

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 11/19/2025

Staff Report No. 25-528

TO: AC Transit Board of Directors
FROM: Salvador Llamas, General Manager/Chief Executive Officer
SUBJECT: ZEBU Curriculum Development Contract Award

ACTION ITEM

AGENDA PLANNING REQUEST: ☐

RECOMMENDED ACTION(S):

Consider approving a three-year contract award to Immersed Technologies, Inc. to design, develop and implement curriculum for zero emission bus training programs.

Staff Contact:
Aaron Vogel, Chief Operating Officer

STRATEGIC IMPORTANCE:

Goal - High-Performing Workforce
Initiative - Zero Emission Programs

Immersed Technologies' contract will enable staff to deliver a comprehensive zero-emission bus mechanic curriculum that equips staff with the skills required to support AC Transit's full transition to 100% zero-emission bus (ZEB) fleet by 2040 in compliance with California's Innovative Clean Transit (ICT) regulation.

BUDGETARY/FISCAL IMPACT:

The three-year, \$2,399,930 contract is supported by \$2.5 million in combined federal Low-No grant funding (\$2M) and District Capital funding match (\$500K). This will fund a complete ZEB mechanic curriculum that builds the workforce and operational capacity AC Transit needs to meet 2040 ICT regulation.

CONTRACT AWARD SUMMARY:

Vendor Outreach Summary:	
No. SBEs:	7
No. Registered Vendors:	70
Contract Summary:	
# Proposals/Bids Received:	2
Award Type:	Best Value

Independent Cost Estimate Range:	\$3,347,000
Recommended for Award:	Immersed Technologies, Inc
Small Business Type:	Not Applicable*
DBE/SBE Utilization %:**	

* Neither SBE, nor DBE

** The District sets Small Business Enterprise (SBE) goals on contracting opportunities. The Federal Transit Administration (FTA) may authorize a Disadvantaged Business Enterprise (DBE) goal; however, SBE goals may result in DBE awards and utilization.

Levine Act Disclosure

California Government Code § 84308, commonly referred to as the "Levine Act," precludes an Officer of a local government agency from participating in the award of a contract if he or she receives any political contributions totaling more than \$500 in the 12 months preceding the pendency of the contract award, and for three months following the final decision, from the person or company awarded the contract. This prohibition applies to contributions to the Officer, or received by the Officer on behalf of any other Officer, or on behalf of any candidate for office or on behalf of any committee. The Levine Act also requires disclosure of such contributions by a party to be awarded a specified contract. Disclosure is not required for contracts that are competitively bid, contracts under \$50,000; contracts between two or more government agencies; contracts where no party receives financial compensation; and periodic review or renewal of development agreements or competitively bid contracts with non-material modifications.

BACKGROUND/RATIONALE:

AC Transit achieved a historic milestone by securing two consecutive Federal Transit Administration (FTA) Low- and No-Emission (Low-No) Grant Awards-\$25.5 million in 2023 and \$15 million in 2024. Of these amounts, \$2.5 million is allocated toward workforce development and training (as required by the FTA) ensuring the District not only procure and deploy zero-emission buses (ZEBs) but also invest in building the technical skills required to operate and maintain advanced technologies. These funds are allocated to AC Transit to help lead the modernization of AC Transit's pedagogical training environment. This initiative will elevate the District's curriculum by enabling advanced training systems essential for upskilling the workforce responsible for servicing complex zero-emission propulsion technologies.

This comprehensive modernization initiative lays the foundation for the transit industry's first-ever Zero Emission Bus University (ZEBU), an advanced training institution scheduled to launch by 2028. ZEBU will play a critical role in achieving the District's strategic goal of cultivating a high-performing workforce. It will also ensure that transit professionals are fully equipped to maintain a safe, reliable, and sustainable zero-emission bus fleet in compliance with California's Innovative Clean Transit (ICT) regulation.

ZEBU is a truly, one-of-a-kind, educational ecosystem, seamlessly connecting advanced training and technology to achieve three core objectives: upskill AC Transit's workforce; enhance labor-management career ladder programs; and provide training opportunities to transit agencies seeking zero-emission bus (ZEB) support. Building on its existing journey-level mechanic curriculum, ZEBU will expand both course content and instructional methods to deepen workforce proficiencies. In parallel, it will design scalable training modules aligned with the skill levels of employees participating in the District's career ladder programs - many of whom are entry-level or possess limited technical experience. By offering open access to ZEBU's skill-building programs, AC Transit aims to broaden recruitment opportunities across its service area, particularly for individuals who may not traditionally qualify for mechanical roles. As a recognized global leader in zero-

emission transit, the District will also make its comprehensive ZEBU curriculum available to other agencies navigating their own ZEB transitions-establishing AC Transit as a key resource in the broader effort to advance clean transportation.

The Request For Proposals (RFP) for these services was issued on July 31st, 2025, and proposals were received on September 5th, 2025. The RFP was evaluated by a panel of five evaluators with experience in zero-emission technology, workforce training, and instructional design. Immersed Technologies was the highest rated proposal and District staff recommends awarding the contract to this vendor. This award is contingent on successful negotiations with Immersed Technologies in terms of the final executable contract. Awarding this contract to Immersed Technologies represents a critical and strategic business decision that will enable the District to successfully achieve and implement the curricular objectives of ZEBU. Immersed Technologies brings proven expertise in zero-emission bus (ZEB) content development, a track record of delivering effective, results-driven training for similarly sized public transit agencies, and leadership in deploying scalable content and advanced training technologies, including the use of augmented and virtual reality.

The contract outlines a three-year development timeline, with specific, measurable action items detailed in the scope of work. During the proposal evaluation, Immersed Technologies clearly demonstrated a comprehensive project pathway to ensure all scope items will be developed, tested, and fully implemented. Additionally, Immersed Technologies will collaborate closely with AC Transit's Training and Education Department leadership and ATU Local 192 Maintenance Trainers to co-develop training content. This partnership ensures that training is not off-the-shelf, but rather customized by staff, for staff - aligning directly with the operational realities and workforce needs of the District.

ADVANTAGES/DISADVANTAGES:

The Scope of Work outlined in the Request for Proposal clearly defines the core business action items essential to the success of the ZEBU initiative. Awarding this contract to Immersed Technologies will significantly advance the District's ability to develop and complete a zero-emission bus (ZEB) curriculum that aligns with two critical objectives: achieving the District's strategic goal of cultivating a high-performing workforce and fulfilling the regulatory requirements of California's Innovative Clean Transit (ICT) 2040 mandate.

ALTERNATIVES ANALYSIS:

Staff did not identify any viable alternatives, as the curricular requirements outlined in this Staff Report necessitate third-party subject matter expertise for the design and development of the specified training components.

PRIOR RELEVANT BOARD ACTION/POLICIES:

Board Policy 465 - Procurement Policy

ATTACHMENTS:

None

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