that directly reduce air pollution, such as retrofitting of construction equipment, construction of roadside vegetation barriers
- Planting trees along medians
- Statute: C.R.S. § 43-4-1303





NAAPME Governing Board

Appointment	Appointment Criteria
Kristin Stephens, Fort Collins (Chair)	Serves as an elected official of a local government that is a member of the North Front Range Metropolitan Planning Organization
Lynn Baca, <i>Brighton</i> (Vice Chair)	Serves as an elected official of a disproportionately impacted community that is a member of the Denver Regional Council of Governments
Yessica Holguin, <i>Denver</i>	Serves as a representative of disproportionately impacted communities
Leanne Wheeler (Aurora, Colorado)	Serves as a representative of disproportionately impacted communities
Danielle "Stacy" Suniga (Greeley, Colorado)	Serves as an individual with expertise on environmental, environmental justice, or public health issues
Shoshana Lew	Executive Director, CDOT
Dena Wojtach	Executive Director Designee, CDPHE



Powers and Duties/Reporting

- Promulgate rules to impose an "Air Pollution Mitigation Per Ride Fee" and an "Air Pollution Mitigation Retail Delivery Fee."
- Notify the Department of Revenue by March 15 each year of the amount of the fee that would begin July 1.
- Issue Grants (and Loans and Rebates); Issue Revenue Bonds.
- Accept Loans from CDOT and reimburse the Department of any loans received.
- > By June 1, 2022 publish a 10-Year Plan that "details how the enterprise will execute its business purpose and estimate the funding available for ten years.
- Create, maintain and regularly update on its website a "public accountability dashboard" that includes the funding status and progress toward completion of each project."
- Prepare an annual report that details activities of the enterprise and present the report to the Transportation Commission and House and Senate Transportation Committees.



Rulemaking for Enterprise Fee Setting

Single Statutory Purpose for Rule: Set the Fees

- Retail delivery fee of seven-tenths of one cent per retail delivery
- Per ride fee of 22 ½ cents for prearranged ride that is a carshare ride or for which the transportation network company driver transports the rider (11 ¼ cents in ZEV)

Process and Timeline

- Open Rule: Enterprise Opens Rule February 24, authorizes CDOT Hearing Officer to conduct Public Hearing
- File Rule: CDOT staff "files the rule" with the Secretary of State
- Public Hearing: CDOT staff conducts public hearing per the Administrative Procedures Act in late March or early April
- Adopt Rule: Enterprise Board adopts Rule on April 14
- Effective Date: As early as May 31.



Expected Revenue and Loans for Board Expenditures

Nonattainment Area Air Pollution Mitigation Enterprise - Summary FY 2022-23 to FY 2031-32

	Mitigation Per Ride	Mitigation Retail	
Fiscal Year	Fee	Delivery Fee	Total Fee Revenue
FY 2021-22	\$0	\$0	\$0
FY 2022-23	\$5,193,149	\$1,932,077	\$7,125,226
FY 2023-24	\$6,350,348	\$2,131,003	\$8,481,351
FY 2024-25	\$7,799,651	\$2,294,681	\$10,094,332
FY 2025-26	\$9,325,133	\$2,597,962	\$11,923,096
FY 2026-27	\$11,713,055	\$2,871,891	\$14,584,946
FY 2027-28	\$14,330,228	\$3,177,431	\$17,507,658
FY 2028-29	\$17,528,868	\$3,432,886	\$20,961,753
FY 2029-30	\$21,626,892	\$3,900,463	\$25,527,354
FY 2030-31	\$26,448,435	\$4,328,152	\$30,776,588
FY 2031-32	\$31,857,744	\$4,808,073	\$36,665,817
10-Year Total	\$152,173,502	\$31,474,619	\$183,648,121



Choosing Projects and Seeking Public Input

- Projects must be in nonattainment areas (DRCOG & NFRMPO areas).
- Seek input from communities, including but not limited to disproportionately affected communities and local governments, to:
 - Mitigate the environmental and health impacts of highway projects
 - Reduce traffic congestion
 - Improve neighborhood connectivity for communities adjacent to highways
- The Enterprise shall include mitigation strategies that take into account the input as well as issues and impacts of particular importance to the state such as reduction of greenhouse gas emissions and fine particulate matter.



Future Meetings and Agenda

Upcoming Dates:

- April 14, 3:00 PM 4:30 PM Board Meeting & Proposed Permanent Rulemaking Hearing
- May 26, 3:00 PM 4:30 PM Nonattainment Board Meeting
- June 26, 2022, 3:00 PM 4:30 PM Nonattainment Board Meeting
- Wednesday, June 1st Deadline to Publish/Post 10-year Plan

Upcoming Meeting Topics:

10 Year Plan Development



NAAPME Information & Resources

Nonattainment Area Air Pollution Mitigation Enterprise

The Enterprise mitigates the environmental and health impacts of increased air pollution from motor vehicle emissions in nonattainment areas.



Contact Us Multimodal Planning Branch Division of Transportation Development 2829 W. Howard Place, 4th Floor Denver, CO 80204 dot_dtd_multimodalplanning@state.co.us Resources **Board Appointments Enterprise Funds** Board Powers & Duties **Upcoming Meetings** February 24, 2022 3:00 pm Link to YouTube Live Link to Meeting materials - will be posted 24 hours

prior to meeting

Clean Fleet Enterprise Update

Steve McCannon, CFE Acting Board Administrator March 29, 2022



Clean Fleet Enterprise

- SB21-260 created four new enterprises with the Clean Fleet Enterprise within CDPHE
- CFE Business Purpose:
 - Incentivize and support the use of electric motor vehicles and compressed natural gas motor vehicles that are fueled by recovered methane.
 - For businesses and governmental entities that own or operate fleets of motor vehicles, including fleets composed of personal motor vehicles owned or leased by individual contractors who provide prearranged rides for transportation network companies or deliver goods for a third-party delivery service.
- \$289M projected over 10 years for these efforts





Board Membership

		Term End
Steve McCannon	CDPHE Mobile Sources Program Director, and Acting Board Administrator	
Michael Ogletree	CDPHE Air Pollution Control Division Director	
Kay Kelly	Colorado Department of Transportation	
Maria Eisemann	Colorado Energy Office	77
Carlos Gonzalez	Community representative	09-28-2024
Greg Fulton	Transportation expert	09-28-2024
Tim Reeser	Motor vehicle fleet electrification expert	09-28-2024
Huma Seth	A business that operates a motor vehicle fleet representative	09-28-2024
Will Allison	Air quality expert	09-28-2025
John Tayer	Business or supply chain management expert	09-28-2025



CFE Work To-Date

- We have held five board meetings
 - Meetings will be held on the 4th Thursday of the month
- Ten Year Plan was awarded to Fellsburg, Holt & Ullevig
- Performing outreach to communities and stakeholders
- Monitoring Bipartisan Infrastructure Law (BIL)





CFE Statutory Goals



- Reduce health disparities in disproportionately impacted communities
- Mitigate environmental and health impacts of air pollution and greenhouse gas emissions from fleet motor vehicles used in TNCs and retail deliveries
- Help fleets finance electric, hydrogen and RNG vehicle acquisitions.
- Set fee to finance efforts





CFE Potential Offerings

- Electrification of transportation network companies
- Electric and RNG vehicles for city, county, nonprofit, higher education, private companies
- Bus, delivery, shuttle vehicles.
- Electric transportation refrigeration units (eTRU)
- Clean workforce development efforts







Fee Setting Process

- Codified the fees set in statute 2/24/22
- Clean fleet retail delivery fee: five and three-tenths cents for retail deliveries
- Clean fleet per ride fee: three and three-quarters cents in a zero emissions vehicle and seven and one-half cents in a gasoline/diesel powered vehicle







Thank you! ¡Gracias!

Clean Fleet Enterprise

cdphe.colorado.gov/clean-fleet-enterprise

CDPHE_CleanFleets@state.co.us



Community Access Enterprise

Clean Transit Enterprise
Board of Directors Meeting
March 29, 2022

Carrie Atiyeh, CAE Board Administrator and Senior Program Manager



Community Access Enterprise Creation

- Created by Colorado Legislature through Senate Bill (SB) 21-260 and housed within the Colorado Energy Office (CEO)
- Business purpose: support the widespread adoption of electric vehicles, including vehicles that originally were powered exclusively by internal combustion engines but have been converted into electric vehicles, in an equitable manner by:
 - Funding the construction of charging infrastructure throughout the state
 - Incentivizing the acquisition and use of electric motor vehicles and electric alternatives to motor vehicles in communities, including but not limited to disproportionately impacted communities, and by owners of older, less fuel efficient, and higher polluting vehicles



Community Access Enterprise Board of Directors

- Reverend Eugene Downing New Hope Baptist Church (3 year term) Chair
- Sarah Meirose Ford Motor Company (3 year term) Vice Chair
- Ryan Hurst Motiv Power Systems, Inc. (4 year term)
- Alice Laird Clean Energy Economy for the Region (CLEER) (4 year term)
- Rebecca White Colorado Department of Transportation
- Michael Ogletree Colorado Department of Public Health and Environment
- Will Toor Colorado Energy Office



Work to Date and Looking Ahead

- First board meeting in November 2021
 - Board meets the 2nd Thursday of each month, 10am-12noon
 - Meetings are open to the public and all agendas, presentations, and meeting recordings are on the enterprise website



- Fee rulemaking
- Development of Ten-Year Plan
- Online dashboard and annual reports to ensure transparency, accountability



Community Access Enterprise Funding

- Retail delivery fee as established by SB21-260
 - CAE retail delivery fee as allowed by legislation six and nine-tenths cent
 - Stakeholder engagement meetings February 15 and 22
 - Fee rulemaking public hearing March 10 board voted unanimously to approve at six and nine-tenths cent

- Anticipated funding \$310M over 10 years
- Fee collection begins July 1, 2022 by Dept. of Revenue





Ten-Year Plan Development

- Cambridge Systematics selected as vendor to develop CAE Ten-Year Plan
- Five stakeholder meetings held in March
- Plan required to be complete and posted no later than June 1, 2022
- The plan will outline how the enterprise will execute its business purpose during fiscal years 2022-2023 through 2031-2032 and estimate the amount of funding needed to implement the plan
- Flexibility vs recommended direction



Community Access Enterprise Benefits

- Equitably reduce and mitigate the adverse environmental and health impacts of air pollution and greenhouse gas emissions produced by vehicles used to make retail deliveries to consumers in local communities
- Support adoption of electric vehicles and electric alternatives to motor vehicles at the community level including rural, urban and disproportionately impacted communities throughout the state
- Support charging infrastructure to reduce range anxiety and ensure electric vehicles are viable in all communities
- Incentivize and assist owners of older, less fuel efficient and higher polluting vehicles to replace with electric vehicles, encourage use of electric alternatives and public transit

Community Access Enterprise Opportunities

- Grant, loan or rebate programs to support:
 - Charging infrastructure in public, workplace, transportation network company, multifamily and other locations
 - Chargers for communities including but not limited to disproportionately impacted communities
 - Chargers for medium- and heavy-duty vehicles including refrigerated trailers
 - Infrastructure to support hydrogen fuel cell motor vehicles
 - Networks and plazas that offer fast charging
 - Inexpensive and accessible electric alternatives to motor vehicles (e-bikes and scooters)
 - Incentivize adoption of electric motor vehicles in communities including replacement of high-emitting vehicles
 - Incentives for Transportation Network Companies to increase access to overnight charging for drivers







Questions?

Thank you!

https://energyoffice.colorado.gov/community-access-enterprise





RFTA & City of Aspen Battery Electric Bus (BEB) Pilot Project





WHO IS RFTA?

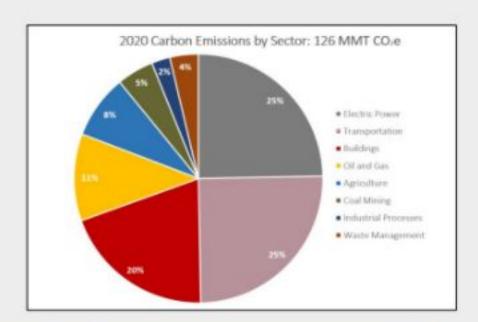
- Regional transit authority, 8 members
- 2nd largest transit agency in Colorado
- Largest rural transit agency in the nation
- First rural BRT System, opened in 2013
- Spanning four rural utility regions
- 5.5 million passengers (2019)
- 5.15 million miles of service (2019)
- 350 employees during peak winter season
- 34-mile Rio Grande Rail Corridor and Trail
- \$78 million total budget (2022)
- 100 revenue service vehicles
 - 36 compressed natural gas (CNG)
 - 8 battery electric buses (BEBs)
 - 12 older diesel-electric hybrids







WHY ELECTRIC?







Achieving Colorado's ZEV Transit Goals

-0-•-0-•-

Transit ZEV Roadmap Goal: Full transition of Colorado's transit fleet to Zero Emission Vehicles.

The Transit ZEV Roadmap is an outcome of the 2020 Colorado EV Plan and supports the following transit goals:

- Transitioning 1,000 transit vehicles to ZEVs by 2030.
- Operating a 100 percent ZEV transit fleet by 2050.

WHY RFTA?









TIMELINE

- Jan. 2017 scoping workshop with bus vendors
- Combined FTA LoNo and other grants
- \$8.5 m project (50% local funding)
- (8) New Flyer XE40 CHARGE Excelsior buses
- (4) dual ABB 150 kW depot chargers
- Holy Cross Energy (HCE) time of use tariff
- Revenue operation in December 2019
- Fleet Diversity: 1/3 diesel, 1/3 CNG, 1/3 ZEV
- 2 years: 400,000 miles, 155 mile range, 1.6
 kWh/mile
- Microgrid planning study, resiliency
- RFP for first on-route charger in Aspen





LESSONS LEARNED

Quiet, Comfortable, Innovative & Clean

- Coordinate early with utility companies
- Climate Action Plan, Zero Emission Bus (ZEB) Transition Plan
- Seamless vendor contracts
- Striving for 1:1 operational environment
- Charging infrastructure: depot/on-route, shared
- Data integration
- Total cost of ownership, O&M by fuel type
- Regenerative braking on icy roads
- Share with peers
- Driver champions
- Maximize public support



Minimal bumps encountered in RFTA's electric bus roll-out in Aspen, valley

New Case Study: Roaring Fork Transportation Authority Is Charged Up on Electric Buses and Their Data

Glenwood Springs and Aspen in Colorado ramp up plans for EV charging stations





10-Year Plan Discussion



Clean Transit Enterprise 10-Year Plan

Requirements

- (10)(a) TO ENSURE TRANSPARENCY AND ACCOUNTABILITY, THE ENTERPRISE SHALL:
- (I) NO LATER THAN JUNE 1, 2022, PUBLISH AND POST ON ITS WEBSITE A TEN-YEAR PLAN THAT DETAILS HOW THE ENTERPRISE WILL EXECUTE ITS BUSINESS PURPOSE DURING STATE FISCAL YEARS 2022-23 THROUGH 2031-32 AND ESTIMATES THE AMOUNT OF FUNDING NEEDED TO IMPLEMENT THE PLAN. NO LATER THAN JANUARY 1, 2032, THE ENTERPRISE SHALL PUBLISH AND POST ON ITS WEBSITE A NEW TEN-YEAR PLAN FOR STATE FISCAL YEARS 2032-33 THROUGH 2041-42;
- (II) CREATE, MAINTAIN, AND REGULARLY UPDATE ON ITS WEBSITE A PUBLIC ACCOUNTABILITY DASHBOARD THAT PROVIDES, AT A MINIMUM, ACCESSIBLE AND TRANSPARENT SUMMARY INFORMATION REGARDING THE IMPLEMENTATION OF ITS TEN-YEAR PLAN, THE FUNDING STATUS AND PROGRESS TOWARD COMPLETION OF EACH PROJECT THAT IT WHOLLY OR PARTLY FUNDS, AND ITS PER PROJECT AND TOTAL FUNDING AND EXPENDITURES;
- (III) ENGAGE REGULARLY REGARDING ITS PROJECTS AND ACTIVITIES WITH THE PUBLIC, SPECIFICALLY REACHING OUT TO AND SEEKING INPUT FROM COMMUNITIES, INCLUDING BUT NOT LIMITED TO DISPROPORTIONATELY IMPACTED COMMUNITIES, AND INTEREST GROUPS THAT ARE LIKELY TO BE INTERESTED IN THE PROJECTS AND ACTIVITIES; AND
- (IV) PREPARE AN ANNUAL REPORT REGARDING ITS ACTIVITIES AND FUNDING AND PRESENT THE REPORT TO THE TRANSPORTATION COMMISSION CREATED IN SECTION 42-1-106 (1) AND TO THE TRANSPORTATION AND LOCAL GOVERNMENT AND ENERGY AND ENVIRONMENT COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE TRANSPORTATION AND ENERGY COMMITTEE OF THE SENATE, OR ANY SUCCESSOR COMMITTEES. THE ENTERPRISE SHALL ALSO POST THE ANNUAL REPORT ON ITS WEBSITE. NOTWITHSTANDING THE REQUIREMENT IN SECTION 24-1-136 (11)(a)(I), THE REQUIREMENT TO SUBMIT THE REPORT REQUIRED IN THIS SUBSECTION (10)(a)(IV) TO THE SPECIFIED LEGISLATIVE COMMITTEES CONTINUES INDEFINITELY.



Clean Transit Enterprise 10-Year Plan

Draft Outline

Implementation & Tracking

Conclusions

Introduction Legislation and 2020 Colorado EV Plan SB21-260 Language State of Colorado ZEV Goals Anticipated Fee Revenues for FY23-FY32 CDOT Division of Accounting & Finance (CDOT DAF) and a. Fee Levels **Colorado Department of Revenue (DOR)** Anticipated Revenues by Year Potential Matching Funds Transit Electrification Barriers & Opportunities **Current State Transit Fleet Inventory** Technology Availability **Colorado Transit Zero Emission Vehicle Roadmap** Barriers to Implementation Anticipated Costs & Timelines Supporting Policies & Actions Clean Transit Enterprise Funding Strategy **Funding Mechanisms Funding Category Prioritization Project Prioritization** Potential Focus of Clean Transit Enterprise Board Match Levels **Scrapping Requirements** & Stakeholder Conversations Replacement Ratios Other Policy Decisions



Funding Mechanisms

The Enterprise is authorized to make "grants, loans, and rebates" in support of its business purpose

- Grants have historically been the primary means of CDOT and the FTA supporting transit
 agencies in their activities, including the transition to zero-emission vehicles
 - It is anticipated that the Board and agency stakeholders would like this to continue
- Loans have not been commonly used by CDOT in the past, but could be a beneficial tool for transit agencies in some cases.
- Rebates are more typically employed for high-volume, lower dollar, and generally standardized equipment purchases that can be vetted in advance rather than through a more labor intensive application review process



Funding Mechanisms

Key Questions

- Should the 10-Year Plan exclude any of these 3 mechanisms, prioritize them, or leave this question to future guidance documents and/or 10-Year Plan updates?
- Are there specific transit needs (in line with the business purpose of the CTE) that loans are well-suited to address?
- Are there specific transit needs (in line with the business purpose of the CTE) that rebates are well-suited to address?
- Are there other considerations or points of discussion?



Funding Categories

The primary business purpose of the Enterprise is "reduce and mitigate the adverse environmental and health impacts of air pollution and greenhouse gas emissions produced by motor vehicles used to make retail deliveries by":

- Replacing gasoline and diesel transit vehicles with "electric motor vehicles" (including conversions)
- Providing associated charging infrastructure
- Supporting facility modifications that allow for the safe operation and maintenance
- Funding planning studies that enable transit agencies to plan for electrification



Funding Categories

Key Questions

- Should there be a prioritization of the 4 eligible funding categories over the course of the 10-Year Plan, or in individual subsections of that time period?
- Should there by funding percentage caps for any or all of the 4 categories over the course of the 10-Year Plan, or in individual subsections of that time period?
- Are there other considerations or points of discussion?



Project Prioritization

Among the 4 eligible project types, individual applications may need to be prioritized in the context of limited funding. There are multiple factors which might be considered in prioritizing individual projects, including:

- Geographic location (urban, rural, etc.)
- Proximity/service to disproportionately impacted communities
- Anticipated emissions reduction
- Vehicle type (bus, cutaway, van, etc.)
- Vehicle age
- Applicant match level
- Existing services vs. new services
- Other agency characteristics



Project Prioritization

Key Questions

- Which factors should be considered in project prioritization?
- Should these factors be weighted in a specific manner?
- Would project prioritization be similar across each of the 4 eligible categories, or differ for each?
 - For instance, vehicle type vs. charger type
- Are there other considerations or points of discussion?



Applicant Planning Requirements

SB21-260 does not speak directly to any requirement for applicant transit agencies to develop fleet electrification plans, however it is considered a best practice to ensure that grantee agencies are positioned for successful implementation before funding vehicles or infrastructure.

FTA recently expanded its planning requirements for 5339(b) and 5339(c) grants that involve zero-emission transit vehicles. They include:

- A long-term fleet management plan
- Analysis of current and future financial resources
- Relevant policy and regulation impacting adoption
- Existing facility analysis
- Utility and/or fuel provider coordination
- Impacts on agency workforce



Applicant Planning Requirements

Key Questions

- Which level of existing planning should be expected from applicants (of non-planning projects)?
- What is the right balance between planning requirements supporting successful implementation vs. presenting a barrier to entry?
- How closely should potential planning requirements be aligned with those of the FTA?
- Are there other considerations or points of discussion?



10-Year Plan Topics Coming Up in April

- Required Match Levels
- Vehicle Scrapping
- Vehicle Replacement Ratios
- Data Reporting Requirements
- Other Policy Questions





Upcoming Stakeholder Engagement Opportunities

- April 7, 2022 Transit Monthly Meeting
- April 12, 2022 Clean Transit Enterprise Board Meeting
- April 20, 2022 CEVC Transit Subgroup Meeting
- May 5, 2022 Transit Monthly Meeting
- May 13, 2022 Transit & Rail Advisory Committee (TRAC) Meeting
- May 18, 2022 CEVC Transit Subgroup Meeting
- May 23-27, 2022 CASTA Spring Conference
- May 25, 2022 Clean Transit Enterprise Board Meeting
- <u>June 1, 2022</u> 10-Year Plan Completion Deadline



Questions & Discussion





Upcoming Dates:

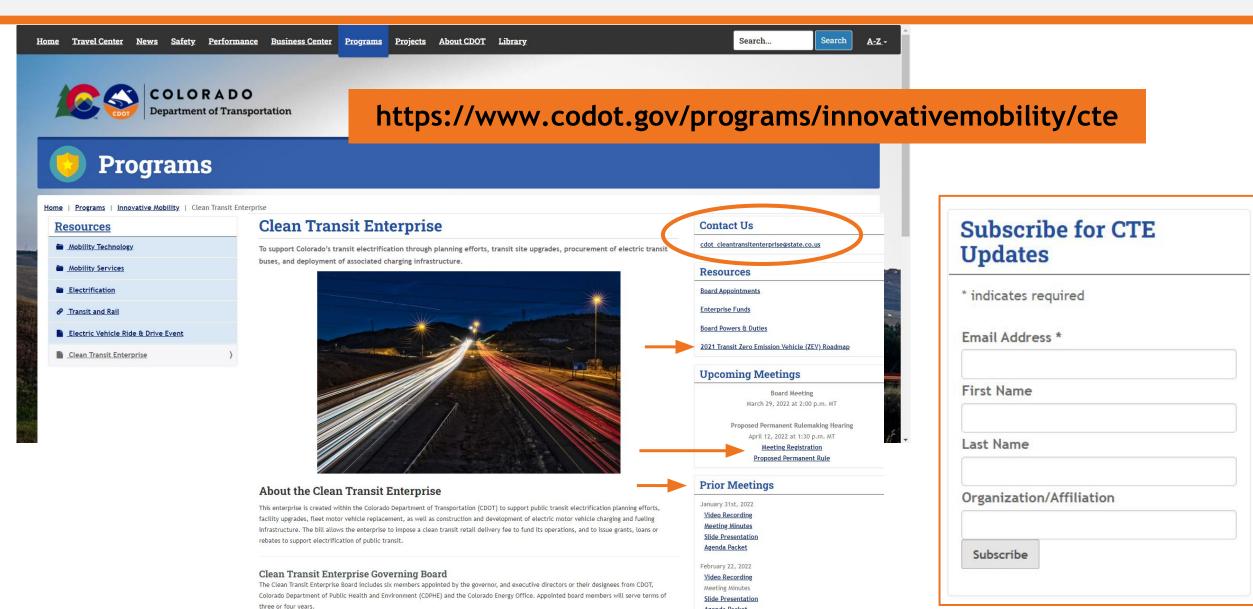
- Tuesday, April 12th CTE Board Meeting & Rulemaking Hearing
- Wednesday, May 25th CTE Board Meeting
- Wednesday, June 1st Deadline to Publish/Post 10-year Plan

Upcoming Meeting Topics:

Rulemaking Hearing and Continuation of 10-year Plan Process



Clean Transit Enterprise Information



Agenda Packet



Thank You!

