



# Capital Improvement Plan

FY 2025-2026 | 2029-2030



# Capital Improvement Plan

## Overview

The Five-Year Capital Improvement Plan (CIP) is the District's strategic plan to fund and deliver priority capital projects and activities from FY2025-26 through FY2029-30. The District has many competing capital needs and limited funding and resources with which to meet them. A multi-year view of capital needs enables the District to strategically maximize the use of grant and District Capital investments. A multi-year plan for capital investments allows the District to properly plan for the needed non-financial resources (project managers, operations support, outreach, etc.) to accomplish the projects included in the CIP. The CIP also provides a reference for internal and external stakeholders to understand how the District is prioritizing and investing in capital assets.

The District must optimize how both Operating and Capital funds are spent to most efficiently achieve and maintain a state of good repair of capital assets, achieve its Transit Asset Management objectives and requirements, meet its Zero Emission Transition goals, and to complete transit reliability and enhancement projects. The Capital Budget funds the planning, design, acquisition, capital maintenance and rehabilitation of all District assets, subject to the capitalization threshold for expenses identified in Board Policy 314, Capital Plan and Projects. The Operating Budget funds the use and routine maintenance of those same assets, including the staff needed to perform those functions.

The CIP prioritizes funding identified capital needs based on maintaining safe operating and usage conditions, environmental and regulatory compliance, and state of good repair for current assets, as well system enhancements and improvements. A combination of capital asset condition and priority information is used by staff to program projects in the CIP, within the constraints of the funding and resources available to the District. This document provides definition for proposed projects within the next five years and larger scale projects beyond the five-year window.

Per Board Policy 314, the CIP is reviewed and updated at least every two years, with the first year aligned with the current adopted capital budget. During the bi-annual review the capital project portfolio is reviewed and updated to reflect current needs. Unfunded projects that are still needed are reprioritized and reprogrammed within the new five-year window of the CIP.

The Capital Programming Committee meets regularly to review project requests and make decisions on the projects in the CIP. The Committee is made up of the following staff members:

- Chief Operating Officer
- Chief Finance Officer
- Chief Information Officer
- Executive Director of Planning and Engineering
- Executive Director of External Affairs, Marketing and Communications\*
- Director of Maintenance
- Director of Capital Projects
- Director of Project Controls and Systems Analysis
- Director of Management and Budget
- Manager of Capital Planning and Grants

\*Pending update to Board Policy 314

# Guiding Documents

Capital projects included in the CIP are identified by project stakeholders and reviewed by the Capital Programming Committee for consistency with AC Transit's Strategic Plan, Transit Asset Management Plan, Short Range Transit Plan, Public Transportation Agency Safety Plan, the Zero Emission Bus Transition Plan, Security Plan and the Annual Operating and Capital Budgets, which are all subject to approval by the General Manager and Board of Directors.

## Strategic Plan

AC Transit's Strategic Plan was approved in April 2019, with an addendum adopted in April 2022. The Strategic Plan directs the agency's focus for the next five to ten years and includes seven key goals. While capital investments can support all of the District's goals, the four goals most applicable to the capital investments in the CIP are: Safe & Secure Operations; Convenient & Reliable Service; Financial Stability & Resiliency; and Environmental Improvement.

The Strategic Plan has six strategic initiatives supporting the seven goals, including improving service quality, upgrading infrastructure, improving employee recruitment, training and retention, transitioning to a 100% zero emission vehicle fleet, and achieving financial efficiency including securing new revenue.

The CIP is fundamental to implementing most all of the Strategic Plan's initiatives that support the District's goals. The most directly applicable is the initiative for Infrastructure Modernization, as nearly all projects in the CIP relate to replacing and upgrading current infrastructure to maintain our facilities and vehicles in a state of good repair. In addition, the CIP also supports the initiatives for Service Quality, Zero Emissions Programs, and Financial Efficiency & Revenue Maximization.

## Transit Asset Management Plan (TAM)

The TAM Plan is the District's overall asset management approach in a manner consistent with current federal regulations and sets the direction for establishing and following through with TAM strategies that are achievable with available funds. The TAM plan is required by the Board adopted Transit Asset Management Policy – Board Policy No. 463.

The TAM Plan strives to improve coordination of all departments across all phases of an asset's lifecycle to manage assets and required resources more efficiently. The asset inventory and condition assessments are utilized by District staff to submit project requests and create capital projects.

The TAM Plan is mandated by the Federal Transit Administration (FTA) and one of the specific requirements is a "prioritized list of investments" to improve the state of good repair of capital assets. The CIP fulfills the requirement for the "prioritized list of investments" for the District. Another requirement is for a "decision support tool", which can be an analytic process or tool that assists in the prioritization of investments. This document will further detail the analytic process and tools that the District uses for the prioritization.

## Public Transportation Agency Safety Plan (PTSAP)

AC Transit's Public Transportation Agency Safety Plan (PTASP) serves as a guideline in the establishment of technical and managerial safety strategies for the identification, assessment, and control of safety risks to AC Transit customers, employees, contractors, and the general public who may come into contact with the system. The PTASP is required by the Board adopted Safety Management Systems (SMS) Policy – Board Policy No. 480.



A primary objective of the PTASP is to achieve a level of safety performance that meets or exceeds the operating experience of similar transit systems in the United States. This is accomplished through safety risk assessments that are performed on the District's assets guided by the TAM Plan to measure and mitigate safety risks. Rankings are used to categorize the safety risks, where condition ratings and useful life benchmarks prioritizes the severity of safety risks on physical assets. Risks on physical assets are mitigated through the Capital Improvement Plan (CIP) with equipment procurements, system renovations, and upgrades based on the review and prioritization of safety projects to meet Federal Transit Administration requirements.

FTA effectively made state of good repair (SGR), safety, and security synonymous by enacting the TAM, SMS, and PTASP rulings. Each complementing and reliant of the other. Assets in state of good repair contributes to the safety of users (employees, passengers, contractors, and public); similarly, and just as critical is ensuring assets and operating systems are secure from internal and external threats which has a direct correlation to achieve safety. If one is not up to standard, it degrades the other.

## Zero-Emission Bus Transition Plan (ZEBTP)

The Innovative Clean Transit (ICT) regulation, adopted by the California Air Resources Board (CARB) in December of 2018, requires all public transit agencies to gradually transition their bus fleets to zero-emission technologies. AC Transit's ZEBTP was first adopted by the Board of Directors in June 2020, with a revised version adopted in June 2022. The ZEBTP outlines the District's goal of full transition to zero-emission technologies by 2040.

Per ICT Regulation the ZEBTP includes a goal of full transition to zero-emission buses by 2040 with careful planning that avoids early retirement of conventional internal combustion engine buses. The plan identifies the types of zero-emission bus technologies the District is planning to deploy and a schedule for construction of facilities and infrastructure modifications or upgrades to deploy zero-emission buses, including charging, fueling, and maintenance facilities. The plan also includes a schedule for zero-emission and conventional internal combustion engine buses purchases and lease options, further identified by bus types, fuel types, and number of buses. The ZEBTP also describes the District's plans to deploy zero-emission buses in disadvantaged communities and a training plan and schedule for zero-emission bus operators and maintenance and repair staff as well as funding sources to deliver the plan.

## Short Range Transit Plan (SRTP)

The SRTP includes an overview of the agency, an evaluation of our service (using our own standards), a service plan, a 10-year operating budget projection, and a 10-year capital needs projection. The SRTP is the broadest and longest term statement of AC Transit's service and activities to support the service. The CIP provides the basis for the capital needs projection included in the SRTP. The remaining five years of the 10-year capital needs projection is generalized based on the investment levels of the first five years, along with any significant new projects contemplated in the outer five years.

## Annual Budgets

The Annual Operating and Capital Budgets are adopted prior to the start of each fiscal year. The Annual Operating Budget indicates the projected operating revenues and expenses for the fiscal year. The Annual Capital Budget takes the continuing capital projects along with the planned new projects identified in the CIP and projects the spending commitment needed for the fiscal year. Most of the funding for capital projects comes from grant sources, with annual programmatic expenses and grant matches funded by District capital.

# CIP Process

Putting together the CIP is a multi-step process as shown in the figure below. The start of the process is identifying a capital need. Capital needs are identified via several sources: the update of the asset inventory and condition assessment, state of good replacement and upgrade schedules, stakeholder identification, commitments as part of District planning efforts or interjurisdiction cooperation and collaboration. The next step is the development of concept level scopes, schedules and cost estimates to fulfill the capital need and the creation of project requests. These project requests are reviewed and refined at a staff level before they are brought to the Capital Programming Committee for review and approval.



During the initial staff level review, projects are ranked by project priority, first by urgency of the need, then by adherence to the priority criteria laid out below, finally by funding availability and eligibility. This draft prioritization is also brought to the Capital Programming Committee for their review, discussion, and ultimately approval. The prioritization process is iterative, both by necessity and by design, to enable the District to meet as many of its capital needs as possible with limited funding.

Within the entire CIP and specific years, funding availability limits what requests than can be programmed, and the scope of the various funding sources also limits what projects can be linked to what funds. The outcome after this process is a year-by-year list of projects and matched funding that becomes the CIP. This preliminary CIP is approved by the General Manager and then ultimately the Board of Directors. The CIP is then revisited each year during the development of the Capital Budget as funding for the coming year is refined and priority projects in the CIP are evaluated for the available funds and inclusion in the Capital Budget.

## Prioritization

A key requirement in programming the CIP is a method of prioritization to select which investments are made and when they are made. In addition, the FTA TAM regulations require an analytic process or tool that assists in the prioritization of capital investments.

Projects in the CIP are prioritized in tiers based on need and potential funding availability. For the rest of this section, “projects” refers to both existing projects and project requests. The priority tiers are:

1. Projects that are fully funded and included in the Capital Budget
2. Projects that are identified as an urgent or high priority project with partial funding
3. Projects that are medium priority and would be funded if opportunities arise
4. Projects that are low priority or planned for completion in the later years of the CIP, contingent on availability of adequate revenue

The first set of projects considered and that exist primarily in tier 1 are ongoing projects. These projects are considered first to review their ongoing need, continued relevance, schedule, and funding status.

Project requests are looked at next after ongoing projects. The project requests are grouped into five different purposes which correspond roughly to their priority from highest to lowest: Safety, Compliance,

Maintenance, Business Case and Enhancement, followed by urgency levels (high, medium, low), timing considerations and finally existing external funding commitments.

Next the prioritized project requests are matched to available and planned funding. The District has many possible types of capital funding, each having its own eligibility requirements, matching requirements, and timelines, so the matching process is not simply assigning funds from top to bottom of the list until they're all used up. The available funds may require programming lower priority projects first due to eligibility requirements, for example. There are also many competitive funding sources, so priority projects that are not funded (or fully funded) may be candidates for a competitive funding application. That does not guarantee the funding will be available. Staff does its best to assign funding that preserves the project priorities generated through this process.

The funds matching process results in a draft CIP project list and prioritization. This draft is then reviewed by staff and brought to the Capital Programming Committee for discussion and approval. The review also looks at staff and other internal resources such as outreach and project managers needed by the draft CIP. Throughout the staff level and Capital Programming Committee reviews, the list is adjusted to realign the project scopes, scale, and timelines to match expected resource availability.



# Project Categories

Projects in the Plan are grouped into six areas:

## **Zero Emission Bus Infrastructure**

Zero Emission Bus Infrastructure projects are those pertaining to acquisition, development and upgrade of infrastructure and equipment required for the District's Zero Emission Bus Transition, in particular the installation of fueling or charging facilities, the upgrade of maintenance facilities, and workforce training.

The five-year CIP includes 13 Zero Emission Bus Infrastructure projects, with a projected investment of \$133 million.

## **Facilities**

Facilities projects are those pertaining to acquisition, development and rehabilitation of infrastructure and equipment required for the functions of the District, in particular the maintenance and storage of buses, training and general administration. Facility projects also include projects relating to compliance with regulatory mandates and safety issues to manage risk at our facilities.

The five-year CIP includes 28 facility projects, with a projected investment of \$72.4 million.

## **Information Technology (IT)**

IT projects are meant to maintain, improve and enhance the technology that drives the operations and administration of our business, to provide a better experience for customers and employees. IT projects are guided by the IT Strategic Plan which aligns projects, initiatives, and resources with the District's Strategic Plan.

The five-year CIP includes 16 information technology projects, with a projected investment of \$86.3 million.

## **Corridor**

Corridor projects seek to improve efficiency of operations and connections, usually across a significant portion of arterial streets or bridges. Corridor projects are served by several routes that have high ridership and are directly or adjacent to areas with high commercial and dense residential land uses.

The five-year CIP includes 19 corridor projects, with a projected investment of \$230 million.

## **Vehicles**

Vehicle projects are bus purchases as well as those of non-revenue fleet vehicles. Vehicle purchases are generally the largest category of ongoing projects in the CIP in terms of cost. Over time, vehicle purchases will require greater financial resources as the District transitions its fleet to a fully zero emission fleet. Not only are zero emission buses more expensive than diesel buses but charging and fueling infrastructure has to be constructed at each division as well.

The five-year CIP includes 16 vehicle projects, with a projected investment of \$764.6 million.

## **Other**

Other projects that require capital funding but don't fit within any other category, such as capital commitments to the Transit Center.

The five-year CIP includes other projects with a projected investment of \$5.1 million.

Figure 1: Project Requests Prioritization Matrix

Category	Project		Weighted Priority	Programmed Start Year	Urgency	Justification	Committed External Funding?	Programming Tier*
ZEB Infrastructure	0739	D2 Battery Electric Storage System	1	2027	High	Bus Case	No	3
	0733	D3 Hydrogen Station	2	2029	High	Compliance	Partial	2
	0732	D2 ZEB Maint Bay Upgrade	3	2029	Medium	Compliance	No	4
	0734	D3 ZEB Maint Bay Upgrade	4	2029	Medium	Compliance	No	4
	0731	D2 Hydrogen Station Expansion	5	2029	High	Compliance	Partial	2
	0735	D4 ZEB Maint Bay Upgrade	6	2029	Medium	Compliance	No	4
	0736	D6 BEB Charging Infrastructure	7	2029	Medium	Compliance	No	4
	0737	D6 ZEB Maint Bay Upgrade Ph2	8	2029	Medium	Compliance	No	4
Facilities	0630	D4 SEWER REPLACEMENTS	1	2027	High	Compliance	No	3
	0624	CMF SEWER REPLACE	2	2026	High	Compliance	No	3
	0714	Bus Operator Restrooms Feasibi	3	2026	High	Compliance	No	3
	0715	Bus Oprtr Rstrms Design&Constr	4	2026	High	Compliance	No	3
	0682	D4 Yard Water Separator	5	2027	High	Compliance	No	3
	0645	Remove Old Biodiesel Tanks D4	6	2027	High	Enhance	No	3
	2230	CMF Paintbooth	7	Prior	High	Maintain	No	3
	0670	CMF Inground Bus Lift Replace	8	2028	High	Maintain	No	3
	0685	Server Room Construction 9 Flr	9	2026	High	Bus Case	No	3
	0717	CMF Solar inverter replacement	10	2028	Medium	Maintain	No	4
	0686	Transit Shelter Capital Contra	11	2027	High	Maintain	No	3
	0668	Inground Bus Lift Replacement	12	2029	High	Maintain	No	3
IS_ITS	0678	EAM Software Replacement	1	2027	High	Compliance	No	3
	0666	Refresh Wireless Network	2	2027	High	Maintain	No	3
	0713	CAD-AVL 2.0	3	2027	High	Maintain	No	3
	0708	Data Int. Management Enterpris	4	2028	High	Enhance	No	3
	0665	Refresh Network Switches, Rout	5	2029	High	Maintain	No	3



Figure 1: Project Requests Prioritization Matrix, continued

Category	Project		Weighted Priority	Programmed Start Year	Urgency	Justification	Committed External Funding?	Programming Tier*
Corridor	0688	Tempo BRT Station Ped Bollards	1	2026	High	Safety	No	3
	0699	Grand Avenue Bus Lanes/BRT	2	2026	High	Enhance	Partial	2
	0697	Line 51 Rapid Gap Closure	3	2026	High	Enhance	Partial	2
	0695	Bus Delay Hotspot Remediat	4	2026	High	Enhance	No	3
	0700	Transit Signal Priority Plan	5	2026	High	Enhance	No	3
	0693	Major Corridors Plan	6	2028	Medium	Enhance	No	4
	0689	Transit Priority Plan	7	2027	High	Enhance	No	3
	0572	Foothill Blvd Design & Constr.	8	2027	Medium	Enhance	No	4
	0694	Solano-Shattuck-MLK Corridor	9	2027	Medium	Enhance	No	4
	0701	Fremont-LYT TSP Pilot	10	2028	Medium	Enhance	No	4
	0702	Hayward City-Wide TSP	11	2028	Medium	Enhance	No	4
	0690	InACT Program	12	2028	Medium	Compliance	No	4
Vehicles	0692	Purchase 10 35ft Battery Elect	1	2026	High	Maintain	Partial	2
	0720	Purchase 48 40ft Fuel Cell Bus	2	2027	High	Maintain	Partial	2
	0721	Purchase 23 60ft Artic Fuel Cell	3	2026	High	Maintain	Partial	2
	0738	Purchase 19 40ft Diesel Buses	4	2026	High	Maintain	Partial	2
	0722	Purchase 54 40ft Fuel Cell Bus	5	2027	High	Maintain	No	3
	0723	Purchase 55 40ft Fuel Cell Bus	6	2027	High	Maintain	No	3
	0724	Purchase 25 40ft Fuel Cell Bus	7	2028	High	Maintain	No	3
	0725	Purchase 10 40ft Fuel Cell Bus	8	2028	High	Maintain	No	3
	0726	Purchase 27 60ft Artic Fuel Cell	9	2029	High	Maintain	No	3
	0727	Purchase 28 60ft Artic Fuel Cell	10	2029	High	Maintain	No	3
	0728	Purchase 35 40ft Battery Electric	11	2029	High	Maintain	No	3
Other	0741	AUTO PAPER CUTTER 45.25"	1	2027	High	Bus Case	No	4

Figure 2a: Project Requests Across the District, North

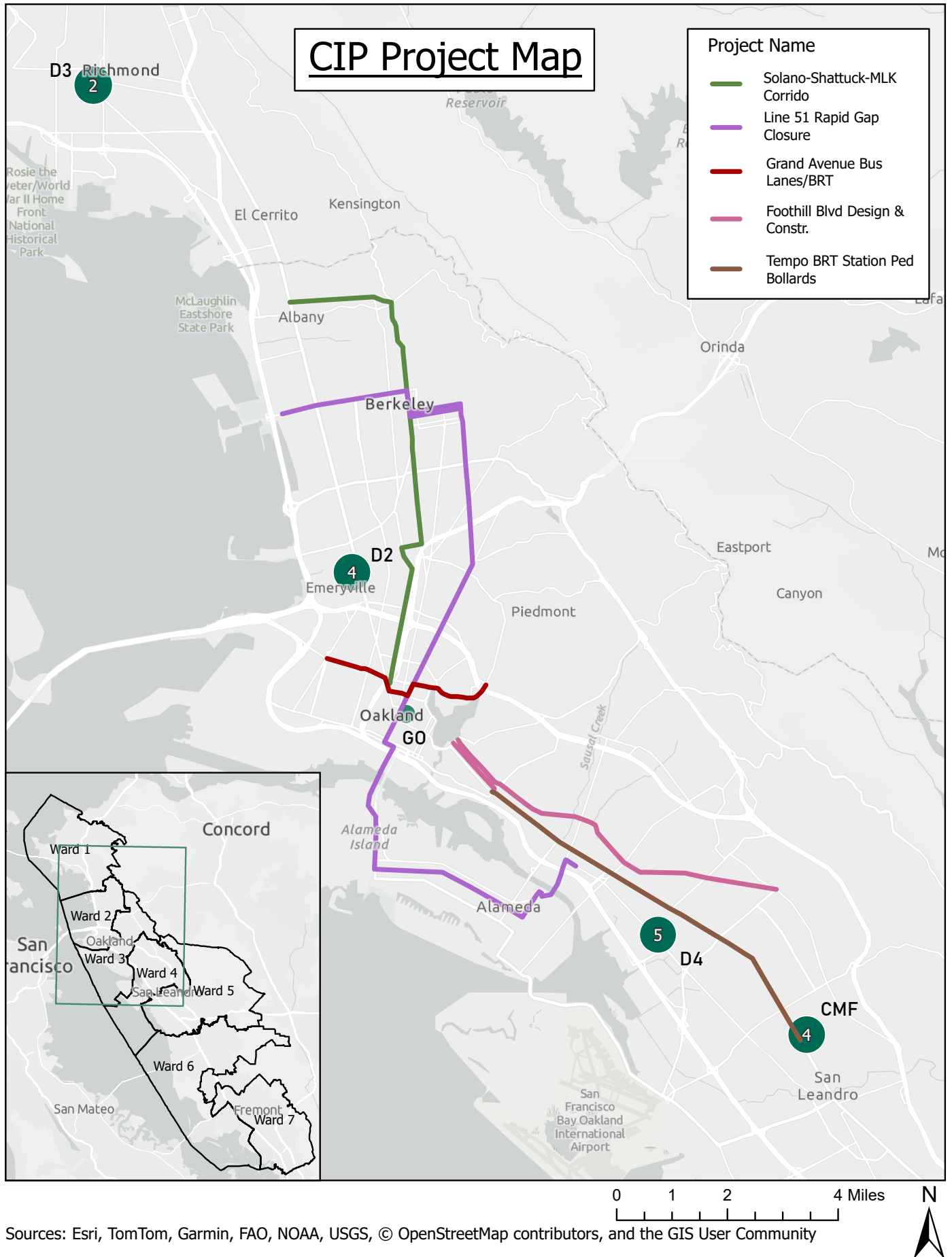


Figure 2b: Project Requests Across the District, South

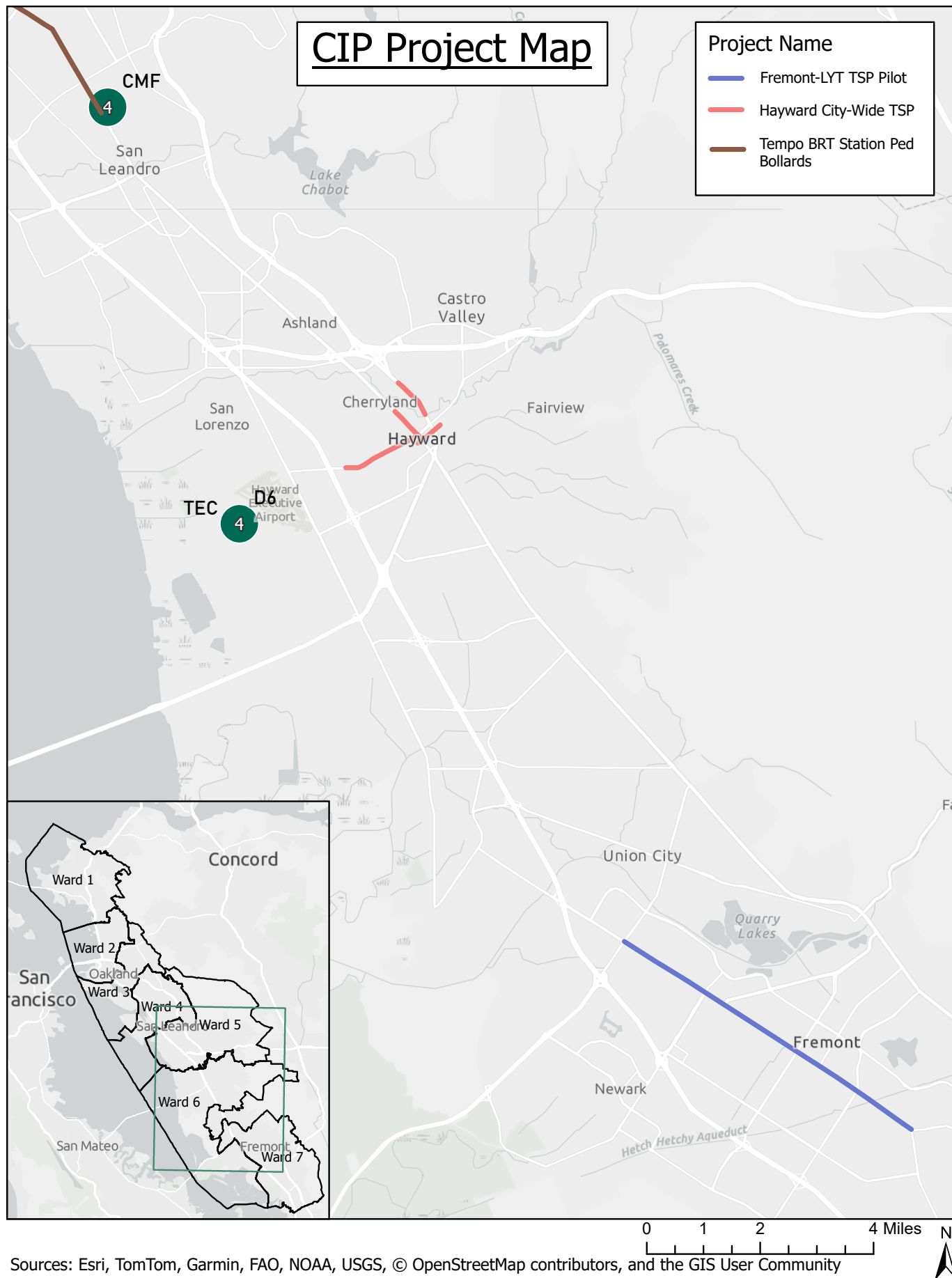


Figure 3: Capital Improvement Plan, Full Project List and Costs by Year

Category	Weighted Priority*	Project		Start Year (FY)	FY25 and Prior	FY26	FY27	FY28	FY29	FY30	Future	Total Project Cost
ZEB Infrastructure	0	2184	D4 ZE Infrastructure	Prior	650,068	12,713,257	1,389,436	—	—	—	—	14,752,761
	0	2193	D6 Hydrogen Station Development	Prior	7,840	15,494,160	—	—	—	—	—	15,502,000
	0	2198	Rehab Maint. Bays for ZEBs	Prior	279,349	8,761,830	—	—	—	—	—	9,041,179
	0	2204	TEC Modernization	Prior	842,244	20,379,319	—	—	—	—	—	21,221,563
	0	2211	D4 H2 Upgrade	Prior	3,254,393	7,566,837	—	—	—	—	—	10,821,230
	1	0739	D2 Battery Electric Storage Sy	2027	—	—	7,242,710	—	—	—	—	7,242,710
	2	0733	D3 Hydrogen Station	2029	—	—	—	—	760,000	13,922,250	—	14,682,250
	3	0732	D2 ZEB Maint Bay Upgrade	2029	—	—	—	—	160,000	2,931,000	—	3,091,000
	4	0734	D3 ZEB Maint Bay Upgrade	2029	—	—	—	—	368,000	6,741,300	—	7,109,300
	5	0731	D2 Hydrogen Station Expansion	2029	—	—	—	—	640,000	11,724,000	—	12,364,000
	6	0735	D4 ZEB Maint Bay Upgrade	2029	—	—	—	—	207,000	3,791,981	—	3,998,981
	7	0736	D6 BEB Charging Infrastructure	2029	—	—	—	—	736,000	13,482,600	—	14,218,600
	8	0737	D6 ZEB Maint Bay Upgrade Ph2	2029	—	—	—	—	207,000	3,791,981	—	3,998,981
	Subtotal				5,033,893	64,915,404	8,632,146	—	3,078,000	56,385,112	—	133,010,662
Facilities	0	2220	CMF - Entrance Gate/Fencing	Prior	—	450,000	—					450,000
	0	2218	Security Enhancement CMF D2 D4	Prior	27,280	1,365,070	1,558,419	—	—	—	—	2,950,769
	0	2219	Security Enhancement D3 and GO	Prior	—	—	2,094,800	—	—	—	—	2,094,800
	0	2229	Climate Adaptation Planning Grant	Prior	47,929	375,656	—	—	—	—	—	423,585
	0	2223	Environmental Remediation	Prior	N/A	200,000	—	—	—	—	—	200,000
	0	2097	Bus Washers Maintenance Repair	Prior	—	613,570	—	—	—	—	—	613,570
	0	2132	Ardenwood Parking Study	Prior	—	140,000	—	—	—	—	—	140,000
	0	3111	GO Parking Garage Ramp	Prior	100,545	29,455	—	—	—	—	—	130,000
	0	2160	D4-Transp HVAC Repair	Prior	266,986	398,014	—	—	—	—	—	665,000
	0	2174	BART Restrooms	Prior	749,165	464,167	—	—	—	—	—	1,213,332
	0	2231	D6 Parking Garage Demolition	Prior	—	4,784,000	—	—	—	—	—	4,784,000
	0	2232	D2 Electrical Vault Repairs	Prior	—	245,000	—	—	—	—	—	245,000
	0	2233	D6 Maintenance Re-Roof	Prior	—	500,000	4,906,083	—	—	—	—	5,406,083
	0	3071	Emergency Facility Repair	Prior	—	200,000	200,000	200,000	200,000	200,000	—	1,000,000
	0	3076	Stations/shelters Capital Maintenance	Prior	—	300,000	300,000	300,000	300,000	300,000	—	1,500,000
	0	3078	Facilities Maintenance	Prior	—	250,000	250,000	250,000	250,000	250,000	—	1,250,000
	1	0630	D4 SEWER REPLACEMENTS	2026	—	2,875,000	—	—	—	—	—	2,875,000
	2	0624	CMF SEWER REPLACE	2027	—	—	2,587,500	—	—	—	—	2,587,500
	3	0714	Bus Operator Restrooms Feasibi	2027	—	100,000	140,000	—	—	—	—	240,000
	4	0715	Bus Oprtr Rstrms Design&Constr	2028	—	—	195,600	960,000	960,000	960,000	1,920,000	4,995,600



Category	Weighted Priority*	Project		Start Year (FY)	FY25 and Prior	FY26	FY27	FY28	FY29	FY30	Future	Total Project Cost
Facilities, cont'd	5	0682	D4 Yard Water Separator	2027	—	—	862,500	—	—	—	—	862,500
	6	0645	Remove Old Biodiesel Tanks D4	2027	—	—	345,000	—	—	—	—	345,000
	7	2230	CMF Paint Booth Replacement	2027	—	—	3,232,735	—	—	—	—	3,232,735
	8	0670	CMF Inground Bus Lift Replace	2028	—	—	—	4,600,000	4,600,000	—	—	9,200,000
	9	0685	Server Room Construction 9 Flr	2028	—	—	—	1,248,286	—	—	—	1,248,286
	10	0717	CMF Solar inverter replacement	2028	—	—	—	488,750	—	—	—	488,750
	11	0686	Transit Shelter Capital Contra	2027	—	—	308,486	5,651,078	—	—	—	5,959,564
	12	0668	Inground Bus Lift Replacement	2029	—	—	—	—	5,750,000	5,750,000	5,750,000	17,250,000
	Subtotal				1,191,906	13,289,931	16,981,123	13,698,114	12,060,000	7,460,000	7,670,000	72,351,074
IS-ITS	0	1861	CAD/AVL Real Time Bus Comm	Prior	28,395,508	466,800	—	—	—	—	—	28,862,307
	0	2199	GO 10thFlr Conf Rm	Prior	47,175	378,885	—	—	—	—	—	426,060
	0	3065	Expansion and Upgrade of APC	Prior	764,002	328,998	—	—	—	—	—	1,093,000
	0	2208	Hastus Upgrade Latest	Prior	1,112,413	1,794,185	—	—	—	—	—	2,906,598
	0	2209	Data Integration Managed Environment (DIME)	Prior	302,393	452,607	—	—	—	—	—	755,000
	0	2221	Customer Relationship Mgmt Sys	Prior	564,027	895,290	—	—	—	—	—	1,459,317
	0	2226	Clever - Radio Communication Backup	Prior	54,574	301,426	—	—	—	—	—	356,000
	0	2227	Employee Engagement Software	Prior	—	120,000	—	—	—	—	—	120,000
	0	2237	Enterprise Document Management	Prior	—	250,000	—	—	—	—	—	250,000
	0	3013	IT Equipment Replacement	Prior	—	130,000	130,000	130,000	130,000	130,000	—	650,000
	0	2192	EBP Software Purchase	Prior	—	3,000,000	—	—	—	—	—	3,000,000
	1	0678	EAM Software Replacement	2027	—	—	3,818,055	167,504	1,433,625	—	—	5,419,184
	2	0666	Refresh Wireless Network	2027	—	—	817,174	162,826	—	—	—	980,000
	3	0713	CAD-AVL 2.0	2027	—	—	5,930,290	5,930,290	5,930,290	5,695,915	10,073,320	33,560,105
	4	0708	Data Int. Management Enterpris	2027	—	—	—	982,641	982,641	1,327,546	—	3,292,829
	5	0665	Refresh Network Switches, Rout	2029	—	—	—	—	30,000	3,180,979	—	3,210,979
	Subtotal				31,240,091	8,118,191	10,695,519	7,373,261	8,506,556	10,334,440	10,073,320	86,341,379
Corridor	0	2143	MacDonald Avenue and Cutting Blvd TSP	Prior	330,091	8,610,773	—	—	—	—	—	8,940,864
	0	2205	Durant Ave and MacArthur	Prior	2,184,744	966,345	—	—	—	—	—	3,151,089
	0	2210	Fruitvale Corridor TSP	Prior	—	4,904,830	59,170	—	—	—	—	4,964,000
	0	2217	Foothill Corridor Planning Study	Prior	19,144	2,225,197	—	—	—	—	—	2,244,341
	0	2228	High-Priority Bus Stop Improvements/InACT	Prior	—	2,400,000	600,000	—	—	—	—	3,000,000
	0	TBD	International, Phase 2	Prior	—	4,411,592	—	—	—	—	—	4,411,592
	0	2240	Park St TSP	Prior	—	1,236,211	—	—	—	—	—	1,236,211
	1	0688	Tempo BRT Station Ped Bollards	2027	—	294,897	167,326	175,693	184,477	193,701	—	1,016,094
	2	0699	Grand Avenue Bus Lanes/BRT	2028	—	150,000	—	2,610,000	5,750,000	—	48,300,000	56,810,000

Category	Weighted Priority*	Project		Start Year (FY)	FY25 and Prior	FY26	FY27	FY28	FY29	FY30	Future	Total Project Cost
Corridors, cont'd	3	0697	Line 51 Rapid Gap Closure	2026	—	6,900,000	—	—	—	—	—	6,900,000
	4	0695	Bus Delay Hotspot Remediati	2027	—	—	—	230,000	2,300,000	2,300,000	6,900,000	11,730,000
	5	0700	Transit Signal Priority Plan	2027	—	—	—	253,000	—	—	—	253,000
	6	0693	Major Corridors Plan	2027	—	—	—	1,150,000	1,495,000	—	—	2,645,000
	7	0689	Transit Priority Plan	2028	—	—	751,799	—	—	—	—	751,799
	8	0572	Foothill Blvd Design & Constr.	2028	—	—	—	2,190,080	17,322,164	—	—	19,512,244
	9	0694	Solano-Shattuck-MLK Corrido	2028	—	—	—	2,530,000	2,760,000	5,750,000	69,000,000	80,040,000
	10	0701	Fremont-LYT TSP Pilot	2028	—	—	—	144,900	115,000	583,050	—	842,950
	11	0702	Hayward City-Wide TSP	2028	—	—	—	172,500	977,500	—	—	1,150,000
	12	0690	InACT Program	2028	—	—	—	1,616,295	1,875,000	—	16,875,000	20,366,295
	Subtotal				2,533,979	32,099,846	1,578,295	11,072,468	32,779,141	8,826,751	141,075,000	229,965,479
Vehicles	0	2234	47 40ft NF Fuel Cell Buses	Prior	—	73,642,724	—	—	—	—	—	73,642,724
	0	2235	9 60ft Artic NF Fuel Cell Bus	Prior	—	20,349,973	—	—	—	—	—	20,349,973
	0	2236	18 40ft Diesel Buses	Prior	—	11,085,407	4,152,075	—	—	—	—	15,237,482
	0	3106	BRT Maintenance Trucks	Prior	175,915	24,085	—	—	—	—	—	200,000
	0	2181	Bus Maintenance Training	Prior	167,495	539,248	—	—	—	—	—	706,742
	0	3018	Non-revenue Fleet Replacement	Prior	—	300,000	450,000	450,000	450,000	450,000	—	2,100,000
	1	0692	Purchase 10 35ft Battery Elect	2026	—	14,999,075	—	—	—	—	—	14,999,075
	2	0720	Purchase 48 40ft Fuel Cell Bus	2026	—	86,579,663	—	—	—	—	—	86,579,663
	3	0721	Purchase 23 60ft Artic Fuel Ce	2026	—	54,569,118	—	—	—	—	—	54,569,118
	4	0738	Purchase 19 40ft Diesel Buses	2026	—	10,548,000	5,558,138	—	—	—	—	16,106,138
	5	0722	Purchase 54 40ft Fuel Cell Bus	2027	—	—	89,749,793	—	—	—	—	89,749,793
	6	0723	Purchase 55 40ft Fuel Cell Bus	2027	—	—	100,467,084	—	—	—	—	100,467,084
	7	0724	Purchase 25 40ft Fuel Cell Bus	2028	—	—	—	45,899,016	—	—	—	45,899,016
	8	0725	Purchase 10 40ft Fuel Cell Bus	2028	—	—	—	18,614,981	—	—	—	18,614,981
	9	0726	Purchase 27 60ft Artic Fuel Ce	2029	—	—	—	—	81,892,643	—	—	81,892,643
	10	0727	Purchase 28 60ft Artic Fuel Ce	2029	—	—	—	—	84,909,940	—	—	84,909,940
	11	0728	Purchase 35 40ft Battery Elect	2029	—	—	—	—	58,556,384	—	—	58,556,384
	Subtotal				343,410	272,637,292	200,377,090	64,963,997	225,808,966	450,000	—	764,580,754
Other	0	2238	LowNo - Workforce Development	Prior	23,075	2,509,030	—	—	—	—	—	2,532,105
	0	3011	STC Capital Contribution	Prior	N/A	500,000	500,000	500,000	500,000	500,000	—	2,500,000
	1	0741	AUTO PAPER CUTTER 45.25 "	2027		—	155,528	—	—	—	—	155,528
	Subtotal				23,075	3,009,030	655,528	500,000	500,000	500,000	—	5,187,633
Total			88	40,366,354	394,069,694	238,919,700	97,607,841	282,732,663	83,956,303	158,818,320	1,296,470,875	

# Funding Sources

AC Transit receives grant funds from Federal, State and Regional/Local organizations. The following are the most common and/or current grants that fund our capital projects.

## Federal

**Section 5307:** These funds are distributed by formula to large and small urban areas for a variety of transit planning, capital and preventive maintenance needs.

**Section 5339 Bus and Bus Facility Program:** formula grant program is established under Section 5339, replacing the previous Section 5309 discretionary Bus and Bus Facilities program. This capital program provides funding to replace, rehabilitate and purchase buses and related equipment and to construct bus-related facilities. These funds are distributed for a variety of transportation planning, construction and equipment acquisition needs. Projects are approved for funding by local agencies and forwarded to appropriate state and federal agencies for funding authorization.

**Section 5339b/c Bus and Bus Facilities Discretionary, including Low and No Emissions Program:** These funds are for bus purchases and bus support facility projects with a separate subsection for Low and No Emissions projects such as AC Transit's Hydrogen Fueling Stations and Fuel Cell Electric Buses. These funds are specifically earmarked by Congress via the Bipartisan Infrastructure Bill and appropriated by Congress each year.

**Section 5337 State of Good Repair:** grant program to maintain public transportation systems in a state of good repair. This program replaces the fixed guideway modernization program (Section 5309). Funding is limited to fixed guideway systems (including rail, bus rapid transit, and passenger ferries). Projects are limited to replacement and rehabilitation or capital projects required to maintain public transportation systems in a state of good repair.

**Highway Discretionary Funds:** These funds are distributed for a variety of transportation planning, construction and equipment acquisition needs. Projects are approved for funding by local agencies and forwarded to appropriate state and federal agencies for funding authorization. Funds in this category include Regional Surface Transportation Program (STP) and Congestion Mitigation/Air Quality (CMAQ) Program.

## State

### Cap and Trade Programs

*Affordable Housing and Sustainable Communities (AHSC):* The AHSC Program funds land-use, housing, transportation, and land preservation projects to support infill and compact development that reduce greenhouse gas emissions.

*Low Carbon Transit Operations Program (LCTOP):* The LCTOP provides operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, with a priority on serving disadvantaged communities. Approved projects in LCTOP will support new or expanded bus or rail services, expand intermodal transit facilities and may include equipment acquisition, fueling, maintenance and other costs to operate those services or facilities, with each project reducing greenhouse gas emissions.

*Transit and Intercity Rail Capital Program (TIRCP)*: The TIRCP funds transformative capital improvements that modernize California's intercity, commuter, and urban rail systems, and bus and ferry transit systems to reduce emissions of greenhouse gases by reducing congestion and vehicle miles traveled throughout California.

### **SB1 Programs**

*Local Partnership Program (LPP), Competitive and Formula*: The LPP Program provides local and regional transportation agencies with funding to improve aging infrastructure, road conditions, active transportation, and health and safety benefits.

*State Transit Assistance State of Good Repair (STA-SGR)*: STA-SGR is a program that provides revenues for transit infrastructure repair and service improvements.

*California Energy Commission (CEC)*: The CEC releases various grant programs and solicitations that fund electric vehicle charging or hydrogen refueling infrastructure needed to support the large-scale conversion of bus fleets to zero-emission vehicles.

### **Incentive Vouchers**

*Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP)*: HVIP accelerates the deployment of zero-emission and plug-in hybrid trucks and buses and trucks equipped with electric power take off (ePTO) systems in California. HVIP benefits the residents of California by stimulating the deployment of advanced clean commercial vehicles, improving community health with immediate air pollution emission reductions, as well as reducing greenhouse gas emissions to help meet State climate goals, and yielding substantial economic benefits. HVIP is implemented through a partnership between the California Air Resources Board (CARB) and bus manufacturers. HVIP provides vouchers on a first-come, first-served basis in most cases. In addition, HVIP provides increased incentives for small fleets domiciled in disadvantaged communities and meeting other requirements.

## **Regional/Local**

### **Alameda County Transportation Commission**

*Measure B/BB*: Measure B and its extension, Measure BB, is a half-cent transportation sales tax administered by the Alameda County Transportation Commission to deliver essential transportation improvements and services. These include capital projects to expand transit and provide traffic relief by improving local streets and highway corridors.

### **Bay Area Air Quality Management District**

*Carl Moyer Program*: The Carl Moyer Program provides funds for hybrid, zero- or near-zero-emissions equipment or vehicle replacements and charging or fueling infrastructure for such equipment or vehicles.

*Community Air Protection Incentives (CAP)*: CAP prioritizes funding projects that reduce emissions in communities most impacted by air pollution. The Program focuses on transitioning diesel fleets to the cleanest technologies available.

*Transportation Fund for Clean Air (TFCA)*: TFCA funds come from vehicle registrations and are for projects that reduce on-road motor vehicle emissions, such as trip reduction programs, and clean air vehicles and infrastructure.



## Metropolitan Transportation Commission

*Regional Measure 2 (RM2) and Regional Measure 3 (RM3):* RM2 and RM3 are voter-approved measures that raise the toll on the region's seven state-owned bridges. These funds are used to help finance highway, transit, bicycle and pedestrian projects in the bridge corridors and their approaches, and to provide operating funds for key transit services.

*AB664:* AB664 are toll revenue funds collected from the three southern bridges, San Francisco-Oakland Bay Bridge, Dumbarton Bridge and San Mateo Bridge that are used for capital projects that further the development of public transit in the vicinity of these three bridges.

*State Transit Assistance (STA):* STA funds derived from state sales tax on fuel and are used for transit and paratransit operating assistance as well as transit capital projects.



Figure 4: Grant Funding Projections

Program Name	Fund Type	Cycle	Estimated Programming						Project Scope Eligibility Restrictions
			Prior Year	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	
Federal									
MTC Transit Capital Priorities (FTA Formula funds and bridge toll funds)	Formula	Annual	85,640,000	269,000,000	127,510,000	104,850,000	63,200,000	130,040,000	More Restrictions - Priority is for Buses and ADA operating support
Low and No Emissions/Bus and Bus Facilities –Competitive	Competitive	Annual	25,510,000	15,000,000	TBD	TBD	TBD	TBD	More Restrictions - Funds Buses, Bus Infrastructure and workforce development. Low No subset only funds zero-emission bus and/or infrastructure
Community Projects (Earmarks)	Competitive	Annual		2,650,000	TBD	TBD	TBD	TBD	Less Restrictions but highly competitive - funding depends on elected priorities.
CMAQ (One Bay Area Grants)	Competitive	2-4 years	8,840,000	8,570,000	TBD	TBD	TBD	TBD	More Restrictions - Funds County or Regional priorities to implement Plan Bay Area
State									
Cap & Trade - Low Carbon Transit Operations Program (Revenue)	Formula	Annual	6,890,000	5,600,000	5,600,000	5,600,000	5,600,000	5,600,000	More Restrictions - Greenhouse Gas (GHG) Reducing projects
Cap & Trade - Low Carbon Transit Operations Program (Population)	Competitive	Annual	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	More Restrictions - GHG Reducing projects that fit within MTC Transit Performance Initiative or BusAID Programs (mainly corridor upgrades)
SB1 State of Good Repair	Formula	Annual		4,700,000	4,000,000	4,000,000	4,000,000	4,000,000	Less Restrictions - General state of good repair
SB1 Local Partnership Program (Formulaic)	Formula	Bi-annual	00,000	1,394,000	00,000	650,000	00,000	650,000	Less Restrictions - General state of good repair
SB1 Local Partnership Program (Competitive)	Competitive	Bi-annual		TBD	TBD	TBD	TBD	TBD	More Restrictions - Funds many types of projects with strict project delivery and high match requirements.
Cap & Trade - Affordable Housing & Sustainable Communities	Competitive	Annual	2,370,000	TBD	TBD	TBD	TBD	TBD	More Restrictions - GHG Reducing projects that fit within AHSC guidelines. Historically, buses and corridor projects are the most competitive.
Regional									
Regional Measure 3 (RM3)	Formula	Ongoing	4,100,000	10,000,000	20,000,000	20,000,000	20,000,000	20,000,000	More Restrictions - RM3 investment plan specific
Community Air Protection Incentives (BAAQMD/CARB)	Competitive	2-3 Years		22,000,000	TBD	TBD	TBD	TBD	More Restrictions - Must demonstrate emissions reductions beyond ordinance. Newer program.
Carl Moyer Program (BAAQMD/CARB)	Competitive	2-3 Years	10,720,000	4,680,000	4,080,000	3,600,000	00,000	00,000	More Restrictions - Must demonstrate emissions reductions beyond ordinance.
Local									
Alameda County Comprehensive Investment Plan (ACTC)	Competitive	Bi-annual	00,000	2,000,000	00,000	00,000	00,000	00,000	More Restrictions - Must align with Countywide Transportation Plan (CTP)
Measure BB/FF and Discretionary Funds (ACTC)	Competitive	Annual	5,300,000	3,680,000	3,920,000	2,200,000	2,200,000	2,000,000	More Restrictions - Must align with Discretionary Program Guidelines, named project, and CTP
Totals			150,670,000	350,574,000	166,410,000	142,200,000	96,300,000	163,590,000	