

# report

GENERAL MANAGER'S



*Gov. Gavin Newsom speaks about the benefits of hydrogen transit at the TrueZero Hydrogen Fuel Station in Oakland.*

## District Unveils New Test Bike Rack

Beginning September 1, 2024, bicycle riders of all ages can use the practice rack in the General Office lobby of AC Transit to learn how to properly mount and dismount their bicycles. This practice rack helps riders become comfortable with the process and ensures their bicycles are securely fastened. The goal is to give riders the confidence to bring their bicycles on their next trip.



## what's inside

- AC Transit Maintains Moody's A1 Credit Rating and Outlook
- The Rollout of New Generation Clean Diesel Buses
- Chabot College and AC Transit

## AC Transit Secures \$144 Million for Hydrogen Infrastructure and Zero Emission Bus Fleet Overhaul

For more than two decades, the Alameda-Contra Costa Transit District (AC Transit) has pioneered zero emission bus deployment, even developing the industry's first academically supported roadmap for bus fleet transition and maintenance. We are therefore honored that the Alliance for Renewable Clean Hydrogen Energy Systems (ARCHES) has awarded AC Transit \$144 million to further our commitment to revamping hydrogen fueling infrastructure, introducing all-new zero emission buses, and implementing a comprehensive workforce development plan by 2035.

In July, the U.S. Department of Energy (DOE) and ARCHES unveiled a landmark \$12.6 billion agreement to establish a clean, renewable Hydrogen Hub in California. This hub will create a network of hydrogen production sites aimed at reducing fossil fuel use across the state, with the goal of cutting carbon emissions from public transportation, heavy duty trucking, and port operations by 2 million metric tons annually.

*continued on page 2*



*Sen. Alex Padilla (left) speaks with Gov. Gavin Newsom, GM Michael Hursh, and President Joel Young about the landmark \$144 million AC Transit ARCHES award for hydrogen fueling infrastructure*

To mark this historic agreement, ARCHES hosted a special event on Friday at the TrueZero Hydrogen Fuel Station in Oakland, featuring DOE's Under Secretary for Infrastructure David Crane, California Governor Gavin Newsom, and U.S. Senator Alex Padilla. "California has led the nation with ambitious, innovative goals to combat the climate crisis, and today, we're showcasing the promise of California's renewable hydrogen-powered future," said Senator Padilla. "From the ports, to our state's population centers, to our rural communities, ARCHES will catalyze the clean hydrogen economy in California."

"Our goal has been to reimagine public transit in California, which requires shattering the old models and creating an all-new framework. So, AC Transit is extremely proud to have led a study that provides transit agencies worldwide with a practical guide to transitioning to zero emission buses," said AC Transit General Manager and CEO Michael Hursh. "With ARCHES' generous support, we can accelerate our zero emission infrastructure transition, and importantly, this funding for workforce development ensures our employees are equipped with the essential skills to operate and maintain these advanced systems for years to come." Earlier this year, AC Transit was awarded \$15 million through the Federal Transit Administration's Bus and Low- and No-Emission Grant



President Young welcoming the ARCHES delegation onto AC Transit's fuel cell bus.

Awards. This coveted award allows us to acquire 25 cutting-edge hydrogen fuel cell electric buses, replacing traditional diesel engines and accelerating us toward CA's requirement to be fully zero emission by 2040.

AC Transit currently operates 58 hydrogen fuel cell and battery electric vehicles.

## AC Transit Wins Transit's Top Honors for the 2nd Consecutive Year

2024  
ADWHEEL  
AWARDS



The American Public Transportation Association (APTA) has again honored the Marketing and Communications team with the 2024 AdWheel Grand Award for the "Spring Into Your New Career" hiring event. It is AC Transit's second consecutive year that the District has taken home the top-spot for Best Marketing and Communications on Workforce Development.

This year, the District's workforce development efforts were recognized as the best in the country, highlighted by the Spring Hiring event—a one-stop shop for bus operator candidates that resulted in 127 recruits receiving on-the-spot conditional job offers. The collaboration between Marketing,

Communications, and Recruitment teams led to over 300 candidates pre-registering for the event.

The Grand Award honored the strategies used to generate excitement and awareness, which included a partnership with Shay Diddy, a local Bay Area DJ from KMEL radio. The paid marketing campaign featured Shay promoting the hiring event, and both Shay and the KMEL Street Team

attended, providing music, swag, and prizes. Additional tactics included bus exterior ads, interior rail hangers, digital billboards, and targeted social media campaigns.

The AdWheel Grand Award recognizes the best-in-class among all the first place AdWheel Award winners. AC Transit will be presented with the Grand Award during APTA's TRANSform Conference in Anaheim on October 1.

Since 2020, AC Transit's Marketing and Communications team has won three AdWheel Grand Awards and been honored with AdWheel First Place awards for five consecutive years.



# Reinventing Routes for Food, Fun, & Outreach

AC Transit has been a bus stop network, where stops organized along a particular route, for more than 60 years. So, this summer, the Legislative Affairs and Community Relations team applied this time-honored model to its outreach.

First stop was the Laurel Street Fair. Oakland's Laurel District has hosted the Laurel Street Fair World Music Fest for 23 years. In August, the festival brought together thousands of people to enjoy amazing food and handcrafted artisan goods. The Laurel Festival thrives in an underserved area of Oakland and demonstrates that universality of joy, resilience, and connection.

Second stop, Berkeley. Here, Supply Bank and the Berkeley Unified School District distributed free bags of school supplies to K-12 students. AC Transit partnered on the event in San Pablo Park in Berkeley where LACR staff promoted Alameda County Transportation Commission's (ACTC) Student Transit Pass Program, Clipper START, AC Transit's Realign initiative, and our job opportunities. The event was free, fun, and full activities for kids of all ages.

AC Transit moved further south for the third stop to Hayward for an immersive and energetic experience at the Downtown Hayward Street Party. It was the final party of 2024 and its music, dancing, delicious foods, and car shows did not disappoint. AC Transit's booth was visited by over 150 people that evening at our booth.

The fourth stop featured AC Transit's mini-bus in Fremont. In fact, our "mini" joined more than 60 floats, bands, and dancing groups from across India at the Festival of the Globe - India Day Parade. The India Day Parade and Fair is a two-day event and one of the largest in the Bay Area.

The final stop was Oakland's 35th Annual Chinatown Street Fest. This two-day street fest was free to the public and attracted thousands of people from all over the Bay Area to savor the taste of Asia, experience the traditions of Oakland Chinatown, and support local businesses.



Top: LACR staff providing information to parents and students after receiving free school supplies at an event sponsored by SupplyBank.

Middle: AC Transit at the final Hayward Street Party of the Summer.

Bottom: Mini-Bus Strolling through Festival of Globe's India Day Parade in Fremont.



# Caltopia & AC Transit Kick Off Another Exciting Year at Cal

Temperatures and excitement were high on Sunday and Monday, August 25 and 26, as AC Transit joined more than 150 vendors for the 21st Annual CalTopia event.

Caltopia is an annual start of the school year-event at UC Berkeley. It serves as a welcome fair for new and returning students, faculty, and staff, offering them the opportunity to explore campus resources, student organizations, local businesses, and community services.

With over 35,000 students and community members in attendance, AC Transit staff were busy explaining bus service around campus and the bay. Cal students were excited to stop by the table and spin the prize wheel for branded swag like a reusable bag, or Print Shop-produced stickers, magnets, bookmarks, and notepads.

For 25 years, UC Berkeley students have accessed themselves a fee to include EasyPass, or ClassPass, which provides unlimited bus service on all AC Transit lines as long as they are enrolled. This benefit remains popular and has contributed to robust ridership among students, leading to lifelong support for public transit.



AC Transit and UC Berkeley Parking & Transportation teamed up during Caltopia to share public transit information with the masses.



## Paving New Career Paths at the San Leandro Chamber of Commerce Job Fair

On August 23rd, AC Transit's Talent Acquisition and Labor Relations teams participated in the Chamber of Commerce Job Fair at the San Leandro Public Library.

During the event, our team engaged with around 45 attendees, answering their questions about open positions and sharing insights into our company culture. We emphasized that AC Transit offers more than just a job; it provides a career path where employees can achieve long-term success and significant professional growth. Our HR team is dedicated to following up with these individuals as new recruitment opportunities become available.

AC Transit is excited to continue participating in these valuable community events and to welcome new talent to our organization.

Top: Davida Jeffries from Labor Relations responded to numerous questions about District services while managing a booth at the San Leandro Public Library.





# Congresswoman Barbara Lee Announces \$1.8MM in Federal Funding

In early August, Congresswoman Lee, along with a representative from U.S. Senator Alex Padilla's office, visited the Central Maintenance Facility (CMF). Together, our federally elected officials secured \$1.8 million through the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act (THUD), also known as Community Project Funding, to support upgrades to the maintenance bays.

This funding will enable the installation of hydrogen sensing technology and equipment at CMF, which is crucial for safely maintaining Fuel Cell Electric Buses.

During the FY 2024 federal appropriations process, AC Transit's Legislative Affairs and Community Relations staff submitted two discretionary funding requests to support the Zero Emission Bus Maintenance Bay Project, specifically to upgrade 17 maintenance bays at CMF.

CEO and General Manager Mike Hursh, Board Vice President Diane Shaw, and AC Transit's maintenance staff led a tour of the facility, demonstrating how the federal funding will be used for these critical upgrades.



U.S. Congressmember Barbara Lee and Theresa Nevins, Bay Area Representative from the Office of U.S. Senator Alex Padilla, joined CEO & GM Mike Hursh and AC Transit Board Vice President Diane Shaw to announce the allocation of \$1.8 million to assist with upgrading maintenance bays.

# The Rollout of New Generation Clean Diesel Buses

In 2021, the California Air Resources Board (CARB) implemented the Innovative Clean Transit (ICT) regulation, mandating that transit agencies transition their entire bus fleets to zero tailpipe emission technology by 2040.

AC Transit has a slight edge in deployment processes given our nearly quarter-century experience operating hydrogen fuel cell buses and more recently battery electric buses. However, transitioning to zero emission buses (ZEBs), particularly electric ones, mandates significant infrastructure changes, including the installation of charging stations and upgrades to existing power grids to handle increased electrical demands.

Since the pandemic, supply chain limitations for critical components have become a major challenge, and manufacturers are facing capacity constraints in scaling up production to meet rising demand.

Consequently, CARB modified its ICT regulation to implement a phased approach to zero-emission buses (ZEBs), allowing transit agencies to continue purchasing conventional buses through 2029.

Starting in June, Livermore-based Gillig Corporation began producing 50 forty-foot clean diesel buses. Each bus will be equipped with the latest clean diesel engine technology approved by CARB and will align with the District's ZEB Rollout Plan.

A clean diesel bus is characterized by advanced engine designs and combustion technologies that include the use of ultra-low sulfur diesel, which significantly reduces sulfur content in emissions. It also features particulate filters that capture and reduce fine particles, and catalytic systems that lower nitrogen oxide (NOx) emissions by converting them into harmless nitrogen and water vapor.

Production of these buses will continue through September 2024, with District maintenance mechanics serving as on-site quality assurance inspectors.

As the buses are delivered to the Central Maintenance Facility (CMF), the District will equip them with fareboxes, radios, and Clipper card readers for revenue service.

The new clean diesel buses will also be outfitted with state-of-the-art safety features, including a Bus Operator Protective Barrier, a passenger awareness monitor, and flip-up seating in a distinctive blue color. These features ensure compliance with Americans with Disabilities Act (ADA) regulations, accommodating wheelchair users and other mobility aid passengers.





# Certification of New Line Instructors

Recently, nine ATU Local 192 Bus Operators officially became new Line Instructors. These instructors are responsible for training new drivers and providing ongoing education for current staff on operational procedures, safety protocols, and customer service standards.

They help new recruits understand route specifics, manage passenger interactions, and navigate various traffic scenarios, ensuring they are well-prepared to handle the demands of the job. Additionally, line instructors stay updated on the latest technologies and regulatory changes, integrating these developments into their training programs to enhance overall service quality. Their expertise not only supports the professional growth of transit operators but also contributes

to the smooth and reliable functioning of public transit services, ultimately benefiting the entire community.

Line Instructors also play a crucial role in ensuring that operators understand System Sign Up requirements and receive training on new bus equipment. They are responsible for making sure that all training meets the Title 13 driver proficiency requirements.

Line Instruction is an assignment, versus a full-time position, and falls under the jurisdiction of Operations' Training and Education Department. Qualification training was conducted in two separate groups by AFSCME Local 3916 Training Instructor, John Green and veteran Line Instructor, Bus Operator Michael Winston.



*Pictured Left to Right (Group 1): Training and Education Manager, Michael F, Training Instructor John G, new Line Instructors D3 Kenneth W, D2 Ravideep A, D4 Damon B, D2 Brannan A, D6 Harwinder S, and D4 Michael W.*



*Pictured Left to Right (Group 2): Training and Education Asst. Mgr, Marvin D, Michael W, new Line Instructors D2 Kay A, D4 Russell J, D2 Gurjeet S, and D4 Anthony F along with co-trainer John G.*

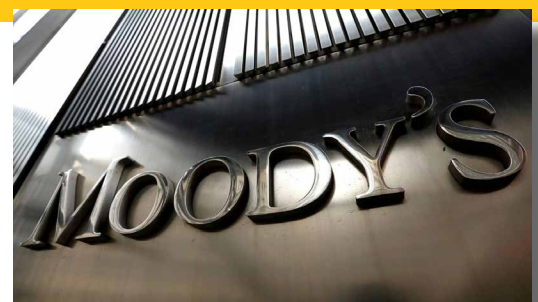
## AC Transit Maintains Moody's A1 Credit Rating and Outlook

On August 8th, Moody's maintained the District's credit rating at A1 with a stable outlook. The District has credit ratings from two firms—Moody's and S&P. While the District received a credit upgrade from S&P to AA+ in March, Moody's applies different criteria for its ratings.

AC Transit holds credit ratings due to its outstanding debt of \$10.4 million in the form of Certificates of Participation (COP), which were originally issued in 2009 and refinanced in 2019. This debt was used to finance the purchase of property on 66th Avenue in Oakland, adjacent to Division 4. The property and warehouses are partially utilized by the District, while the remainder is leased to commercial tenants. The credit rating helps purchasers of the debt assess the District's financial health and the quality of the debt being issued.

Moody's reviewed the District's credit in November 2019 when it was first issued, assigning an A1 rating with a stable outlook. Since then, Moody's has conducted annual reviews to evaluate the District's financial position and determine if further analysis was needed. This recent action marks the first full rating Moody's has conducted since 2019. The current affirmation of the A1 rating with a stable outlook reflects the District's relatively strong financial position despite the ongoing effects of the pandemic.

Moody's highlights the District's "stable financial operations, bolstered by a diverse revenue stream and the availability of one-time federal aid to offset farebox losses during and after the coronavirus pandemic. The rating also takes into account the District's strong liquidity position and its low debt burden."



# Chabot College and AC Transit

This summer, a historic milestone in public transportation was achieved as AC Transit, Chabot College, and Amalgamated Transit Union (ATU) Local 192 launched a unique partnership: the 30-year State of California Heavy Duty Coach Mechanic Apprenticeship program. This unprecedented venture is now a fully accredited 26-college-unit program.

Like the start of any academic year, AC Transit's Apprentice Mechanics gathered at the Training and Education Center and enrolled as students at Chabot College.

Nearly two years ago, the labor-management partnership, known as Progress in Action, embarked on a groundbreaking journey to transform our own curricula into a college credit-earning program. Collaborating closely with Chabot-Las Positas Community College District (CLPCCD), AC Transit's

Training and Education Department, along with the Local 192 Maintenance Training team, worked with CLPCCD to fulfill all state, CLPCCD, and Chabot College requirements. This effort led to the approval of both the course curricula and our staff as Instructors of Record for Chabot College.

While many public agencies across the country collaborate with academic institutions and support employees taking classes, AC Transit stands out as the only public transit agency to have developed a program that has received college accreditation. This achievement marks the beginning of a broader effort to create similar Zero Emission Bus University (ZEBU)-based programs, laying the groundwork for designing successful career pathways for employees.



*Pictured below, left to right, Apprentice Mentor Gustavo V., Joint Apprentice Committee member (JAC) Robert L and Ryan D, Apprentices Joseph R, Victor C, Carols C, Carlos G, Frank C, Eduardo V, TED Assistant Manager Ron Lee, Maintenance Trainers Eric H, Lennie L, Jose G, Scott M, Lucas M, and CLPCCD's administrator Maya H, and Training and Education Manager, Michael F*