

## KITSAP TRANSIT BOARD OF COMMISSIONERS MEETING

### MINUTES OF FEBRUARY 21, 2023

#### **Board of Commissioners Present:**

Driskell, Robert, Teamsters Local No. 589, *non-voting member, Absent*

Erickson, Becky, Mayor, City of Poulsbo, **Chair**

Garrido, Charlotte, Kitsap County Commissioner

Gelder, Robert, Kitsap County Commissioner, **Vice Chair**

Mockler, Anna, Councilmember, City of Bremerton

Putansuu, Robert, Mayor, City of Port Orchard,

Schneider, Leslie, Councilmember, City of Bainbridge Island, *Absent*

Stern, Ed, Councilmember, City of Poulsbo

Walters, Katie, Kitsap County Commissioner

Wheeler, Greg, Mayor, City of Bremerton

#### **Staff Present:**

Sanjay Bhatt, Marketing & Public Information Director; Michael Bozarth, Operations Directors; John Clauson, Executive Director; Dennis Griffey, Vehicle and Facilities Maintenance Director; Michelle Jayroe, Customer Service Manager; Steffani Lillie, Service and Capital Development Director; Stephanie Milne-Lane, Clerk of the Board; Mary Pauly, Human Resources Director; Charlotte Sampson, Executive Assistant/Deputy Clerk of the Board; Raymond Scott, Marine Services Director; Dan Sirotzki, ESMS Coordinator; Paul Shinnors, Finance Director; Jeff Vinecourt, ACCESS Operations Manager; Christian Vosler, Public Information Coordinator; Sonya Zierden, ACCESS Operations Technical Specialist;

**Absent:** David Weibel, Legal Counsel

**1. CALL TO ORDER:** Chairperson Erickson called the meeting of the Kitsap Transit Board of Commissioners to order at 8:30AM.

#### **2. AGENDA REVIEW**

Mayor Erickson asked the Board if they would like any changes made to the agenda. No changes were suggested.

#### **3. CHAIRPERSON'S COMMENTS**

Mayor Erickson noted that many of the elected officials in the meeting were in Olympia last week.

#### **4. FULL DISCUSSION /ACTION ITEMS:**

- a. Presentation: Zero Emissions Transition Plan

Executive Director John Clauson explained that the presentation would provide the Board with the steps that Kitsap Transit has taken to work towards zero carbon emissions. Clauson noted that guidelines from the state and federal government regarding the adoption of clean energy prompted Kitsap Transit to pursue its zero emissions goal. Kitsap Transit's first alternative energy venture was transitioning the *ACCESS* fleet from diesel to propane. Currently, 47 of 63 *ACCESS* buses – roughly 75% – are powered by propane. New coaches delivered in 2023 will increase that number to 58 propane powered buses, which equates to 92% of the *ACCESS* fleet. Clauson noted that the propane buses are operating well.

Next, Clauson shared information on battery electric buses, taking care to note that the technology is evolving. Clauson articulated Kitsap Transit's plan to adopt battery electric buses in the agency's routed fleet. In 2021, Kitsap Transit possessed 2 battery electric buses in its fleet. The agency anticipated significantly increasing the number of battery electric buses in its fleet to 30 by 2024. Clauson shared Kitsap Transit's plan to install charging stations to adequately power the increase in battery electric buses.

Executive Director Clauson and Mayor Erickson exchanged thoughts on the difficulties associated with the electricity on the Kitsap Peninsula. Clauson noted that he and Mayor Wheeler were finalizing the details of an Energy Summit that would take place in late March, which would involve Puget Sound Energy representatives.

Continuing the topic of charging, Clauson explained that the Silverdale Transit Center was being designed to incorporate 4 flush-mount inductive charging stations. He noted that while funding had not been awarded, it had been identified for inductive charging at the Bremerton Transportation Center, West Bremerton Transit Center, and the Bainbridge Island Transit Center. Additionally, the Port Orchard Transit Center and the park & rides at Day Road, Sedgwick, and Sidney would be designed with inductive charging systems.

Mayor Erickson and Executive Director Clauson discussed how quickly a bus could be recharged using inductive charging. Clauson indicated that it was his understanding that a bus could run for an hour and then return to the inductive charging station, where it would be fully charged in 5 minutes. Erickson and Clauson also conversed over the safety of inductive charging stations. Clauson noted that the inductive charging stations did not pose a safety concern. Councilmember Mockler inquired about the durability of the inductive charging stations. Executive Director Clauson indicated that the technology had been around for roughly a decade.

Executive Director Clauson offered a comprehensive summary of all the steps Kitsap Transit had taken to lower its emissions, which included the addition of propane, R99 diesel, and battery electric coaches. Collectively, these efforts will reduce Kitsap Transit's emissions from its 2015 figure of 59,580 metric tons to 10,814 by 2024. Of note is that this reduction excludes the Worker/Driver program and Marine Services. Clauson mentioned that while the agency had not been using R99 long, the vehicles using it are performing well. Kitsap Transit's ESMS Coordinator Dan Sirotzki offered the Board additional information on R99. He noted that the product Kitsap Transit was utilizing derived from algae. The federal government just acknowledged that the

company (Neste) produced the cleanest form of R99 that is available. Sirotzki explained that what makes R99 work so well is that it is chemically bonded the same as diesel, but the actual source of energy derives from hydrogen, as it possesses very low carbon. While the cost of R99 is more expensive than regular diesel, Clauson noted the federal government was providing some assistance.

Moving on to the next topic, Executive Director Clauson brought up hydrogen fuel cell technology. Clauson played a video from YouTube that explained how hydrogen fuel cell technology worked. Clauson explained that it was his understanding that to use hydrogen fuel cell technology, transit agencies would place a hydrogen generator on a battery electric bus, which would then allow the fuel cell technology to charge the batteries and extend the range of a battery electric bus.

Clauson noted that SunTrans, a transit agency located in Palm Springs, California, uses hydrogen fuel cell technology and was kind enough to loan Kitsap Transit one of its hydrogen powered buses. It offered an opportunity to learn more about the technology and how a hydrogen powered bus operated. Commissioner Walters inquired about the safety around hydrogen powered buses and if local fire departments should be equipped with special equipment in the event of an emergency. Clauson indicated that there were no more safety concerns than a diesel-powered bus since the hydrogen escapes the vehicle and does not pool. Clauson noted that Facilities and Vehicle Maintenance Director Dennis Griffey and his team had a collaborative relationship with local fire departments and frequently shared emerging information on alternative energy equipment and technology.

Mayor Erickson inquired about Kitsap Transit's long term strategy regarding alternative energy. Clauson maintained that, in his view, all the alternative energy sources that Kitsap Transit was using and/or exploring possessed merit.

Returning to the topic of hydrogen, Clauson shared that on a trip to Oakland, California, he was able to learn more about fuel cell electric vehicle fueling. Clauson explained that Kitsap Transit has started exploring hydrogen and has identified the West Bremerton Transit Center as a potential location for hydrogen production, storage, and distribution. Clauson indicated that one of the issues the agency was currently grappling with is the fact that transit agencies were not allowed to retail hydrogen. A bill is currently working its way through the legislature that would allow transit agencies to retail hydrogen.

Transitioning to another topic, Clauson brought up alternative fuels tax credits, specifically propane reimbursement. Clauson explained that the tax credits were a revenue source for Kitsap Transit. On August 7, 2022, the U.S. Senate passed the Inflation Reduction Act (IRA). The IRA contains a significant number of climate and energy tax proposals, many of which were previously proposed in substantially similar form by the House of Representatives in November 2021, specifically in the Build Back Better Act. The IRA would extend the existing tax credit for biodiesel and renewable diesel at \$1.00/gallon and the existing tax credit for alternative fuels at \$.50/gallon through the end of 2024. The IRA would introduce, as new section 45V, a clean hydrogen

production tax credit. To be eligible, a taxpayer must produce the clean hydrogen after December 31, 2022 in facilities whose construction begins before January 1, 2033.

Moving forward with the presentation, Executive Director Clauson shared information on the Pacific Northwest Hydrogen Association's Hydrogen Hub Project. Hydrogen Hubs are part of the Bipartisan Infrastructure Law (BIL), which includes \$9.5 billion for clean hydrogen and requires feedstock diversity across Hubs. Clauson explained that Kitsap Transit anticipated joining several other Washington transit agencies in a Hydrogen Hub Project. While most of the other agencies run along the I-5 corridor, Kitsap Transit would participate as a potential supplier of hydrogen. Collectively, the transit agencies participating in the Pacific Northwest Hydrogen Association Hub Project would be co-applicants for a federal grant to fund the I-5 corridor project, which would cost around \$70 -75 million. As part of the larger project, Kitsap Transit would install a 5-megawatt hydrogen electrolyzer at the West Bremerton Transit Center, which would cost \$10 million. The hydrogen electrolyzer would produce more energy than Kitsap Transit could use, so the agency would be in the position of retailing the excess to other transit agencies or the public. While Kitsap Transit would be a co-applicant, the grant agreement would be solely between the agency and the federal government. The funding from the federal government would be for \$5 million, which means Kitsap Transit would need to contribute \$5 million for the project.

Clauson summarized Governor Inslee allocated funds to the state Department of Commerce to hire a consultant and apply for the U.S. Department of Energy's Hydrogen Hubs program. Kitsap Transit would be working with the Pacific Northwest Hydrogen Association to become a co-applicant on a \$32.5 million grant ask that will total \$75 million with a required 50% match. If approved, Kitsap Transit's portion of the grant request would amount to \$5 million, totaling \$10 million in funding with Kitsap Transit's match requirements. Kitsap Transit staff will perform its due diligence regarding the feasibility of a hydrogen fuel fleet and production prior to accepting and obligating potential grant funds. Clauson noted that Kitsap Transit would learn if the grant application was successful by Fall 2023. Kitsap Transit would have two or more years before needing the local match, during which staff will apply for state grant funding to satisfy the local match requirement.

Councilmember Mockler inquired about the due diligence aspect of the project. Executive Director Clauson assured Mockler that Kitsap Transit would consider a host of different aspects and would learn from other agencies regarding hydrogen energy.

Mayor Putaansuu noted that there were serious constraints with the existing electrical grid and maintained that it was likely worthwhile to diversify what alternative energy sources the agency will use. Clauson underscored that the hydrogen electrolyzer would require electricity use.

Mayor Erickson commented that it was important to diversify since no one knows for sure where technology and resources are going. Commissioner Gelder echoed the need for Kitsap Transit to remain diversified.

Commissioner Garrido inquired about how diversified technology would impact the agency's workforce. Executive Director Clauson indicated that Kitsap Transit staff have adapted well to servicing battery electric buses and would do the same with other emerging technologies.

Councilmember Stern inquired how Kitsap Transit compared to its peers with respect to their hydrogen fuel cell programming and budget. Clauson indicated that C-Tran, Community Transit, Clallam, and Pierce Transit were all moving forward with hydrogen fuel cell technology.

*b. Resolution No. 23-13, Commitment to Support Grant Application for Hydrogen Funding*

**Mayor Wheeler moved and Mayor Putaansuu seconded the motion to adopt Resolution No. 23-13, granting staff permission to participate as a co-applicant with the Pacific Northwest Hydrogen Association in support of a grant application for hydrogen funding that could result in a potential match requirement of up to five million dollars (\$5,000,000).**

**Discussion:**

**Councilmember Mockler inquired what size of bus the hydrogen was capable of powering.**

**Executive Director Clauson explained that currently hydrogen fuel cell technology could power a 35-foot bus.**

**Mockler inquired if 35-foot buses were currently filled to capacity and if they were ever filled to capacity before the pandemic.**

**Executive Director Clauson answered no, the 35-foot buses were not currently filled with passengers. Clauson further explained that there were instances where 35-foot buses were at capacity, citing Route 90 that runs from Poulsbo to Bainbridge Island.**

**Mayor Putaansuu indicated that the agency would need to fuel the buses and it was important to do so in the most environmentally friendly way as possible.**

**Councilmember Mockler inquired if a CDL was required to drive an ACCESS bus.**

**Executive Director Clauson indicated that Operators obtained a CDL because if offered flexibility.**

**Mockler clarified that she was inquiring because she thought it might behoove the agency to hire more Operators to drive smaller buses that made more frequent trips.**

**Clauson indicated that most of the smaller buses do not support a robust array of alternative energies.**

**Motion passed unanimously.**

Next, Executive Director Clauson explained that Kitsap Transit would be dealing with Carbon Credits in association with WSTA. He stated that there would be additional information on the topic next month.

*c. Seattle POF Early Scoping Update and Next Steps*

Executive Director Clauson provided an update on the Seattle passenger-only ferry siting. He explained that Kitsap Transit went through all of the requirements and gathered comments from entities and agencies across the state.

Service & Capital Development Director Steffani Lillie shared that the Federal Transit Administration (FTA) had approved the early scoping document that Kitsap Transit had submitted. Lillie explained that in the next meeting Kitsap Transit staff would ask the Board to approve the agency's preferred alternative siting location. She maintained that within two to three years Kitsap Transit would be looking for site acquisition on the Seattle waterfront.

Mayor Erickson inquired if the site would be for Kitsap Transit exclusively.

Executive Director Clauson explained that King County already has a facility and does not need to leave. He assured Mayor Erickson that they are aware of Kitsap Transit's siting work. Clauson indicated that Kitsap Transit was designing what the agency needed to operate its POF service effectively and efficiently. Clauson noted that at the next meeting Kitsap Transit staff would be requesting permission to hire a consultant who would work at the FTA to assist with that agency's workload concerns and with pushing through Kitsap Transit's projects.

## **5. EXECUTIVE DIRECTOR ITEMS**

Executive Director Clauson deferred his comments until the next meeting.

## **6. PUBLIC COMMENTS**

Karen Maupin of Manette shared that since the establishment of the fast ferry her property has experienced 18 inches of erosion. Maupin indicated that she felt the fast ferries were important for Kitsap County. She explained her issue were the waves that the fast ferry produced. Maupin requested the Board do more than just have Kitsap Transit monitor the beach erosion. Maupin noted that she has never received action from Kitsap Transit, only continued monitoring. Maupin articulated that her property was never included in the Rich Passage Wake Study. Maupin explained that she and her husband attended a previous Kitsap Transit Board Meeting and shared that thunderous waves were hitting their bulkhead and that erosion was present. In response, Kitsap Transit added the Maupin property as another study location. Maupin asserted that Kitsap Transit moved the direction of the fast ferry from the middle of the channel to the south toward Port Orchard, which moved erosion from the east end of their property to the west end of their property. Maupin indicated that a surveyor came out and located the survey markers associated

with the property and that the markers now stuck out several inches. Maupin underscored how worried she is about the erosion on her property. She also explained that the footings on her bulkhead are now exposed, making it susceptible to further damage. Maupin explained that she has asked Executive Director Clauson, Mayor Wheeler and Councilmember Mockler to come walk her beach to see the erosion. Maupin indicated that she has received no response. Maupin closed her public comment by stating that she would be following up with a memo to the Board.

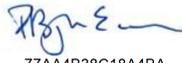
## 7. FOR THE GOOD OF THE ORDER

Councilmember Mockler shared she attempted to use Kitsap Transit's website to find a bus route that would take her to the Board Meeting. She noted that there was nothing that provided insight into the closest bus stop to her, only time points. Mockler further noted that she was unable to quickly locate the route that would be most applicable for her to take. She acknowledged that she might be website challenged, but also encouraged others at the meeting to do the same thing she did and see what their experience was like.

Mayor Putaansuu noted that everyone who served on the Board did extra service. He shared that he was in Olympia last week and briefly met with Governor Inslee. After the interaction, one of Governor Inslee's staff found Mayor Putaansuu and asked for additional data regarding the conversation. Putaansuu asserted that local elected officials do make a difference and voiced optimism regarding possible changes regarding homelessness and safety.

**8. ADJOURN:** At 10:03AM, Chairperson Erickson adjourned the regular meeting.

**ADOPTED** by the Board of Commissioners of Kitsap Transit at a regular meeting thereof, held on the 4th day of April, 2023.

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Rebecca Erickson, Chairperson

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Charlotte Sampson  
Deputy Clerk of the Board