1987 mobile Greeting Gives Season Salute
Board President's message

Trying period tests all at AC

In light of weeks-long disturbing publicity about our financial and organizational concerns, it's important to point out this District's daily achievement in pulling out over 700 buses and providing transportation to some 230,000 riders every weekday. That is a statistic of which employees, riders, and the general public can justly be proud.

It's equally important to note, as the year closes, that we at AC Transit have made important progress in various vital areas. We have turned the corner, and we're making major strides in achieving our crucial goal of balancing the FY 1987-88 budget.

An independent auditor now puts the deficit at less than $800,000 (see Pg. 3 box) — far more manageable than the $11.8 million shortfall we originally faced. Reductions achieved to date are attributable to the initial Deficit Reduction Plan's cost-cutting efforts, plus benefits now accruing from early retirements and our efforts to garner additional revenues.

We are moving ahead also in other important areas of concern. The Board has selected an outside consultant to review the District's financial, management, operational and personnel functions to determine how we can do a better job. We expect the consultants to be here in January, providing guidance as we make the policy decisions necessary to maintain and improve the system (see Pg. 4 box).

In working to resolve the District's very real problems, we Directors truly appreciate the seriousness with which employees have joined in the energetic cost-cutting and productivity improvement efforts. What's more, we are fully aware of how this current restructuring period and its attendant relentless publicity have taken their toll: affecting morale, causing concern about the future, and contributing to feelings of doubt and dislocation.

To maintain a sense of proportion during this trying period, it is important to remember that AC Transit — like any large, complex organization, public or private — is undergoing a process which stems from changes in the economic marketplace and in societal patterns. The task of operating buses in the 1980s is vastly different and more complicated than it was even a decade ago — not to mention the contrast with the 1960s, when our operations began.

As we approach a new year, we Directors pledge our utmost efforts to easing existing problems and meeting the added challenges which the coming years are certain to bring.

Roy Nakadegawa
President, AC Transit Board of Directors

GM announces early retirement

General Manager Gene P. Gardiner has announced his retirement, effective January 1, after more than 26 years of varied service to the District.

Working his way up from bus driver through a series of increasingly responsible positions, Gardiner was appointed top administrator by the Board of Directors August 29, 1986, after first serving as Acting General Manager.

"We all appreciate Gene's hard work," commented Board President Roy Nakadegawa, following the retirement announcement made at the November 24 meeting of Directors. "We will miss his dedicated service."

Gardiner began his transit career in 1961. Along the way, he carried out duties as road supervisor, dispatcher, planner, assistant research and planning manager, and operations center manager. One of his contributions in the 1970s was assisting other East Bay local bus networks get established through cooperation with AC Transit. He helped coordinate management and operations of such public transit providers in outlying areas of Alameda and Contra Costa Counties.

"I never lost sight of the idea we were here to serve the people," Gardiner said of his career. "I tried to tell the AC Transit story, which is centered on the concept of service to others."

A key responsibility during his period as General Manager has been deficit reduction, as actions were taken to offset dramatic shrinking of former monetary sources.

The District also completed major modernization at Emeryville and Hayward Divisions during Gardiner's tenure. Other noteworthy accomplishments: achievement of significant strides in the District's strategic planning efforts, and in expansion of previous public- and governmental-relations programs to establish vital new alliances with local, regional and state elected officials and opinion leaders.

Gardiner and wife Audrey are residents of San Leandro.

Budget-balancing drive
Paying off, say auditors

Actions in AC Transit's sweeping Deficit Reduction Plan appear to have closed much of the gap between available revenues and the operating budget.

"The latest financial reports from an outside auditor clearly show that the budget-balancing drive is working," General Manager Gene Gardiner reported to the Board of Directors at its November 18 meeting. "The current phase of the Deficit Reduction Plan will trim operating costs to match the revenues."

The financial report compiled by Oakland accountants Adams, Grant, Werner and Co. indicates that earlier budget-balancing actions cut operating expenses considerably in the first quarter of FY 1988, Gardiner reported. The accountants found that, as of September 30, the potential deficit had been reduced to about $2.4 million — a level which can be largely offset by a slate of other dollar-saving actions either now underway or proposed for early 1988.
Some service is cut; no fare hikes

The service changes, effective December 13, are among recent key Board decisions toward balancing the FY 1987-88 budget. They include:

- Discontinuing transbay lines RD, RF and RH from Southern Alameda County since alternative public transit services to San Francisco are available on BART.
- Curtailing Line K operations to only weekday commute hours.
- Changing frequency on Line F from 15-minute to 20-minute intervals on weekends and holidays.

The Board acted to streamline its adult transbay fare schedule, with the new system taking effect January 1. Previous zone charges based on distance traveled were dropped in favor of a single round-trip fare of $3. That round-trip fare, however, includes a direction-based differential: westbound transbay commuters will be paying $1, while patrons heading east will feed $2 into the farebox.

These newest actions are part of an overall plan to balance the District's $117 million budget. Other previously announced dollar-trimming actions include layoff of more than 130 employees, reduction of lightly-patronized bus runs, and curtailment of expenditures not directly related to on-street service. Even earlier, the employee rolls were trimmed by voluntary early retirement of some two-dozen workers.

Retired driver Perdue dies

Olin Perdue, 67, who was a Newark Division driver when he retired in 1979, died October 26 at his home in San Leandro.

At the time of retirement, he had completed 18 years of transit service.

Perdue's surviving family include his widow, Audrey, and five children: John, Olin, Kelly, Mark and Suzette.
Joint efforts expand transit usage

Faced with continually shrinking financial support from federal and state sources, AC Transit has turned increasingly to partnerships with private enterprise to promote public transit use. One key to private developers' interests in such cooperative arrangements is survey results, which repeatedly report that transportation is a top concern of Bay Area citizens.

Most recently, bus service to two real estate developments has evolved from mutual agreements between private developer and public entity. The pair of joint public-private contracts in Richmond and Alameda were reviewed by District Directors in November. Both actions involve extension of existing bus routes, obviously requiring less effort and expense by the District than if the arrangement had entailed establishing an entirely new line.

In such cases, the developers help "underwrite" the service by agreeing to purchase a set number of monthly passes over a period of time. The developer may then either distribute the passes without charge or collect a fee (stipulating to the District that any fee cannot exceed the face value of the pass).

Such arrangements offer AC Transit an assured, stable financial base for provision of the added service. Also, certain promotional, advertising or marketing expenses may be underwritten by the developer.

Benefits accruing to the developer include assured service to the site, making it more attractive to potential buyers or renters. Such service is guaranteed to remain in effect during the life of the contract, which, in the case of Richmond's Marina Bay and Lin­coln Development, is for three years.

In Alameda, where Harbor Bay Business park is benefiting from an extension of Line 63, details were worked out on the basis of an earlier agreement between the District and the same private developer: to extend Line 42 to Marina Village at the other end of the island community.

The new Oakland Downtown Shuttle — joint effort of city business interests and AC Transit — is another example of mutually beneficial results achieved through private enterprise/public agency cooperation.

Increased attention to private sector liaison efforts is expected to continue in the future.

Retiring old buses
Is District intent

AC Transit is moving toward purchase of 56 new buses to be used as replacements for aging equipment, some of which has served for as many as a million miles and exceeds 15 years of age.

In early November, District Directors passed a resolution enabling AC Transit to proceed with seeking nearly $2 million from the Metropolitan Transportation Commission, the regional planning and financing agency for Bay Area public transit.

The amount sought from the MTC — $1,764,000 — would come from transit's share of California toll bridge revenues and would represent the 20% of "local funding" which the federal government requires before it will agree to underwrite the balance of the capital expenditure.

If funding is approved by the MTC, actual purchase of the buses would take place in early 1988, with delivery expected by the end of 1989.

Three transportation veterans wrap up careers

Combined service: 72 years!

LONGEVITY CELEBRATION — Central Maintenance employees William C. "Bill" Halsted (left) and Arnold I. Strom were honored at a retirement ceremony December 3 at the East Oakland facility. Halsted came to work for AC Transit's predecessor June 21, 1945, while Strom became an employee November 12, 1957. Both are classified as Mechanic AA.

FAREWELL GIFTS — Honors accorded the pair included (left) fellow workers' presents, here being tackled by Halsted, and AC Transit retirement pins (below, being presented to Strom by Maintenance Operations Manager Frank Johnson).

With the retirement, after 57 years, of East Oakland Assistant Superintendent Les Minear (at right, receiving pin from General Superintendent Keith Steckly) the District loses a key link with the eventful era of Bay Area transportation long predating AC Transit's own emergence, in 1960, as a publicly-owned bus system.

Minear's service dates from November 18, 1930 when (still a 17-year-old student) he became a collector on Key System trains. In the years that followed, his jobs were varied as the modes of transit which then provided mobility for Bay Area citizens. His last stint with the trains was just before World War II. As bus driver, then supervisor, he survived the grueling wartime six-day work week without missing a single shift because of illness.

With such a background, plus a great memory, Minear has become a prime reference source on regional transit history.
FOCUS: Transit People and Projects

STREAMLINED SETTING — AC Transit's bright and pleasant patron lobby at the new General Offices on Franklin Street, Oakland, provides riders with markedly improved surroundings from the cramped and out-moded Latham Square Building facilities, from which the District moved in June. Transit users seeking monthly passes, securing discount identification cards, retrieving articles from lost and found, or simply picking up schedule and route information now do so in a spacious, high-ceilinged lobby where customer service clerks await. The more efficient layout and size of the lobby enables greater numbers of bus riders to get information and materials more speedily for optimal use of the transit system serving both residents and visitors to the East Bay. Those patrons who experienced long, end-of-the-month line-ups and attendant confusion of pass-buying at the old location have been highly complimentary of the streamlined new service lobby.

HOLIDAYS SPIRIT — Mamie Lewis (left) and Adrienna Stafford were among the many District employees generously donating food for those fellow citizens in need at Thanksgiving. The contributions from AC Transit people were part of an East Bay canned goods drive sponsored by the Sharing and Caring Committee and Assemblyman Elihu M. Harris (D-Oakland). The in-house donations drive was coordinated by the Human Resources Department.

NEW THREADS — Hayward Division Driver Areee Young models new uniform jacket and pants. The grey-blue tailored blazer and slacks will be available for purchase February 15. Made of a rayon-wool blend, the material for the uniforms is especially durable. Style and color were selected following presentation of samples for evaluation at the District's operating divisions. Optional blazers are available for women, and men may elect Eisenhower-style jackets. Both styles sell for $120. Three types of headwear meet regulations: a woman's beret, a baseball cap, and the smaller ascot cap.

EXTERIOR DECORATORS — Central Maintenance employees, continuing a long tradition, pose before their 1987 holiday season artistic efforts. Helping put the cheerful buses on the road were (standing, from left) Charles Haile, Chuck Biemenman, Melvin Brown, Clarence Norris and Richard Hans; (kneeling, from left) Rick Crouse, Rich Curdoza, Allen Perry, Furley Jackson, and Marvin Middaugh.
Grievance panel set For management ranks

Five District employees have been elected to the recently established management Non-disciplinary Grievance Panel.
Panelists will begin meeting on the second and fourth Thursday of each month starting January 14.
Chosen to hear management personnel concerns about work-related problems are Steve Black, of Central Dispatch; Carmen Kissinger, Purchasing Department; and Kathleen Lewis, Affirmative Action. Elected as alternate panel members are Glen Purdy, Central Dispatch; and Jack Patterson, Emeryville Division.
The new procedure for providing an entity for discussion of concerns — and possible resolution — was designed to maintain panel are safety, health, compensatory time, vacations, and other work environment issues. Members were elected by others within the management staff.

Comprehensive Service Plan

AC Transit’s Board of Directors yesterday has selected a team of experts from Parsons, Brinkerhoff, Quade and Douglas, Inc., to provide technical assistance as well as management services for the System’s sweeping Comprehensive Service Plan (CSP) process.

Much of the preparatory work has been performed by AC Transit. The Board’s December 9 action now augments the District’s limited staff resources by bringing into the CSP process top-notch technical and managerial support from a San Francisco-based firm with engineering and planning expertise that’s earned international recognition.

This ambitious plan encompasses overhaul of the bus routes and schedules serving the entire metropolitan East Bay.

Board Actions

(Continued from back cover)

- Adopted resolution authorizing filing of claim with Metropolitan Transportation Commission for matching-funds allocation from toll bridge revenues, on motion of Director Rinehart.

At an adjourned regular meeting November 18, the Board of Directors:
- Authorized General Manager to issue Request for Proposal for a District communications network and to enter into lease agreement to achieve cost-savings on current telephone equipment, on motion of Director Pajans.
- Scheduled December 9 Planning, Development and Operations Committee meeting to interview and select consultant to provide project management and technical assistance in connection with Comprehensive Service Plan (see box, below).
- Reduced expense budgets by 50 percent of Board of Directors and Office of District Secretary; established specified annual travel expense ceiling for Directors; amended Board’s travel and personal expense procedures, on motion of Director Shepard.

At an adjourned regular meeting November 24, the Board of Directors:
- Modified transbay fare structure, eliminating distance-based zone differential and adopting flat rates of $1 westbound and $2 eastbound; approved specified service adjustments, on motions of Directors Wiggins and Fajans (see story, Pg. 4).
- Acted to proceed with selection process for management consulting services, on motion of Director Shepard.
- Accepted retirement of General Manager, effective January 1, on motion of Director Bettencourt (see story, Pg. 3).

Our ‘Stockholders’ Write

I am pleased to write this commendation regarding John Underwood, a driver on the 21 bus which serves students at our school.
John recently found a wallet containing money and personal information. The wallet belongs to one of our students. John brought it to my office and the student regained his possessions.
Kudos, gratitude and recognition of John are very much in order.

Patricia Geister, Principal
Moreau High School, Hayward

Having used Park Boulevard transit for 50 years, just a happy comment.
I boarded a 16 bus whose driver (Shola Adediran) operated very carefully; and, in one incident, quick thinking and very careful driving brought us safely on the way.
His attention to passengers was pleasant. His stops and approaches to curbs were very well done.

Marie Lee
Oakland

I believe in public transportation. When I lived in Fremont, I would take Line 28 every day. Nice bus line.
I love the buses and would like to get models of them. Please let me know where I can get models of AC Transit buses.

Denis P. Brown
San Jose

I would like to commend Mr. Compton Gault and Ms. Rita Wells for the quick and professional way in which they handled my problem when I left my wallet and credit card in the bus by mistake.
When I discovered this, about half an hour later, I called AC Transit information and spoke to Rita. She, with the help of Mr. Gault, was able to locate my wallet and card, and I was able to retrieve them within an hour on the return bus.
Their concern and conscientious effort saved me money and precious time. They are certainly a credit to AC Transit!

Eve Steiner
Alameda

This letter is to express my gratitude for my bus driver every morning on the PE line.
I have observed her (Josephine Kimbrough) to always be polite, courteous, and considerate to every rider. I can say, also, that my ride to the BART station in Concord is a pleasant, safe one.
I feel Josephine’s conduct is exemplary.

Beverly Noffa
Pittsburg

I would like to commend one of your bus drivers.
He (Ronald Boothe) was courteous, helpful and thoughtful of his passengers. He certainly is an ambassador of good will.

Mary Ella Johnston
Kensington
At an adjourned regular meeting October 28, the Board of Directors:

- Approved specified amendment to Classification/Compensation Study; approved District Reorganization Chart, with specified revisions; authorized General Manager to enter into professional services agreement with Peat Marwick for appraisal of a benefits package program, on motion of Director Shepard.

* * *

At an adjourned regular meeting November 10, the Board of Directors:

- Adopted resolution expressing congratulations and best wishes to Les Minear on the occasion of his retirement after more than a half-century of service in transportation, on motion of Director Nakadegawa.

- Authorized General Manager to contract for graphic arts services in connection with preparation of Comprehensive Service Plan route map, on motion of Director Wiggins.

- Approved retention of consultant services for final phase of management performance evaluation training, on motion of Director Shepard.

- Approved extending Line 63 to provide commute-hour service to Marina Bay Development, on motion of Director Fajans.

- Approved specified Discount Card Program modifications, on motion of Director Fajans.

(Continued on Page 10)