



Board Report

File #: 2024-1139, File Type: Policy

Agenda Number: 36.

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE JULY 17, 2025

SUBJECT: METRO NON-REVENUE VEHICLE PROCUREMENT POLICY

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

ADOPT the Metro Non-Revenue Vehicle Procurement Policy (Attachment A).

YAROSLAVSKY AMENDMENT: In the policy under Section VI.1, bullet 3, strike through "and the Chief Operating Officer (COO)" and report back annually on the implementation of the policy.

ISSUE

This report is in response to a Board approved amendment by Director Yaroslavsky requesting the development of a non-revenue vehicle purchasing policy that prioritizes zero-emission vehicles (ZEVs). The Metro Non-Revenue Vehicle Procurement Policy establishes a framework for transitioning Metro's Non-Revenue Fleet to ZEV. This policy supports Metro's climate and sustainability goals, including a 79% reduction in operational emissions by 2030 compared to 2017 levels. For specialty vehicles not yet available in zero-emission configurations, the policy requires the use of the cleanest fuel options currently available.

BACKGROUND

With the purchase of 147 electric vehicles (EVs) through the State Contract, Metro will increase its electric vehicles to 13% of the total non-revenue fleet. The proportion of zero-emission vehicles will continue to grow in alignment with the fleet replacement schedule.

At its January 2025 meeting, the Board approved amendments related to the replacement of non-revenue vehicles through the California statewide contract. Specifically, the Director Yaroslavsky amendment directed the development of a non-revenue vehicle purchasing policy that prioritizes ZEVs and mirrors, to the extent feasible, existing zero-emission fleet purchasing policies at the City of Los Angeles and County of Los Angeles. The Director Butts amendment directed that the new policy incorporate, where needed, exceptions for sedans and other light weight vehicles used for safety and security and operational requirements.

DISCUSSION

The Metro Non-Revenue Vehicle Procurement Policy provides guidelines for the acquisition of non-revenue vehicles and supports Metro's commitment to transition to a zero-emission fleet. The policy prioritizes the adoption of zero emission vehicles (ZEVs) during the procurement process.

The primary goals of this policy are to transition Metro's Non-Revenue fleet to 100% zero emission vehicles where operationally viable, in accordance with the fleet replacement schedule, ensure fiscal responsibility through strategic procurements, the use of grants/incentives, when feasible, and procure vehicles with appropriate range capabilities to meet all operational scenarios.

This policy establishes clear criteria to determine when the procurement of zero-emission vehicles (ZEVs) are appropriate. It also ensures alignment with Metro's established fleet replacement guidelines, including planning requirement for supporting charging infrastructure, and defines specific exemptions when ZEV adoption is not currently viable.

- The Transit Operational and Safety Performance (TOSP) Exception of the policy provides operational flexibility by allowing Metro departments to procure non-zero-emission vehicles when ZEV options are not yet viable for specific, or mission-critical applications. Such as vehicles that are essential to protecting public safety,

This policy supports Metro's long-term goal of transitioning to a zero-emission vehicle fleet wherever feasible and operational practical.

DETERMINATION OF SAFETY IMPACT

The Metro Non-Revenue Vehicle Procurement Policy prioritizes safety and does not compromise the safety of the vehicles or the employees who operate them.

FINANCIAL IMPACT

Adoption of the Non-Revenue Vehicle Purchasing Policy will initially result in a financial increase to the agency due to the higher up-front costs of purchasing zero-emission vehicles and infrastructure. However, this financial impact is expected to decrease over time due to the lower maintenance costs projected for battery electric vehicles and the lower cost of electricity over fossil fuels. The budget for purchasing Non-Revenue vehicles is allocated within Cost Center 3790, Maintenance Administration, Non-Revenue Vehicles and 3196, Central Oversight & Analysis, under Account 53106, Acquisition of Service Vehicles. Additional funding may also come from other departments for their specific projects. As this policy pertains to future vehicle purchases, the project manager, cost center manager, and Deputy Chief Operations Officer of Maintenance and Engineering will be responsible for budgeting the costs for future fiscal years.

Impact to Budget

The initial impact on the budget is substantial due to the higher purchase price for zero-emission

vehicles and the costs associated with installing zero-emission charging and/or fueling infrastructure. However, several programs are available to help offset these additional expenses. Metro is currently leveraging the Southern California Edison Charge Ready program, where applicable to cover most of the costs related to Battery Electric Vehicle charging infrastructure. The agency will continue to pursue funding opportunities to minimize the financial burden of replacing Internal Combustion Engine powered vehicles with Zero Emission Vehicles. The current sources of funds for this action are the State Transportation Development Act (TDA) and Local Measure R 35%. TDA funding is eligible for Capital and Operating Projects, and Measure R 35% is not eligible for Bus and Rail Operations.

EQUITY PLATFORM

This action advances Metro's sustainability and environmental justice principles by addressing pollution disparities in communities disproportionately impacted by high-emission vehicles. The Metro Non-Revenue Vehicle Procurement Policy sets a goal of achieving a 100% ZEV Non-Revenue Fleet. The vehicles will be deployed throughout Los Angeles County, with a focus on supporting service delivery in Equity Focus Communities (EFCs). This policy also promotes safer, quieter, and cleaner working conditions for Metro staff, particularly those who regularly interact with the non-revenue fleet. By eliminating the harmful tailpipe emissions, the adoption of ZEVs contributes to a healthier workplace environment.

VEHICLE MILES TRAVELED OUTCOME

VMT and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining VMT trends due in part to Metro's significant investment in rail and bus transit.* Metro's Board-adopted VMT reduction targets align with California's statewide climate goals, including achieving carbon neutrality by 2045. To ensure continued progress, all Board items are assessed for their potential impact on VMT.

*Based on population estimates from the United States Census and VMT estimates from the highway performance monitoring system data between 2001-2019.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The policy supports Strategic Goal 2.3: Metro supports a customer-centric culture where exceptional experiences are created at every opportunity for internal and external customers. It will require the use of zero-emission vehicles to support various Metro functions, including bus, rail, administration, engineering, and risk management. Additionally, ZEVs will provide clean, safe, and reliable transportation services for Metro staff.

NEXT STEPS

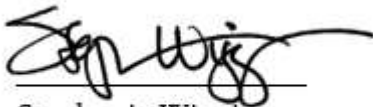
Metro will use the Non-Revenue Vehicle Procurement Policy to guide future vehicle procurements and support the agency's sustainability and environmental goals.

ATTACHMENTS

Attachment A - Metro Non-Revenue Vehicle Procurement Policy

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Stephanie Wiggins
Chief Executive Officer

Metro Non-Revenue Vehicle Purchasing Policy

I. Purpose

This policy provides guidelines for Los Angeles County Metropolitan Transportation Authority (Metro) to purchase Non-Revenue vehicles. The Non-Revenue fleet vehicles are used for maintenance, operations, support services, equipment transport, and other functions that are not directly tied to revenue service. This policy establishes a framework for the procurement across LACMTA's Non-Revenue fleet. It aligns with LACMTA's commitment to environmental sustainability and support for California's climate and emissions reduction goals.

II. Scope

This policy applies to all LACMTA departments, staff, and operations involving Non-Revenue vehicle use and procurement. LACMTA is to develop, expand, and maintain the necessary charging and fueling infrastructure to support a fully zero-emission Non-Revenue fleet.

III. Background

Metro's Board adopted Climate Goals, as stated in the 2019 Climate Action and Adaptation Plan, call for a 79% reduction in operation emissions by 2030 (compared to 2017 levels). To meet these goals, Metro will use the cleanest energy source that is feasible to power its Revenue and Non-Revenue vehicles.

IV. Policy Statement

LACMTA commits to procuring zero emission vehicles to support environmental sustainability and reduce greenhouse gases. Replacement of existing internal combustion engine (ICE) vehicles and procurement of all new zero-emission vehicles (ZEV) will be done in accordance with this policy.

Any exceptions to this provision shall be granted only for justifiable cause and must be approved by the Office of Sustainability and the Chief Operating Officer (COO).

V. Key Objectives

1. Procure Metro's Non-Revenue fleet to 100% zero emission vehicles where operationally viable, in accordance with the fleet replacement guidelines.
2. Ensure fiscal responsibility through strategic procurement and use of grants/incentives, as feasible. Metro's Non-Revenue vehicles will have suitable ranges for all operational scenarios.
3. Coordinate with the Office of Sustainability to expand zero emission vehicle infrastructure to address operational needs and range anxiety.

VI. Policy Provisions

1. Procurement of a Non-Revenue Vehicle Fleet

- Zero emission vehicles will be purchased if available and operationally feasible.
- All Non-Revenue vehicle purchases will be in compliance with current laws and regulations.
- Any exceptions to this provision shall be granted only for justifiable cause and must be approved by the Office of Sustainability and the Chief Operating Officer (COO).
- All zero emission vehicle purchases are predicated on the availability and feasibility of charging or fueling infrastructure.

2. Non-Revenue Fleet Replacement Schedule

The following guidelines are established to support a systematic, consistent, and strategic approach to the replacement of Non-Revenue fleet vehicles.

Vehicle Type	Replacement Age	Mileage Threshold
Sedans	6-10	150,000
SUVs	7-10	150,000
Vans	7-10	150,000
Trucks	10-12	150,000
Hi-Rail Vehicles	10-15	150,000

Vehicles become eligible for replacement when they meet either the established age or mileage thresholds, whichever occurs first.

Metro shall regularly assess vehicle utilization to identify opportunities for reducing fleet operating costs, improving efficiency, and ensuring optimal use of resources.

All vehicles that are retired or replaced must be formally turned in for disposal or salvage in accordance with Metro's asset management and surplus property procedures.

3. Zero Emission Vehicle Fueling/Charging Infrastructure

To ensure effective Non-Revenue vehicle operations, LACMTA will develop and implement Zero-Emission Infrastructure to include:

- Installation of Levels 2 and DC fast chargers at high-priority maintenance yards and facilities that are accessible to all Metro electric vehicles.
- Capital investment planning and coordination for building out to ensure the infrastructure is available to meet the demand of the ZEVs.
- Partnership with utility providers to ensure the power grid is sufficient to support ZEV deployment and operation.

4. Transit Operations and Safety Performance (TOSP) Exemption

This policy allows operational flexibility where zero emission options are not yet viable, revisiting exemptions annually.

- Metro departments that can demonstrate a need for vehicles with specialized performance capabilities essential to the protection of public safety and welfare, or are essential for continuity of operations systemwide, may be exempted from this policy.
- When invoking the TOSP exemption, departments must submit detailed justification as part of their exemption request, demonstrating that the requested acquisition(s) is necessary to protect the health, safety, or security of the public or is essential to the provision of transportation services and

functions. Examples of potential vehicles for this exemption include but are not limited to:

- Hi-rail vehicles are required to comply with the California Vehicle Code and other regulatory agencies. These vehicles are used for rail maintenance and emergency access on rail tracks.
- Vehicles operated by Systems Security & Law Enforcement department. These vehicles require extended range, rapid deployment capability, and high operational time.

VII. Policy Review and Updates

This policy will be reviewed periodically to ensure it aligns with evolving regulatory requirements, advances in zero-emission vehicle technologies, and Metro's sustainability goals.

VIII. Definitions

1. **Non-Revenue Vehicle:** Non-Revenue vehicles are vehicles that do not generate income directly from their use, such as maintenance vehicles, administrative transport, and support units.
2. **Sustainable Fleet:** A sustainable fleet refers to a collection of vehicles that adhere to environmentally responsible practices, minimize emissions, and optimize energy use in alignment with Metro's sustainability goals.
3. **Zero-Emission Vehicle (ZEV):** A zero-emission vehicle refers to any vehicle that produces no tailpipe emissions of pollutants or greenhouse gases during operation. This includes fully electric vehicles (EVs) and hydrogen fuel cell vehicles (HFCVs).
4. **Electric Vehicle (EV):** An electric vehicle is a type of zero-emission vehicle that operates using electricity stored in onboard batteries. EVs are powered by electric motors and produce no tailpipe emissions during operation.

IX. References

1. **Climate Action and Adaptation Plan (CAAP):** Builds on Metro's existing commitments to environmental and sustainability stewardship by creating a

visionary path for minimizing contributions to climate change while building resilience to a changing climate.

2. Zero-Emission Vehicle (ZEV) Mandate: California's ZEV program requires automakers to sell a certain percentage of zero-emission vehicles, such as battery electric, plug-in hybrid, and hydrogen fuel cell vehicles. This mandate has been a cornerstone of the state's EV strategy.
3. Executive Order N-79-20: Signed by Governor Gavin Newsom in 2020, this order sets ambitious targets, including 100% of in-state sales of new passenger cars and trucks to be zero-emission by 2035 and medium- and heavy-duty vehicles by 2045.
4. Vehicle-Grid Integration (VGI) Initiatives: Policies like the Vehicle-Grid Integration Program encourage the use of EVs to support the electricity grid through managed charging and bidirectional charging technologies.
5. Infrastructure Investments: California has allocated significant funding for EV charging infrastructure, including grants and incentives for installing chargers at homes, workplaces, and public locations.
6. Low Carbon Fuel Standard (LCFS): This policy incentivizes the use of cleaner fuels, including electricity, by providing credits to EV owners and operators.

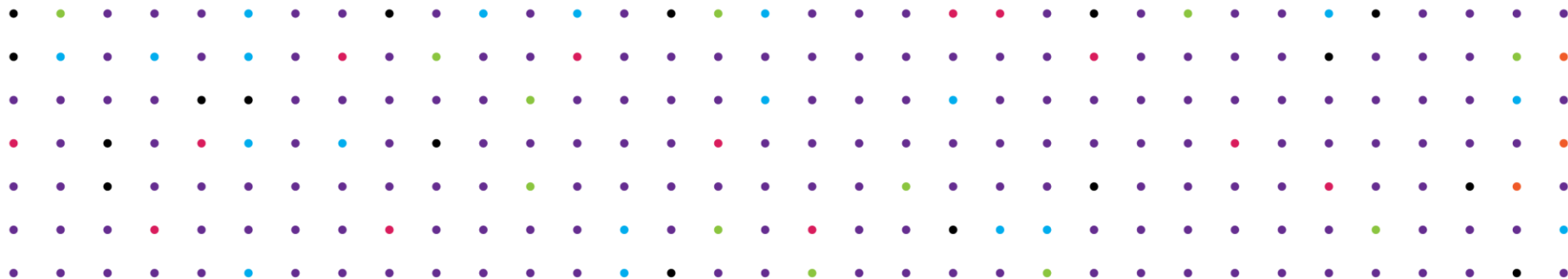
Approved: County Counsel

Department Head

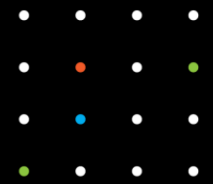
Adopted: CEO

Effective Date: _____

METRO NON-REVENUE VEHICLE PROCUREMENT POLICY



RECOMMENDATION



ADOPT the Metro Non-Revenue Vehicle Procurement Policy.

Bus Tow Truck



Rail Tamper



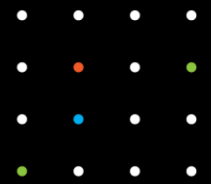
**Electric Sedan
Toyota bZ4X**



Rail Grinder

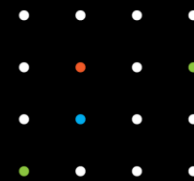


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The Metro Non-Revenue Vehicle Procurement Policy establishes a framework for transitioning Metro's Non-Revenue Fleet to zero-emission vehicles (ZEVs). This policy supports Metro's climate and sustainability goals, including a 79% reduction in operational emissions by 2030 compared to 2017 levels. For specialty vehicles not yet available in zero-emission configuration, the policy requires the use of the cleanest fuel options currently available.

DISCUSSION



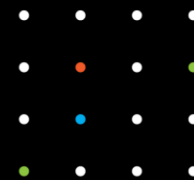
Non-Revenue Operations is responsible for the maintenance and servicing of approximately 2,400 assets, including the following types:

Equipment / Vehicle Type	Quantity
Sedan	487
SUV	286
Trucks (light, medium, & heavy)	426
Van (cargo & passenger)	260
Hi-Rail Vehicles	38
Rail Bound Equipment	28
Emergency Generator	113
Miscellaneous Equipment (electric carts, forklifts, scrubbers, yard mules, trailers, & others)	760



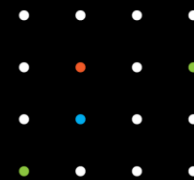
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DISCUSSION



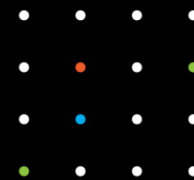
- The Metro Non-Revenue Vehicle Procurement Policy provides guidelines for the acquisition of non-revenue vehicles and supports Metro's commitment to transition to a zero-emission fleet. The policy prioritizes the adoption of zero emission vehicles (ZEVs) during procurement process wherever feasible.
- The primary goals of this policy are to transition Metro's Non-Revenue fleet to 100% zero emission vehicles where operationally viable, in accordance with the fleet replacement schedule, ensure fiscal responsibility through strategic procurements and the use of grants/incentives, and procure vehicles with appropriate range capabilities to meet all operational scenarios.
- This policy establishes clear criteria to determine when the procurement of zero-emission vehicles (ZEVs) is appropriate. It also ensures alignment with Metro's established fleet replacement guidelines, including planning requirement for supporting charging infrastructure, and defines specific exemptions when ZEV adoption is not currently viable.

DISCUSSION



- **Transit Operations and Safety Performance (TOSP) Exemption**
 - This procedure allows operational flexibility where zero emission options are not yet viable.
 - Metro departments that can demonstrate a need for vehicles with specialized performance capabilities essential to the protection of public safety and welfare, or are essential for continuity of operations systemwide, may be exempted from this policy.
 - When invoking the TOSP exemption, departments must submit a written detailed justification as part of their exemption request, demonstrating that the requested acquisition(s) is necessary to protect the health, safety, or security of the public or is essential to the provision of transportation services and functions.
 - Any exceptions to this provision shall be granted only for justifiable cause and must be approved by the Office of Sustainability and the Chief Operating Officer (COO).

DISCUSSION



- **Transit Operations and Safety Performance (TOSP) Exemption**
 - Vehicle types that may qualify for an exemption:
 - Hi-rail vehicles have operational constraints of working in tunnel environments and will continue to operate on diesel fuel until a viable battery electric high-rail vehicle is available that meets safety and operational requirements.
 - For safety purposes and as required per State of California Department of Industrial Relations (Title 8, Section 8470) it is mandatory to use diesel fuel in tunnel environments.
 - Vehicles operated by Systems Security & Law Enforcement Department. These vehicles required extended range, rapid deployment and minimal downtime.