

# ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



## STAFF REPORT

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**MEETING DATE:** 8/10/2022

**Staff Report No.** 22-457

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**TO:** AC Transit Board of Directors  
**FROM:** Michael A. Hursh, General Manager  
**SUBJECT:** FY2022 Transit Capital Priorities ZEB Infrastructure Set-Aside Program

### ACTION ITEM

**AGENDA PLANNING REQUEST:** ☐

**RECOMMENDED ACTION(S):**

Consider adoption of Resolution No. 22-032 authorizing the General Manager or his designee to file and execute applications with the Metropolitan Transportation Commission (MTC) for MTC's FY2022 Transit Capital Priorities (TCP) Zero-Emission Bus (ZEB) Infrastructure Set-Aside Program, including Federal Transit Administration (FTA) Sections 5307 funds, to fund the Hydrogen Fueling Infrastructure project at Division 6 in Hayward.

**STRATEGIC IMPORTANCE:**

Goal - Financial Stability and Resiliency  
Initiative - Zero Emission Programs

The proposed project will design and construct fueling and maintenance facilities to support ZEB operations, thus further advancing the District's Zero-Emissions Bus Transition Plan and enabling the District to begin providing service with zero-emission buses at Division 6.

**BUDGETARY/FISCAL IMPACT:**

Staff recommends applying for approximately \$5.56 million in Fiscal Year 2021-22 TCP ZEB Infrastructure Set-Aside Program grant funds to construct a hydrogen fueling station at Division 6 and install other supporting maintenance facilities and equipment. A twenty percent match of approximately \$1.4 million is required, which will come from District capital or other grants.

**BACKGROUND/RATIONALE:**

AC Transit remains committed to transitioning the bus fleet to 100% zero-emission buses by 2040. To accomplish this goal, AC Transit's Board of Directors approved the ZEB Transition Plan which serves as a blueprint for how the District is planning to achieve a full transition to zero-emission technologies by 2040. Based on AC Transit's current fleet replacement schedule and planned procurements, Division 6 in Hayward, is the third largest operating Division which is a natural progression for ZEB investment after Division 4 Oakland, and Division 2 Emeryville. The District needs to begin investing in ZEB deployments at Division 6 to build up infrastructure early on to prepare for larger bus procurements as we approach 2040.

Located at the edge of our southern service area and with a larger property footprint, Division 6 allows for ZEB infrastructure to be installed without impacting existing fleet and facilities space. The routes that run out of Division 6 are long with high deadhead travel that would require long range ZEBs. Additionally, deploying ZEBs from Division 6 will provide a significant benefit to the District with expanded operational capability and increased resiliency capacity.

The District applied for a Transit and Intercity Rail Capital Program grant in March 2022 for the Division 6 Hydrogen Fueling Infrastructure project but did not win a grant award. The MTC Commission approved and established a ZEB Infrastructure Set-Aside program within their TCP program in May 2022 to apportion funds specifically for ZEB infrastructure to assist operators in the transition to zero-emission buses. Funds are distributed according to fleet sizes in each urbanized zone. For FY 2021-22, AC Transit is allocated approximately \$5.56 million.

#### **ADVANTAGES/DISADVANTAGES:**

Applying for the MTC TCP ZEB Infrastructure Set-Aside funds would allow the District to expand its zero-emission program into another Division, and to continue converting the fleet into a zero-emission fleet.

Applying for and accepting the grant will require the District to pursue additional funds to complete the project. The MTC TCP ZEB Infrastructure Set-Aside program is anticipated to continue for two more years, therefore the District will have the opportunity to apply for and receive more funding through the same program.

#### **ALTERNATIVES ANALYSIS:**

Staff also considered the Training and Education Center Modernization project, however the hydrogen fueling station at Division 6 fits the grant program requirements more closely and fulfills the greater need to accommodate the next expansion of ZEBs.

#### **PRIOR RELEVANT BOARD ACTION/POLICIES:**

SR 22-112 Application for Fiscal Year 2021-22 Transit and Intercity Rail Capital Program Funds  
SR 22-319 AC Transit Zero Emissions Bus Transition Plan

#### **ATTACHMENTS:**

1. Resolution 22-032

#### **Prepared by:**

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#### **Approved/Reviewed by:**

Cecil Blandon, Director of Maintenance

Joe Callaway, Director of Capital Projects

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