

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 5/27/2020

Staff Report No. 20-186

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager
SUBJECT: Coronavirus Pandemic (COVID-19) Update

BRIEFING ITEM

RECOMMENDED ACTION(S):

Consider receiving an update on the District's actions to date in response to the Coronavirus Pandemic (COVID-19.)

STRATEGIC IMPORTANCE:

Goal - Safe and Secure Operations
Initiative - Financial Efficiency and Revenue Maximization

This report outlines the District's preparedness, planning and response to COVID-19, including efforts to date to provide service that is safe for customers and employees.

BUDGETARY/FISCAL IMPACT:

As of May 8, the District's ridership decline is estimated at 72% when compared to the February baseline of 189,000 weekday riders. On average, buses are currently carrying 53,000 daily riders.

Farebox revenue loss is about \$5 million per month for each month with no fares collected. The Alameda County Transportation Commission (ACTC) has released projections for Measure B and BB for FY20-21 that show a 9% (\$6 million) reduction from the AC Transit FY19-20 adopted budget. Staff believes the actual loss is likely to be higher than this, estimating in the 20-30% (\$14-22 million) range, with worst case reductions as high as 40% (\$29 million). Considering all of the District's sales tax-based revenues a worst-case 40% reduction is approximately \$80 million.

BACKGROUND/RATIONALE:

Service levels and the shelter in place order have not changed since the May 13 update to the Board of Directors. The District continues operating emergency service levels and the Emergency Operations Control Center continues active and staff is meeting weekly.

Currently, the District is not hiring for non-essential positions, consequently, the District's natural attrition will reduce headcount and thus help reduce expenses.

Internal Communications

On May 8, a new internal newsletter, *NEWSLTR*, launched with a goal of providing District staff accurate and timely updates regarding the state of the District and the efforts that are underway to respond to the pandemic. Two editions of *NEWSLTR* have been published and made available to staff via various District communication channels. Additionally, staff launched a staff appreciation campaign titled, Because of YOU, AC Transit can. The campaign includes banners at all facilities, social media posts, AC Transit website page with an option for the public to share appreciation messages for AC Transit's essential employees (Attachment 1).

As the District prepares for the shelter in place order to be lifted and the subsequent return of riders, social media posts highlighting our disinfecting efforts have increased (Attachment 2).

Slow Streets

Staff continues monitoring the implementation of slow streets programs throughout the District's service area. Staff has conveyed the District's needs and request for coordination with the cities that have pursued programs thus far, which includes Oakland, Alameda, Hayward and Berkeley.

Legislative Update

On May 15 Congress passed the HEROES Act which would provide roughly \$3 trillion in financial assistance to communities, health care, and other entities. The bill contains two key elements that are related to transit:

Federal Transit Administration - \$15.75 billion

\$11.75 billion for operating or capital that would be provided through grants to 14 very large urbanized areas (with populations over 3 million)

85 percent would be distributed by the State-of-Good-Repair formula

15 percent by the Urbanized Area formula

\$4 billion for Emergency Relief allocated through a grant application process with funds intended to maintain basic transit operating services. Funds could be used for operating assistance or capital projects

Heroes Fund

The bill would create a \$180 billion Heroes Fund to provide a hazard pay supplement for essential workers, including "any services in public transportation" and "any private transportation of people." Employers that apply for and receive grants would pay essential workers \$13 per hour of premium pay, in addition to regular wages (up to a limit of \$10,000).

In advance of the House vote, AC Transit submitted a letter of support to members of the AC Transit delegation (Attachment 3).

On May 19, staff participated with Directors Peebles and Shaw on a series of Fly-In calls led by APTA. Calls were held with staff from the offices of Congressmembers DeSaulnier, Lee, Swalwell and Khanna. Discussions focused on the need for additional funding to support transit in the amount of \$23 Billion as per APTA's

analysis, the importance of reauthorization of the FAST Act and the need to eliminate local match requirements as agencies struggle with reduced operating funds from non-Federal sources.

ADVANTAGES/DISADVANTAGES:

Advance planning, preparation and response will provide a path to fulfill the District's goals to provide safe and secure operations that also prioritize the safety of District staff and riders.

ALTERNATIVES ANALYSIS:

The choice not to plan, prepare and respond accordingly as COVID 19 evolves is not an option at this time.

PRIOR RELEVANT BOARD ACTION/POLICIES:

Staff Report 20-174: District Preparedness and Response to COVID-19

Staff Report 20-187: District Preparedness and Response to COVID-19

Staff Report 20-185: District Preparedness and Response to COVID-19

ATTACHMENTS:

1. Essential Workers Campaign
2. Social Media Posts
3. Letter to Federal Delegation re: HEROES Act

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