

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 9/8/2021

Staff Report No. 21-394

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager
SUBJECT: Update on the Strategic Plan Progress

BRIEFING ITEM

RECOMMENDED ACTION(S):

Consider receiving an update on the Strategic Plan Progress.

STRATEGIC IMPORTANCE:

The Strategic Plan was approved in April 2019 and included core values, updated vision and mission statements, high-level goals, and strategic initiatives.

BUDGETARY/FISCAL IMPACT:

There is no specific fiscal impact associated with this briefing item.

BACKGROUND/RATIONALE:

The District's Strategic Plan was completed in April 2019. Later that same year, global crises emerged that would profoundly affect the country and AC Transit. Three of these problems are particularly important for the District to address in a thoughtful manner: systemic racism, the climate crisis, and our response to and recovery from the pandemic. Staff recognizes much has changed creating an opportunity to revisit the Strategic Plan and give the Board an opportunity to make adjustments at the September 29, 2021, Board retreat.

Staff is recommending that a major addendum to the Strategic Plan be prepared that focuses on these three issues: diversity/equity/inclusion, the climate crisis and recovery from the pandemic. The addendum would be published alongside the original strategic plan and posted on-line. A cover-to-cover update of the strategic plan would be prepared in 2024, at the five year mark and once every five years thereafter.

The 2019 Strategic Plan has the following 7 elements:

1. SWOT Analysis
2. Core Values
3. Scenario Plan
4. Vision Statement
5. Mission Statement
6. Goals (high level)

7. Initiatives

For the amendment, staff is recommending a focus on the Scenario, Goals, Initiatives and to the Technical Appendix, Attachment G - Goals with Associated Draft Objectives and Metrics. Staff is proposing that the remaining components of the Strategic Plan - the SWOT Analysis, Core Values and the Mission and Vision Statements be left as is until the full update in 2024.

Recent Strategic Goal Highlights

AC Transit staff collaborates with labor unions, industry associations, and agency partners to prioritize core business functions as the region's conditions and pandemic impacts constantly change. Highlights of these coordination efforts are grouped under the following strategic goals.

Goal: Safe and Secure Operations

AC Transit's Emergency Operations Control Center (EOCC) remains active in response to mandates from federal, state, and local governments regarding increased efforts to contain spread and exposure of the COVID-19 virus. The District operates in an emergency response mode and has increased from 75% to 83% of its pre-pandemic scheduled bus service.

At the request from the Governor's Office of Emergency Services (CalOES), AC Transit provided fare-free shuttle service to the Oakland Coliseum COVID-19 mass vaccination site from February 16th to March 18th and May 3rd to May 9th. Because of the creative actions and quick response from staff 3,890 passengers were able to access the lifesaving vaccine on this shuttle service.

US Department of Transportation/Federal Transportation Administration requires Random Testing of all Safety-Sensitive employees (50% for drugs and 10% for alcohol). AC Transit has 1,748 Safety-Sensitive Employees and will need to complete 874 random drug tests and 175 random alcohol tests in order to meet these requirements. As of August 16, 2021, we have completed 316 random drug tests or 36% of what is needed, and 70 random alcohol tests or 40% of the required amount. The Drug and Alcohol unit is on target to meet both requirements by the end of the year.

Protective Services Key Performance Indicators (KPIs) are in development to monitor performance of contracts with the Alameda and Contra-Costa County Sheriff's Office and staff will continue to refine the data collection and validation process to establish performance benchmarks utilizing industry standards and best practices.

Goal: Convenient and Reliable Service

As of June 15, 2021, California's Governor terminated the executive orders that put into place the Stay At Home Order and the Blueprint for a Safer Economy. This means no more physical distancing and no capacity limits on public transit buses; therefore, on June 21st the District removed passenger capacity limits. All fleet and facilities safety mitigation protocols will remain in place until further notice. The District communicated the change to riders through social media, eNews, and its website.

The District is building on last year's successful pilot program for passenger load information (PLI) technology platform on the BRT Tempo line by expanding that capability to the entire bus fleet. A request for proposal was released on July 29, 2021 to upgrade 79 Automated Passenger Counter (APC) equipment sensors, install 99 new sensors, and purchase analytics software. On-board sensor technologies will provide real-time data

collection and dissemination of bus-crowding information in support of the real-time rider capacity feature in the AC Transit Official Mobile App. The District promoted the PLI tool to our riders and customers as the Rider Capacity Feature (RCF) and communicated the feature through social media, at-station signage, through on-coach brochures, and eNews.

The mission-critical communications systems installed, tested, and accepted as part of the Tempo Bus Rapid Transit line require 24/7 fiber network monitoring, maintenance and support. The first operational year of the Tempo line relying on the fiber optic communication network has affirmed the network design and reliability. On-going issues related to operations and maintenance are being handled in coordination with city and state partners.

The Clever Devices Computer Aided Dispatch and Automated Vehicle Location (CAD/AVL) system, now in operation on all District vehicles, has entered Phase II, which is focused on deployment of Secure Bus Technology (SBT), continuous improvement in the performance and resiliency of the voice communication system, integration with Badge ID system for seamless operator logon, and enhanced data collection capabilities. The Secure Bus Technology (SBT) guarantees only authorized employees can operate a bus to help ensure safety of employees, passengers, and the public. This technology will validate an employee based on the data in Peoplesoft and HASTUS scheduling system to confirm both employee and route assignment respectively once their badge is swiped. Only after the successful validation certain components on the bus are enabled for safe vehicle operation.

Final testing phase of the HASTUS Daily application intended to replace the legacy Operator Timekeeping System (OTS) is 95% complete. The application is being rolled out one bus division at a time. The final testing will enable PeopleSoft Financials to calculate bus operator pay based on this more accurate and reliable timekeeping software platform.

District is in the process of implementing a resilient hybrid cloud infrastructure model for server and data hosting. State-of-the-art Hyper-convergence technology was installed in our data centers to host virtual servers and store data needed for easy and secure access by all users on all devices. The new resilient IT Infrastructure enables the Public Private Hybrid Cloud infrastructure model, and significantly improves the availability of critical application servers and sensitive operational data. Additionally, the District has been fully utilizing various Cloud based collaboration and team sharing platforms like Office 365 SharePoint, Teams, and ZOOM for business continuity.

Service reliability is dependent on the availability of mission-critical IT systems and the safety of operators and riders is ensured when all technology platforms are operating without any disruptions. As many of these IT systems are interconnected and use various computer hardware and software, protecting these digital assets from cyberattacks requires comprehensive security practices and controls. The District is aligning cybersecurity strategy with the Critical Security Controls (CSC) published by Center for Internet Security (CIS). The CSC is a prioritized set of best security practices, which complies with multiple cybersecurity policy, regulatory and legal frameworks.

Goal: Financial Stability and Resiliency

The Board adopted a balanced operating budget of \$479.7 million for this FY 2021-22 in June 2021. The budget includes \$55.5 million in federal emergency operating support from the Coronavirus Response and

Relief Supplemental Appropriations (CRRSA) Act of 2021. The District was also allocated an initial \$66.1 million from the American Rescue Plan (ARP) Act by the Metropolitan Transportation Commission (MTC). The Board also adopted the District's second Capital Improvement Plan (CIP) covering FY 2022 to FY 2026.

The District was recognized by the Government Financial Officers Association as a "Triple-Crown" winner at its recent conference for receiving all three awards that GFOA offers for reporting (Excellence in Financial Reporting, Popular Annual Financial Reporting, and Distinguished Budget Presentation) for FY 2018-19, the most recent year all three awards have been given. AC Transit was one of only two public transit agencies to be recognized.

The Procurement Department has successfully transitioned to using the Peoplesoft Supplier Contracts module from the original Critical Business Index custom solution to manage procurement contracts. This module will better track contract records, associated spending, responsible parties and timelines for renewal.

The District launched campaigns to increase the visibility and usage of AC Transit fare products. This included adding \$1.1 million in EasyPass revenue; new contactless fare payment and overarching fare education; development of the Tempo specific fare information to educate and encourage riders to leverage the Tempo fare payment channels before boarding; and continuing to manage the Student Transit Pass Program, with an enrollment of more than 11,000 students.

Goal: High-Performing Workforce

As a key agency in the Bay Area, we recognize and value our approximately 2,160 employees, and the diversity they represent. Our workforce reflects the many cultures co-existing and thriving in the community AC Transit serves. As of March 31, 2021, AC Transit has 1,906 (88%) people of color, and 840 (39%) women.

The District and AFSCME agreed to a new Collective Bargaining Agreement extending labor harmony until June 30, 2023. This agreement focused on practical changes to the AFSCME Collective Bargaining Agreement and offered wage increases consistent with the other two collective bargaining agreements. Currently, the District has agreements with all three of its Unions, AFSCME, ATU and IBEW.

The District is also working on further strengthening its relationships with Union leaders by holding more consistent joint Management/Labor meetings to help problem solve issues as they arise.

The District launched its new learning and development platform that will focus on practical training for supervisors and managers as well as development training for all employees. This includes a focus on offering trainings on Leave Management, Conflict Resolution and Problem Solving, Documentation and Employee Follow-Up, and the fourth year of the Labor Relations Academy that focuses on helping managers build and sustain successful relationships with the Unions. Learning is also partnering with Transportation to help rollout the District's first Transportation Training Center that will help teach leaders in the Transportation Department on how to better perform their roles and be more successful leaders at AC Transit.

The District created and implemented virtual recruitment processes across all open job positions, adapting to maintain business operations during the pandemic. As of March 2021, a total of 45 new bus operators have been hired to meet the demand for service changes effective August 2021. This included renewed and comprehensive campaign tactics that include digital geo-fencing, organic and boosted social media, brochures,

radio, and bus exteriors to garner increased visibility on reaching potential bus operators.

The District continues its efforts around classification, job analysis and market salary to ensure viable career advancement opportunities for its employees. In 2021, the following were accomplished: addition of 4 new class specifications, completion of 5 job studies, and completion of 8 market analysis.

The District has developed and implemented a Recruitment campaign targeting operators and maintenance staff utilizing social media, paid advertising, and interior and exterior bus advertising.

Goal: Strong Public and Policymaker Support

The District continued its efforts to engage with and inform community-based organizations and elected officials about the current state of the District while simultaneously advocating for the District's needs.

The first half of 2021 was focused on ongoing advocacy at the federal level to ensure the passage of the American Rescue Plan Act of 2021, the third and final coronavirus relief bill which included over \$40 Billion for transportation nationwide.

The District submitted a \$2 million earmark request to Congresswoman Barbara Lee and to Senator Alex Padilla in support of zero emission infrastructure upgrades at Division 4 (Seminary). These two requests were accepted and ultimately included in the INVEST in America Act now under consideration by the U.S. Congress.

At the state level, staff focused on petitioning the Governor, state and local elected officials, and public health leaders in Alameda and Contra Costa counties to prioritize the vaccination of transit employees against COVID-19.

Staff successfully led and/or supported efforts to advance AB 784 - Transit District Law (Quirk), AB 455 -San Francisco-Oakland Bay Bridge (Bonta/Wicks), and AB 917 - Video Imaging of Parking Violations (Bloom), including the development of fact sheets and press releases, the solicitation and submission of community letters of support, and preparation for committee hearings before the State Legislature.

Staff conducted outreach to all school districts within the AC Transit service area to obtain information about their re-opening plans for the Spring 2021 semester and 21-22 school year. Information obtained was used for the development of schedules for the March and schedules and route changes for the August 2021 sign up.

The District facilitated a series of 6 virtual community update meetings in April and May 2021. All meetings were hosted on Zoom, broadcast on Facebook Live and on the AC Transit website and supported Chinese and Spanish on the Zoom platform and on phone lines, along with English closed captioning.

The District submitted and won the California Special Districts Association's "Exceptional Public Outreach & Advocacy Award!" This recognition is awarded to an association member that has demonstrated excellence in communicating with key stakeholders. The District's public outreach and community engagement efforts in support of Tempo BRT has won the top award in this category. AC Transit will be recognized on September 1st during the California Special Districts Association's annual conference in Monterey. The District received increased visibility from peers and partners for another first-place showing at the 2021 APTA AdWheel Awards. The District was awarded the top nod for the Tempo Service Guide in the Print Media: Best Marketing and

Communications to Support Ridership or Sales category. This marks back-to-back first place wins at the coveted marketing, communications, and customer service awards competition.

Staff organized and executed 3 virtual meetings associated with the Rapid Corridors project including support in developing all external facing documents including notification letters to stakeholders, flyers, postcards, eNews, website and all presentation materials.

The District focused on ensuring that customers and riders received relevant and timeline information through a number of communications channels. Stakeholders were able to learn about new District programs, activities, and initiatives, and create an environment encouraging bi-directional feedback between the District and stakeholders.

Staff provided updated information about planned and disrupted service changes, promoting the launch of new District products and services like the new AC Transit website, the official AC Transit Mobile App, and the redesigned system overview map (which was installed on 286 pole-mounted signs and 55 bus shelters). Tactics used to communicate these new opportunities generated thousands of social media impressions, engagements, downloads, and produce usage. The District also generated increased brand awareness and visibility through such initiatives as Transit Driver Appreciation Day, which encouraged riders and customers to recognize and thank these essential workers who continued to get people to their destinations throughout the pandemic. Our riders agreed, generating nearly 5,000 social media impressions and 275 web site page views. To showcase our continued commitment to rider and operator safety, the District launched phase II of the renews COVID-19 response communications effort, designed to strengthen community trust and illustrate the variety of ways AC Transit continues to deliver and remain prepared for our riders.

During the six-month period of October 2020 through March 2021, the District achieved a 22.1% DBE participation rate on FTA funded contracts. The District also saw contracting opportunities awarded to minority, local, and women-owned firms.

Goal: Environmental Improvement

The Sustainability, Readiness and Modernization (SRM) initiative is a new District initiative in development to introduce climate action strategies with measurable goals to achieve greenhouse gas (GHG) emission targets and improve the environmental performance of the District. It includes enhancing the performance of our existing environmental management systems (EMS) by adopting best practices from ISO 14001 to identify and control the environmental impact of District activities, operations and services and developing sustainability plans that detail GHG reduction strategies.

On June 23rd, the District published the Zero Emission Transit Bus Technology Analysis (ZETBTA) a comprehensive analysis that compares conventional fleets to battery electric bus (BEB) and fuel cell electric bus (FCEB) technologies. The analysis is the first ever true, side-by-side evaluation of Zero Emission Bus (ZEB) technologies operated by the same agency, in the same service environment, with ZEBs from the same bus manufacturer and compared to conventional fleets. The study was independently reviewed and validated by Stanford University on the data, methodology, and results of the statistical analysis.

To support ZEB program growth and expansion, the District is investing in the implementation of secure and scalable IT infrastructure for the purpose of ZEB communication, security, and data management. For ZEB

program, the District is going to leverage the Data Integration and Management Environment (DIME), including data collection automation, data ingestion, real-time data ingestion, data processing, data warehouse design, integration, reporting and analytics. Data originating from various systems including vehicles, charging stations, utility usage, fuel stations, maintenance applications, financial systems, and other sources, will be collected and stored into this new data platform resulting in intelligent analysis.

The District is in the process of developing a conceptual design that transforms, retrofits, and modernizes the Training and Education Center (TEC) in Hayward, California for implementation of modern and advanced technology that will support workforce training on all aspects of zero emissions bus deployment. Coined as AC Transit's Zero Emission Bus University (ZEBU), once completed, AC Transit will achieve three pivotal goals with the creation of ZEBU:

- 1) Provide proficiency and advanced technological skills training for AC Transit frontline essential workers in mechanics, service employees and bus operators;
- 2) Be the leading clean transit training center in the United States that can provide ZEB training to any transit agency interested in implementing, maintaining and sustaining zero emission buses; and,
- 3) Be a career gateway, workforce development center for Disadvantage Communities (DACs), including low-income and low-income households. ZEBU will partner with non-profit community centers to reach DACs to provide the skills training that produce sustainable, life-changing career opportunities in public transit as mechanics or bus operators.

Strategic Performance Report (Attachment 1)

The Strategic Plan update provides information on the performance of goals and objectives in the plan. Attachment 1 contains performance reports that provide graphical representation of the statistical metrics and goals in the Strategic Plan summarized in the following two sections using FY17/18 data as the baseline.

Section 1: Strategic Performance Metrics

This section provides metrics on ridership numbers, Clipper usage, and the Zero Emission Bus schedule. The District has experienced a 60% decrease in systemwide ridership and 97% decrease in Transbay ridership for the Fiscal Year 21 (July 2020 to June 2021) from the baseline Fiscal Year 18 (July 2017 to June 2018). The decrease in the ridership is due to the pandemic and represents a full year of loss captured. The District has experienced a 5% decrease in Clipper usage on annual revenues collected.

The Zero Emission Bus schedule metric measures progress on the Board approved Zero Emission Bus (ZEB) Rollout Plan by tracking progress on the District's bus fleet transition to 100% zero emission by 2040 to comply with the Innovative Clean Transit regulation mandated by the California Air Resources Board (CARB). Currently 4% of the District's bus fleet is at zero emission and does not account for ZEB procurements that are identified in Section 2.

Section 2: Capital Improvement Program by Strategic Goal

The section provides the list of Capital Improvement Program projects with status, schedule, and project phase categorized by a strategic goal. The Section 2 table in Attachment 1 provides a description of the project phases based on the Board approved 5-year Capital Improvement Program (CIP). There are 31 projects that have a scheduled start date for 2021.

ADVANTAGES/DISADVANTAGES:

There are no advantages or disadvantages associated with this report. It is intended to provide an update on strategic activities.

ALTERNATIVES ANALYSIS:

This report does not recommend an action; therefore, no alternatives analysis is presented

PRIOR RELEVANT BOARD ACTION/POLICIES:

1. Staff Report 19-019b Strategic Plan

ATTACHMENTS:

1. Strategic Performance Report

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