ALAMEDA-CONTRA COSTA TRANSIT DISTRICT

STAFF REPORT

MEETING DATE: 8/12/2026 **Staff Report No.** 26-090b

TO: **AC Transit Board of Directors**

FROM: **Salvador Llamas, General Manager/Chief Executive Officer**

SUBJECT: **Set Public Hearing: Draft Contingency Service Plan and Line 95-Service on New Streets**

ACTION ITEM

AGENDA PLANNING REQUEST: ☐

RECOMMENDED ACTION(S):

Consider setting hybrid Public Hearing meetings at 2:00 p.m. and 6:00 p.m. on Wednesday, October 14, 2026 at AC Transit's General Office. The meetings would allow public comment on the Board-approved Draft Contingency Service Plan and proposed service on new streets associated with a routing change to Line 95.

Staff Contact:
Ramakrishna Pochiraju, Executive Director of Planning & Engineering
Claudia Burgos, Executive Director of External Affairs & Customer Experience

STRATEGIC IMPORTANCE:

Goal - Financial Stability and Resiliency
Initiative - Financial Efficiency and Revenue Maximization

Setting a public hearing on October 14, 2026, will allow the Board to receive and consider public comments on the Draft Contingency Service Plan before staff proposes adoption of related service changes in December 2026. If service changes are adopted in December 2026 they would be implemented in June 2027. The proposed service changes in the Draft Contingency Service Plan are designed to reduce AC Transit's operating costs by an estimated $53 million. This would balance the budget in anticipation of annual deficits averaging $50 million beginning in FY 2027-28.

The proposed change to Line 95 is in line with the District's goals of Safe and Secure Operations and Convenient and Reliable Service.

BUDGETARY/FISCAL IMPACT:

The Public Hearing meetings have an estimated cost of $6,000 for interpreters and staff resources.

Based on the District's most recent deficit projections, staff prepared a Draft Contingency Service Plan which was approved by the Board on June 10, 2026, and contains reductions totaling $53 million. Under this plan, service would be reduced by 16.4%. Staff can scale back the proposed service cuts if additional resources are identified.

BACKGROUND/RATIONALE:

This report asks the Board to consider setting Public Hearings on the Board-approved Draft Contingency Service Plan before the Board of Directors at 2:00 p.m. and 6:00 p.m. on Wednesday, October 14. 2026, at AC Transit's General Office. The proposed Public Hearings will also cover comments regarding service on new streets associated with a proposed change to Line 95 and listed in Attachment 6.

The proposed Public Hearing would cover service changes included in the proposed network plan for potential June 2027 implementation as detailed in Attachment 1.

Development of Proposed Draft Contingency Service Plan

At the March 25, 2026, meeting, the AC Transit Board of Directors approved an Alternate Service Plan Framework based on the recently updated Board Policy 545 (Service Standards). The framework, detailed in Staff Report 26-090, includes the five elements listed below:

1) Maintain the Realign network.
2) Minimize complete service eliminations.
3) Focus on span and frequency reductions.
4) Restructure High-Cost Services.
5) Proportionately reduce service in Special District 1 (SD 1) and Special District 2 (SD 2).

At the June 10, 2026, meeting, staff presented and the Board approved a draft of the Contingency Service Plan based upon the framework elements and a review of existing conditions. More detail on the specific proposal is included in Attachment 1 and will be available on the District's website at actransit.org/contingency-plan following the Board's decision to set the public hearing.

If approved for implementation, the proposed plan assumes that frequencies of individual lines could be adjusted after final Board adoption of the service changes by as much as five minutes based on layover constraints and real-world operating conditions as staff implements the plan.

Title VI Analysis

At the June 10 presentation of the draft Contingency Service Plan, staff also presented a draft Title VI service equity analysis, including the technical analysis in line with Board policy (Attachment 3). It should be noted that Executive Order 14282, titled "*Restoring Equality of Opportunity and Meritocracy*," was signed by President Trump on April 23, 2025, which removes the requirement for agencies to conduct a disparate impact service equity analysis. Although Board Policy 518 still requires a service equity analysis, since it is no longer required under Federal law, the Board could choose to waive this requirement. Staff's recommendation, however, is to proceed with the Title VI analysis. The draft analysis found no disparate impact and no disproportionate burden. While the analysis in Attachment 3 aligns with current District Title VI policy, staff will ensure the final draft of the service equity analysis properly aligns with any policy updates approved by the Board.

Paratransit Policy Implications

As presented at the June 10 Board meeting, staff reviewed all paratransit trips taken within the District's boundaries between September and November 2025 and determined that about 1,500 of the 104,000 trips taken (or 1.4%) would fall outside a three-quarter mile buffer of the proposed service network, either due to service discontinuations, or proposed reductions in hours of operation. These 1,500 trips were taken by 4% of the 4,100 unique users who took a trip within the District's boundaries during this period. In terms of time of day, approximately 66% of the impacted trips took place before 7:00 a.m. or after 7:00 p.m. In addition to the $53 million net cost savings from fixed-route reductions, staff anticipated an additional $903,000 in annual cost savings from corresponding paratransit reductions.

Community Engagement Updates

Since the Board adopted the Alternative Service Plan on March 25, the Legislative Affairs & Community Relations department has carried out sustained public outreach across the District. Following the June 10 Board meeting, these efforts expanded to include "State of AC Transit" presentations to city councils and civic organizations, significantly increasing our reach and deepening community understanding of the agency's needs and the draft contingency plan.

Through presentations to city councils, attendance at summer festivals, community meetings, and bus ride-alongs with the General Manager, staff and Board Directors have connected with thousands of community members and civic leaders. These conversations explain how the Draft Contingency Service Plan was developed, detail the agency's budget challenges, and highlight the essential role AC Transit plays in the East Bay's mobility, economy, public health, and sustainability.

Community members are also providing input through an online survey, which continues to collect feedback that directly supports the Planning Department's work and will help shape potential updates to the Draft Contingency Service Plan, if brought to the Board in December. Details on engagement results can be found in Attachments 4 and 5.

Attachment 5 shows responses received as of 7/23. Additional written and verbal feedback received will be presented to the Board and the public on the day of the meeting.

To give riders additional opportunities to learn about the Draft Contingency Service Plan and speak directly with staff, AC Transit will host two Districtwide open houses prior to upcoming Board meetings - on August 12 and on October 14. These sessions will provide clear, accessible information and invite further public input as the Draft Contingency Service Plan moves toward final review.

To support clear internal communication, the District launched a dedicated Frequently Asked Questions (FAQ) website. The site provides employees with straightforward, reliable information about AC Transit's budget outlook, the factors driving the deficit, and the purpose of the Contingency Service Plan. It equips frontline staff with accurate facts they can share when riders or community members ask about the District's future, while also reducing rumors and uncertainty inside the organization. The website includes an actively monitored inbox where employees can submit questions and ideas directly to District leadership, ensuring staff concerns are heard and helping maintain transparency and trust throughout this process.

Proposed Schedule

The following schedule assumes the Board conducts the proposed Public Hearing and considers a final revised version of the Draft Contingency Service Plan based on outreach feedback and Public Hearing comments:

Date	Time	Action
6/10/2026	5:00 p.m.	Board approved the Draft Contingency Service Plan
8/7/2026	4:00 p.m.	8/12 Board Meeting Packet post & Public Comment Period Opens
8/12/2026	5:00 p.m.	Board Meeting: Set Public Hearing Dates on Draft Plan
10/14/2026	2:00 p.m.	Hold Public Hearing (Board-Led)
10/14/2026	6:00 p.m.	Hold Public Hearing (Board-Led) and Close Public Comment Period
12/9/26 (if necessary)	5:00 p.m.	Board Meeting: Contingency Service Plan Decision
6/13/27 (if necessary	TBD	Implement Contingency Service Plan

Line 95 Routing Change

Staff is proposing to address operational concerns brought up by bus operators on Line 95. The existing conditions along Costa Drive make it difficult to navigate the left turn from Eddy Street onto Costa Drive. At times, buses were unable to complete the turn and required assistance from Road Supervision.

Staff conducted a test trip in April 2026 to confirm the issues and assessed various alternatives. The new proposed route is to operate via Kelly Street, continue right into Henry Lane, right Shawn Way, right Glen Ellen Drive, right Naomi Drive then left Eddy Street to terminal.

New street segments include:

- Kelly Street between Eddy Street and Henry Lane
- Henry Lane between Kelly Street and Shawn Way
- Shawn Way between Henry Lane and Sheila Street

Per Board Policy 110 and 545, AC Transit is required to conduct a Public Hearing for a new transit route such as the proposed changes on Line 95. Based on the outcome of the Public Hearing, Staff will bring the item to the Board on the same timeline as the Contingency Service Plan and proposes implementing the change in June of 2027. These changes will be brought to the board regardless of the outcome of the regional ballot measure.

A map of the existing and proposed routings is detailed in Attachment 6.

ADVANTAGES/DISADVANTAGES:

Setting a Public Hearing will allow for formal input on the Draft Contingency Service Plan for the Board to consider prior to proposed adoption of the Final Contingency Service Plan in December 2026.

The Public Hearing will also allow for changes to Line 95 to be implemented that will reduce delays associated

with waiting for parked cars or obstructions in the roadway to be moved by homeowners.

The disadvantage to conducting the Public Hearing on October 14, 2026, is that it is a pre-emptive exercise in anticipation of the Connect Bay Area ballot measure not passing in November 2026. Given the required timeline for potential implementation in June 2027, the District cannot hold the Public Hearing until after Election Day.

ALTERNATIVES ANALYSIS:

The Board could choose not to hold Public Hearings in October, which would delay the Board's timeline for adoption of a final plan beyond December 2026, and delay implementation beyond June 2027.

Choosing not to hold a Public Hearing will also keep Line 95 along its current route and continue to be susceptible to delays associated with navigating very slowly through the existing turn from Eddy Street onto Costa Drive.

PRIOR RELEVANT BOARD ACTION/POLICIES:

SR 26-090 Alternate Service Plan Framework
SR 26-090a Proposed Contingency Service Plan for Consideration at a Future Public Hearing Approval

ATTACHMENTS:

1. Draft Contingency Service Plan Matrix
2. Public Hearing Notice
3. Draft Title VI Analysis
4. Community Engagement Report
5. Engagement Report Appendices
6. Maps of Existing and Proposed Line 95 Routing Near East-End Terminal

Prepared by:
Sean Diest Lorgion, Service Planning Manager

In Collaboration with:
David Berman, Senior Transportation Planner
Crystal Wang, Senior Transportation Planner
Owen Christofferson, Transportation Planner
Carissa Lee, Transportation Planner
Owen Goetze, Transportation Planner
Howard Der, Senior Transportation Planner

Approved/Reviewed by:
Robert del Rosario, Director of Service Development & Planning
Steven Jones, Director of Legislative Affairs & Community Relations
Nichele Laynes, Director of Marketing, Communications & Customer Service
Arlee Young, Director of Transportation

Aaron Vogel, Chief Operating Officer
Claudia Burgos, Executive Director of External Affairs & Customer Experience
Ramakrishna Pochiraju, Executive Director of Planning & Engineering
Jelena Harada, Assistant District Secretary
Chris Andrichack, Chief Financial Officer
Paul Kincaid, Assistant General Manager/Chief/Executive Officer
Aimee L, Steele, General Counsel/Chief Legal Officer