

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 1/11/2023

Staff Report No. 23-007

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager/Chief Executive Officer
SUBJECT: Application for FY 2023 Transit and Intercity Rail Capital Program Grant

ACTION ITEM

AGENDA PLANNING REQUEST: ☐

RECOMMENDED ACTION(S):

Consider adoption of Resolution No. 23-005 authorizing the General Manager, or his designee, to file and execute applications and funding agreements, and certifications and assurances with the California Department of Transportation for the 2023 Transit and Intercity Rail Capital Program (TIRCP) to fund the zero-emission buses and hydrogen fueling infrastructure at Division 6 in Hayward.

Staff Contact:
Chris Andrichak, Chief Financial Officer

STRATEGIC IMPORTANCE:

Goal - Financial Stability and Resiliency
Initiative - Zero Emission Programs

The proposed project will purchase zero-emission buses as well as construct fueling and maintenance facilities to support these buses, thus further advancing the District's Zero-Emissions Bus (ZEB) Transition Plan and enabling zero-emission bus service at Division 6.

BUDGETARY/FISCAL IMPACT:

Staff recommends applying for approximately \$20 million for the 2023 Transit and Intercity Rail Capital Program (TIRCP) to purchase 42 zero-emission buses, construct a hydrogen fueling station at Division 6 and install other supporting maintenance facilities and equipment. A match of \$42 million from the Transit Capital Priorities program has been secured for the project.

BACKGROUND/RATIONALE:

AC Transit remains committed to transition the bus fleet to 100% zero-emission buses by 2040. Based on AC Transit's current fleet replacement schedule and planned infrastructure procurements, Hayward, Division 6 (D6) is the next maintenance yard for ZEB investment after Oakland, Division 4 (D4) and Emeryville, Division 2 (D2).

Located at the edge of our southern service area and with a larger property footprint, D6 allows for ZEB

infrastructure to be installed without impacting existing fleet and facilities space. The routes that run out of D6 are long with high deadhead travel that would require long range ZEBs. Additionally, deploying ZEBs from D6 will provide a significant benefit to the District with expanded operational capability and increased resiliency capacity.

In terms of financial investments, infrastructure cost for the hydrogen fuel cell buses deployment is more cost effective than for battery electric buses. For the same cost, we can deploy more than twice the number of ZEBs. Having a zero-emission fleet operating at Division 6 would also greatly enhance training opportunities at the Training and Education Center, which is also located adjacent to the Division 6 property. Moving to a ZEB fleet requires changes to the District's multiple operating functions. Transitioning requires training employees to keep pace with changing technologies and provides the District with a sustainable workforce to safely operate and maintain the fleet in a state of good repair.

ADVANTAGES/DISADVANTAGES:

Applying for the TIRCP funds would allow the District to expand its zero-emission program into another Division in accordance with the Zero Emission Bus Transition Plan, and to continue converting the diesel fleet into a zero-emission fleet.

The main disadvantage is that significant District staff time will be needed for project and grant management to successfully deliver the project.

ALTERNATIVES ANALYSIS:

Staff also considered expanding the zero-emission fleet and operations to Division 3 in Richmond. However, being the larger division and having direct access to the Training and Education Center, Division 6 has greater need for the next expansion of ZEBs.

PRIOR RELEVANT BOARD ACTION/POLICIES:

SR 20-353a: Revised Application for MTC Transit Capital Priorities Program Funds
SR 22-112: Application for FY 2022 Transit and Intercity Rail Capital Program Grant
SR 22-319 AC Transit Zero Emission Bus Transition Plan
SR 22-457 FY2022 Transit Capital Priorities ZEB Infrastructure Set-Aside Program

ATTACHMENTS:

1. Resolution 23-005

Prepared by:

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Approved/Reviewed by:

Chris Andrichak, Chief Financial Officer

Salvador Llamas, Chief Operating Officer

Ramakrishna Pochiraju, Executive Director of Planning & Engineering

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Jill A. Sprague, General Counsel/Chief Legal Officer