

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 6/28/2023

Staff Report No. 23-303

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager/Chief Executive Officer
SUBJECT: Bus Donation

ACTION ITEM

AGENDA PLANNING REQUEST:

RECOMMENDED ACTION(S):

Consider the adoption of Resolution 23-025 authorizing the General Manager to transfer ownership of up to thirteen (13) decommissioned fuel cell buses, their associated surplus parts and materials to Amigos of Costa Rica, in support of Latin America's first fully integrated green hydrogen transportation ecosystem pursuant to Board Policy 461.

Staff Contact:
Salvador Llamas, Chief Operating Officer

STRATEGIC IMPORTANCE:

Goal - Strong Public and Policymaker Support

The proposed donation of surplus buses does not have a direct impact on the District's strategic goals. However, the proposed donation reflects a strong desire from the public and policymakers to conserve, protect, and create a more sustainable environment. The donation also demonstrates the District's long-standing support for zero emission deployment.

BUDGETARY/FISCAL IMPACT:

Potential loss of up to \$39,000 of auction sales revenue.

BACKGROUND/RATIONALE:

The District received a donation request from Amigos of Costa Rica, a United States-based 501(c)(3) non-governmental organization (NGO), and Estrategia Siglo XXI (ESXXI), a collaborating non-profit NGO operating in Costa Rica, for up to thirteen (13) surplus fuel cell battery electric buses and support materials. Since 2010, Ad Astra Rocket Company (Ad Astra) has collaborated with other non-profit community organizations in Costa Rica, to build Latin America's first fully integrated green hydrogen transportation ecosystem. This community-based pilot project, located in the city of Liberia in the country's northwest, includes a small solar and wind farm supplying clean electricity to a small electrolysis plant. The plant provides green hydrogen, at both H35 (350 Bar) and H70 (700 Bar) dispensing pressures, to a fleet of fuel cell electric sedans and a VanHool fuel cell bus, identical to the 2010 VanHool Fuel cell buses retired by the District.

The vehicles under consideration for this transfer is as follows:

<u>Bus #</u>	<u>Model</u>	<u>Purchase Price</u>	<u>Purchase Date</u>	<u>Number of buses</u>
0004 to 0016	Van Hool Urban FC	\$1,232,095	6/28/2010	13

The ecosystem went into full operation in November of 2017. The pilot operates as a demonstration, training and education project and is partially financed by non-profit foundations and by Ad Astra, who is promoting the deployment of green hydrogen as an important ingredient in decarbonizing Costa Rica's transportation sector and part of a roadmap with the goal of advancing the towards the level of a developed country by 2050.

The buses will be utilized for the expansion of the existing pilot ecosystem, and support the education initiative, to better familiarize the community with hydrogen fuel cell mass transit and support the training of technicians and operators of the technology.

According to Board Policy 461 - *Disposition of District Owned Surplus, Equipment, Supplies, and Other Tangible District Property*, once the useful service life requirements have been met, equipment with a unit market value of \$5,000 or less may be retained, sold, or otherwise disposed of without the need of reimbursing the Federal Transit Administration. All decommissioned buses and equipment proposed to be transferred to Amigos of Costa Rica meet these requirements. The cost of removal, transportation, and any fees associated with the transfer will be paid for by Amigos of Costa Rica.

The request for donation meets all the requirements under Board Policy 461 and staff recommends adoption of Resolution No. 23-025 authorizing the donation.

ADVANTAGES/DISADVANTAGES:

The advantage of donating these buses is that this program further advances the acceptance of zero emissions technology and green hydrogen production.

ALTERNATIVES ANALYSIS:

There are no alternatives to the course of action recommended in this report as the benefits of donating the buses and equipment far outweigh the monetary value of the assets.

PRIOR RELEVANT BOARD ACTION/POLICIES:

BP 461 Disposition of District owned Surplus Equipment, Supplies, and Other Tangible District Property

ATTACHMENTS:

1. Resolution No. 23-025
2. Van Hool FCEB Donation Request Letter

Prepared by:

Chris Durant, Assistant Director of Maintenance

Approved/Reviewed by:

Fred Walls, Director of Procurement and Materials

Cecil Blandon, Director of Maintenance

Salvador Llamas, Chief Operating Officer

Chris Andrichak, Chief Financial Officer

Jill A. Sprague, General Counsel/Chief Legal Officer