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**AC TRANSIT DISTRICT**  
**Board of Directors**  
Executive Summary

**BRD Memo No. 09-233a**

Meeting Date: October 14, 2009

**Committees:**

Planning Committee	<input type="checkbox"/>	Finance and Audit Committee	<input type="checkbox"/>
External Affairs Committee	<input type="checkbox"/>	Operations Committee	<input type="checkbox"/>
Rider Complaint Committee	<input type="checkbox"/>	Paratransit Committee	<input type="checkbox"/>
<b>Board of Directors</b>	<input checked="" type="checkbox"/>	<b>Financing Corporation</b>	<input type="checkbox"/>

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**SUBJECT:** Consider Recommending the Adoption of Resolution No. 09-051 Adopting a Policy to Buy American

**RECOMMENDED ACTION:**

Information Only     Briefing Item     Recommended Motion

Adopt the resolution.

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**Fiscal Impact:**    **Unknown.**

**Background/Discussion:**

**Recommendation of the Finance and Audit Committee on September 30, 2009:**

At its meeting on September 30, 2009, the Finance and Audit Committee recommended that Resolution No. 09-051 be forwarded to the Board with an amendment to Section 1 of the resolution as follows:

“Section 1: The AC Transit Board of Directors supports an amendment to Board Policy 350 that the District will employ its best efforts to procure goods manufactured in America and when possible give first priority to the purchase of goods manufactured in California within the existing State and Federal procurement regulations.”

**Content of original BRD Memo:**

Director Ortiz has proposed the adoption of Resolution No. 09-051 for the reasons set forth in the resolution. If the Board adopts the resolution, an appropriate amendment to Board Policy No. 350 would be developed and submitted for the Committee’s and Board’s consideration.

**Prior Relevant Board Actions/Policies:**

Board Policy No. 350

**Attachments:**

None

**Approved by:**    **Elsa Ortiz, Director Ward III**  
**Prepared by:**    **Kenneth C. Scheidig, General Counsel**  
                              **Linda A. Nemeroff, District Secretary**  
**Date Prepared:**    **October 5, 2009**

**ALAMEDA-CONTRA COSTA TRANSIT DISTRICT  
RESOLUTION NO. 09-051**

**BUY AMERICAN GOODS**

**WHEREAS**, California, as well as the United States, is experiencing one of its worst recessions since the 1930s, causing A significant loss of jobs; and

**WHEREAS**, the national unemployment rate has risen to 9.7% and in California, the unemployment rate is ~~11.6~~12.2%; and

**WHEREAS**, a total of 3.6 million jobs have been lost since the beginning of the recession in December 2007. Of those jobs, 2 million have come from the manufacturing sector. Manufacturing industries now represent just 11.5% of GDP; and

**WHEREAS**, In August of this year, when people were asked by pollsters from EMC Research of Oakland to rate their priorities for the State of California, they gave the highest rating of '7' to "improving the economy and creating jobs;" and

**WHEREAS**, manufacturing has by far the largest multiplier effect of all job sectors, creating \$1.40 of additional economic activity for each \$1 of direct spending; and

**WHEREAS**, when products are purchased from a domestic producer, the US economy is stimulated and US workers put more money into their pockets, generating further spending which supports more jobs in the domestic economy; and

**WHEREAS**, with workers facing one of the worst economic crisis since the Great Depression, we believe AC Transit policies should help to create an economy that can provide security and prosperity for workers in the state and the nation;

**NOW, THEREFORE**, the Board of Directors of the Alameda-Contra Costa Transit District does resolve as follows:

**Section 1.** The AC Transit Board of Directors supports an amendment to Board Policy 350 that the District will employ its best efforts to procure goods manufactured in America and when possible give first priority to the purchase of goods manufactured in California within the existing State and Federal procurementfunding regulations.

**Section 2.** Staff shall prepare an appropriate amendment to Board Policy 350 to reflect the content of this resolution and bring the policy amendment to the Finance Committee and the Board prior to the end of the 2009 calendar year.

**Section 3.** This resolution shall become effective upon its passage by four (4) affirmative votes of the Board of Directors.

PASSED AND ADOPTED THIS 14th day of October 2009.

\_\_\_\_\_  
Ryan "Rocky" Fernandez, President

Attest:

\_\_\_\_\_  
Linda A. Nemeroff, District Secretary

I, Linda A. Nemeroff, District Secretary for the Alameda Contra Costa Transit District, do hereby certify that the foregoing Resolution was passed and adopted at a Regular Meeting of the Board of Directors held on the 14th day of October 2009, by the following roll call vote:

AYES: DIRECTORS:

NOES: DIRECTORS:

ABSENT: DIRECTORS:

ABSTAIN: DIRECTORS:

\_\_\_\_\_  
Linda Nemeroff, District Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Kenneth C. Scheidig, General Counsel

**Loni Hancock**  
CALIFORNIA STATE SENATOR, NINTH DISTRICT

**RECEIVED**

SEP. 29 2009

DISTRICT SECRETARY'S  
OFFICE

1615 CLAY STREET, #2202  
OAKLAND, CA 94612  
(510) 286-1333 • FAX (510) 286-3895



STATE CAPITOL, ROOM 3092  
SACRAMENTO, CA 95814  
(916) 651-4009 • FAX (916) 327-1997

September 29, 2009

AC Transit  
Board of Directors  
1600 Franklin Street, 10<sup>th</sup> Floor  
Oakland, CA 94612

**RE: AC Transit Support of Resolution No. 09-051**

Dear AC Transit Board of Directors:

I am writing to support the proposed resolution before the AC Transit Board of Directors to, when possible, commit to procure goods manufactured in the United States, with an emphasis on purchasing goods in California.

The United States, and more specifically California, has endured one of the most devastating economic recessions in our country's history. Nationally, since December 2007, over 2 million manufacturing jobs have been lost. Understanding and recognizing the ever-present need for the number of manufacturing jobs to improve, I feel that an increased investment in our country's and state's manufactured goods will have an important multiplier effect.

Due to AC Transit's commitment and leadership in the community, I believe that the adoption of this resolution will serve as an example to other transit authorities making capital investments. In the long-term, the investment in local manufactured goods will send a positive message to the community that local transit districts such as AC Transit believe in using local products to create a sustainable economy for California.

Thank you for your consideration of this proposed resolution.

Sincerely,

Handwritten signature of Loni Hancock in cursive script.

LONI HANCOCK  
Senator

**Finance Committee**Date: 09-30-09Item No: 7

**Linda Nemeroff**

---

**From:** Linda Nemeroff  
**Sent:** Tuesday, September 29, 2009 2:54 PM  
**To:** Linda Nemeroff  
**Subject:** FW: Buy American

>  
>  
> --- On Tue, 9/29/09, May Kandarian <may@lmi.net>  
> wrote:  
>  
> > From: May Kandarian <may@lmi.net>  
> > Subject: Buy American  
> > To: "Greg Harper" <gharper@harperlaw.net>,  
> "Chris Peeples" <chris\_peeples@yahoo.com>, "Ryan Fernandez"  
> <rocky.fernandez@gmail.com>, "Jeff Davis" <fremontkoan@comcast.net>,  
> "Elsa Ortiz" <ortizelsa@comcast.net>, "Joe Wallace"  
> <jwallace@actransit.org>, "Rebecca Kaplan" <rebeccak@igc.org>, "Joel  
> Young" <joelbyoung@gmail.com>  
> > Date: Tuesday, September 29, 2009, 10:27 AM  
> >  
> > Ms. Ortiz and Budget Finance & Audit Committee, I strongly support  
> > the adoption of the policy of purchasing American busses only for AC  
> > Transit.Support the American and possibly the local economy, since  
> > one bus company is in Hayward.Provide jobs for Americans.Cut travel  
> > expenses to Europe, a misuse of public funds.It is time to reverse  
> > the trend of privatizing public places and services.  
> > If there is truly a commitment to get people out of cars the bus  
> > service needs to be increased.Busses need air conditioning. Hire a  
> > repair specialist.Route any BRT on San Pablo Avenue to avoid  
> > duplicating the BART route from  
> Oakland to  
> > Berkeley.That corridor is wider, is being developed and is less  
> > congested.Add smaller busses that transport West/East.Increase  
> > weekend service, especially to parks. People living in  
> crowded  
> > cities need access to nature.  
> > Thank you for making public service a priority,  
> >  
> > May Kandarian,  
> > MPH510  
> > 647-5182may@lmi.net  
> >  
> >  
>

**Linda Nemeroff**

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**From:** ortizelsa@comcast.net  
**Sent:** Wednesday, September 30, 2009 8:10 AM  
**To:** Linda Nemeroff  
**Subject:** Fwd: Buy American Resolution, No. 09-051

----- Forwarded Message -----

**From:** "Joan Lichterman" <jlichterman@mindspring.com>  
**To:** "Jeff Davis" <fremontkoan@comcast.net>, "Joel Young" <joelbyoung@gmail.com>, "Greg Harper" <gharper@harperlaw.net>  
**Cc:** "Elsa Ortiz" <ortizelsa@comcast.net>  
**Sent:** Tuesday, September 29, 2009 11:01:47 PM GMT -08:00 US/Canada Pacific  
**Subject:** Buy American Resolution, No. 09-051

Joan Lichterman  
574 48th Street, Apt. 401  
Oakland, CA 94609-2074  
jlichterman@mindspring.com

September 29, 2009

Dear AC Transit Finance Committee Members (Mr. Jeff Davis, Mr. Joel Young, Mr. Greg Harper) --

Fortunately a friend keeps me abreast of AC Transit board discussions and proposals, because I don't have time to go to meetings. Nor could I get to Fremont easily even if I had the time, because I no longer own a car. I rely on public transit, primarily AC Transit. As you can guess, AC Transit operations are very important to me. And I can tell you that I am often unhappy with the agency's decisions -- particularly with regard to the "Van Hells."

I fully support Director Elsa Ortiz's proposal and commend her for offering it. I hope you will support it as well. Apart from hellish rides I've had almost daily on the Belgian buses AC Transit has insisted on buying, I think the agency's decisions to purchase (and keep purchasing them) are reprehensible from a number of economic standpoints:

1. The Van Hools are more expensive than American-made buses (and I believe their maintenance is as well).
2. AC Transit funds would have stretched farther without them.
3. Buying buses made abroad sends a great deal of public funds overseas, unnecessarily.
4. Buying buses made abroad limits jobs available to workers in US bus manufacturing companies.
5. Buying buses made abroad limits the ability of American bus manufacturers to expand their capacity and do an even better job.

I do hope you will consider this resolution carefully and agree to support it. A number of things

9/30/2009

need to change in this agency, and I think buying American buses is a good place to start.  
Thank you for your consideration.

Sincerely,

Joan Lichterman

cc: Ms. Elsa Ortiz

**Linda Nemeroff**

---

**From:** ortizelsa@comcast.net  
**Sent:** Tuesday, September 29, 2009 6:17 PM  
**To:** Linda Nemeroff  
**Subject:** Fwd: Buy America Resolution

----- Forwarded Message -----

**From:** "Brian Macleod" <Brian.Macleod@gillig.com>  
**To:** ortizelsa@comcast.net  
**Cc:** joelbyoung@gmail.com, gharper@harperlaw.net, fremontkoan@comcast.net, Raloise@teamsters853.org, rfernand@actransit.org  
**Sent:** Tuesday, September 29, 2009 3:40:03 PM GMT -08:00 US/Canada Pacific  
**Subject:** Buy America Resolution

Ms. Ortiz,

I learned that you were proposing a Buy American resolution for the AC Transit Board, and I want to commend you for that.

As you may know, Gillig is a bus manufacturer located in Hayward and we are proud of our U.S. heritage, our U.S. employees and our U.S. products; and we strongly believe that U.S. tax dollars should only be spent to benefit U.S. jobs --- and not spent to create jobs overseas. U.S. workers pay taxes and U.S. companies pay taxes that together generate the Federal and State revenues that go towards funding AC Transit's purchases, and it is simply not right, financially imprudent and insulting to U.S. workers for AC Transit to take their tax dollars and use them to buy foreign buses and create overseas jobs.

This is not right at any time, but it is particularly wrong in a slow economy when willing and hardworking U.S. workers are being laid off. We owe it to U.S. workers to recycle their tax dollars back into the U.S. economy to create jobs and help with the economic recovery.

Many brands of U.S. made buses are superior to foreign made buses, which is why foreign manufacturers like Neoplan, Scania, Volvo, MAN, etc. have not survived in the U.S. In addition, American made buses usually cost less to buy, are more reliable and cost less to maintain and operate, so your motion will not only save U.S. jobs but will also save AC Transit money.

Also U.S. buses satisfy the requirements of hundreds of transit systems across the country so there is no reason that they can't satisfy the requirements of AC Transit.

On behalf of American workers, I applaud you for your thoughtfulness and for standing up for U.S. workers and U.S. products, and I encourage the other Board members copied on this email to support your motion.

I will also share this with our Teamsters Union and I'm sure they too will support your resolution.

Sincerely,

Brian Macleod  
Senior Vice President  
GILLIG LLC

9/30/2009

PH: 510/264-5093  
FX: 510/785-6819

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9/30/2009

**Linda Nemeroff**

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**From:** ortizelsa@comcast.net  
**Sent:** Tuesday, September 29, 2009 6:15 PM  
**To:** Linda Nemeroff  
**Subject:** Fwd: Buy American

----- Forwarded Message -----

**From:** "Larry & Sharon Yale" <sharon.yale@comcast.net>  
**To:** "Greg Harper" <gharper@harperlaw.net>, "Elsa Ortiz" <ortizelsa@comcast.net>, "Joel A/C transit" <joelbyoung@gmail.com>  
**Sent:** Tuesday, September 29, 2009 10:16:17 AM GMT -08:00 US/Canada Pacific  
**Subject:** Buy American

With our American economy being as it is, I am most sincerely hoping that the A/C Transit Board will adopt the resolution to adopt the policy that the A/C transit agency will buy American-made busses.

Thank you!

Larry and Sharon Yale

**Linda Nemeroff**

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**From:** Linda Nemeroff  
**Sent:** Wednesday, September 30, 2009 9:39 AM  
**To:** Linda Nemeroff  
**Subject:** FW: Buy American Resolution

----- Forwarded Message -----

**From:** "Joyce Roy" <joyceroy@earthlink.net>  
**To:** "Jeff Davis" <fremontkoan@comcast.net>, "Greg Harper" <gharper@harperlaw.net>, "Joel Young" <joelbyoung@gmail.com>  
**Cc:** "Elsa Ortiz" <ortizelsa@comcast.net>  
**Sent:** Tuesday, September 29, 2009 10:18:34 AM GMT -08:00 US/Canada Pacific  
**Subject:** Buy American Resolution

To the Finance & Audit Committee:

About time!! Congratulations!

I have a concern about limiting it to California; there are a number of good bus manufacturers in other states. I think Gillig is the only California bus manufacturer. Altho they are a good candidate because they are a union shop, and delivery would be cheap and parts readily available, they do not make artics and we need to return the defective Van Hool artics and replace them with good quality proven American artics.

And here are some suggested additions from someone who knows much more about these things than I:

- After the 5th Whereas, add another Whereas - "Whereas AC Transit's capital purchases are system assisted with Federal and State funding which in turn is derived from taxes on manufacturing companies and their employees and therefore tax revenue to support this funding assistance is increased by increasing US manufacturing jobs".
- At the end of Section 1, add "Within the existing State and Federal funding regulations." (Federal funding prohibits local preferences).

Joyce Roy  
Home: 510-655-7508

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9/30/2009



# Alameda Labor Council, AFL-CIO

**RECEIVED****SEP 30 2009****DISTRICT SECRETARY'S  
OFFICE**

September 30, 2009

Hon. Rocky Fernandez, Chris Peeples, Joe Wallace, Greg Harper, Elsa Ortiz,  
Jeff Davis, and Joel Young  
AC Transit Board of Directors  
1600 Franklin St.  
Oakland, CA

Dear President Fernandez and Esteemed Directors:

The Alameda Labor Council, AFL-CIO, supports the proposed Buy America resolution and urges its adoption.

Earlier this week, we had an opportunity to review similar provisions in the American Recovery and Reinvestment Act with AFL-CIO leaders and the Commerce Department. Labor agrees that a top priority for rebuilding our economy – and our middle class – is strengthening the manufacturing sector.

Your leadership on this important issue is greatly appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Sharon Cornu".

Sharon Cornu  
Executive Secretary-Treasurer