

# ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



## STAFF REPORT

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**MEETING DATE:** 9/24/2025

**Staff Report No.** 25-436

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**TO:** AC Transit Board of Directors  
**FROM:** Salvador Llamas, General Manager/Chief Executive Officer  
**SUBJECT:** Purchase of Fifty-Seven (57) Zero-Emission Buses

### ACTION ITEM

**AGENDA PLANNING REQUEST:** ☐

**RECOMMENDED ACTION(S):**

Consider authorizing the General Manager, or his designee, to execute documents through the State of Washington Transit Bus Cooperative Contract, to purchase up to forty-seven (47) forty-foot hydrogen buses from New Flyer America and up to ten (10) thirty-five-foot battery-electric buses from Gillig LLC.

Staff Contact:  
Aaron Vogel, Chief Operating Officer

**STRATEGIC IMPORTANCE:**

Goal - Safe and Secure Operations  
Initiative - Service Quality

These new zero-emission buses will enhance service quality by replacing older and higher-polluting diesel buses currently in the fleet that have exceeded their useful life. Purchasing additional new zero-emission buses is part of the District's Zero Emissions Bus (ZEB) Transition Plan, provided to the California Air Resources Board (CARB), as required by the Innovative Clean Transit (ICT) regulation and the Federal Transit Administration (FTA).

**BUDGETARY/FISCAL IMPACT:**

The purchase of the fifty-seven (57) zero-emissions buses is expected to cost approximately \$98 million. The purchase is funded by \$70.1 million of Federal Transit Administration (FTA) and Bridge Toll funds through the Metropolitan Transportation Commission's Transit Capital Priorities Program, \$5.1 million of State of Good Repair (SGR) funds, and \$13 million from the Bay Area Air Quality Management's Community Air Protection (CAP) Program.

Finally, staff will be submitting for approximately \$13.3 million in Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) funds. An application for HVIP funds cannot be submitted until the project is within six months of a purchase order and only after the Program's annual appropriation has been approved through the State budget. Working within these constraints, staff will work with the vendor to submit for HVIP as soon as the HVIP funds open on September 9<sup>th</sup>. As a first come, first served formula program, the District

may not be awarded these funds. If staff is unsuccessful in securing HVIP funds, these purchases may be delayed or reduced to available funds.

**BACKGROUND/RATIONALE:**

The District currently has eighty-four (84) diesel buses beyond their useful life. The purchase of these ten (10) thirty five-foot (35') zero-emission battery-electric and forty-seven (47) forty-foot (40') zero-emission hydrogen buses will:

- Replace outdated buses with modern, technologically advanced units;
- Enhance fleet efficiency and reliability;
- Reduce operating and maintenance costs; and
- Lower pollutants through the latest advancements in exhaust emissions control systems.

Staff reviewed the State of Washington Transit Bus Cooperative Contract and finds it to be an appropriate means of purchasing zero emission buses. The District has conducted its due diligence in ensuring the contract was competitively sourced to meet Federal Transit Administration (FTA) required fair and reasonableness pricing standards and proper contracting procedures were undertaken during the original contracting process. In particular, the resulting master contract has been reviewed to ensure it incorporates the terms, conditions, and certifications necessary to meet all relevant FTA guidelines and requirements. AC Transit's Board Policy 465 section IV.C.4 allows for cooperative purchasing, and states in relevant part "to foster greater economy and efficiency, the District may avail itself of federal, state, and local intergovernmental agreements for the procurement of Goods or Services. Joint procurements, cooperative purchasing programs, piggybacking or lists of bidders/proposers that have been pre-qualified by another public agency, may be used when consistent with applicable state and federal statutory or grant requirements".

**ADVANTAGES/DISADVANTAGES:**

The purchase of fifty-seven (57) zero-emission buses will allow the District to replace aging diesel buses in the fleet and move the District closer to achieving the FTA Transit Asset Management (TAM) established performance targets, requiring that buses are replaced when they reach the useful life benchmark. Not purchasing the new buses means the District will have to continue operation of higher polluting diesel buses. Operating older buses beyond their useful life impacts operating costs and service reliability. Further, the District would create a larger gap in achieving the TAM-established targets.

**ALTERNATIVES ANALYSIS:**

An alternative to purchasing these buses through the State of Washington Transit Bus Cooperative Contract is to issue a Request for Proposal (RFP). This alternative is not recommended as it would require considerable District resources and time to issue the solicitation, review the proposals, award the contract(s), and prepare the contracts. Furthermore, issuing an RFP is not likely to result in more favorable pricing and/or contract terms, especially with the current economic environment.

**PRIOR RELEVANT BOARD ACTION/POLICIES:**

23-245 Fiscal Year 2023-2024 State of Good Repair Program  
21-329 Procurement of fifty (50) Forty Foot Diesel Buses

Board Policy 465 - Procurement Policy

**ATTACHMENTS:**

None

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