

**ACTION MEMO**

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

**GM Memo No. 07-063(a)**  
Meeting Date: September 19, 2007

**Committees:**

- |                            |                                     |                              |                          |
|----------------------------|-------------------------------------|------------------------------|--------------------------|
| Planning Committee         | <input type="checkbox"/>            | Finance 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"/> |

**SUBJECT: Consider approving the installation of air conditioning on buses**

At the April 18, 2007 Board meeting, the Board considered staff's request to consider recommending approval to install of air conditioning on buses (GM Memo 07-063), and the consensus of the Board was to continue the matter to a future Board meeting. This memo serves to update the Board so that the issue can be reconsidered. Note: Changes to the original GM Memo are in bold typeface.

**RECOMMENDED ACTION:**

- Information Only     Briefing Item     Recommended Motion

Staff requests the Board consider approving the inclusion of air conditioning in future bus procurements.

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**BOARD ACTION:**      **Approved as Recommended** [ ]      **Other** [ ]  
                                 **Approved with Modification(s)** [ ]

[To be filled in by District Secretary after Board/Committee Meeting]

The above order was passed on \_\_\_\_\_, 2007.

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

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**Fiscal Impact:**

Increased purchase price per bus as illustrated below:

30 foot	40 foot	60 foot
\$13,750	\$15,660	<b>\$25,000</b>

**Increased maintenance costs (approximately \$1,800 annually per bus after 2 year warranty period expires).**

**Background/Discussion:**

On April 4, 2007, the **Operations Committee** approved the installation of air conditioning units on buses. As explained in the April 4, 2007 General Manager Memo, the District historically has not installed air conditioning units in its buses with the exception of the commuter coaches and the three fuel cell buses. The primary factor for not including air conditioning units on the buses has been maintenance costs, and the relatively moderate climate in the Bay Area. The Board was informed that the increased costs would be defrayed by the increased resale value of the buses resulting from the air conditioning units or approximately \$1,500 per bus. **However, at the time staff had been evaluating retiring buses at 6 years rather than the 12-year standard useful life. The 6-year useful life plan required permission from the Federal Transit Administration (FTA) to transfer the remaining federal interest on buses to other District capital.**

**Most recently, the District requested retiring 16 2000 North American Bus Industry (NABI) forty-foot buses and transferring the balance of the federal interest to its maintenance facility. FTA declined this request. Ultimately the buses were retired early and the District will pay FTA for the federal interest remaining on the buses. Because of the FTA decision on this request, consideration for the 6-year bus replacement plan has been delayed until all of the federal interest in the District buses is exhausted.**

It should be noted that air conditioning is standard equipment on most, if not all, buses throughout the United States. Staff believes that it would also greatly increase the comfort of drivers and riders and potentially increase ridership.

**For the reasons mentioned above, staff recommends the Board consider approving the inclusion of air conditioning in future bus procurements.**

**Prior Relevant Board Actions/Policies:**

GM Memo No. 06-222: October 4, 2006, the Board authorized the General Manager to extend the bus contract with Van Hool NV for five years and to increase the option quantities to up to 500 thirty foot, 500 forty foot, and 500 sixty foot Van Hool buses.

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GM Memo No. 07-063 dated April 4, 2007, the Operations Committee approved staff's recommendation to install air conditioning on buses.

**Attachments:**

None

**Approved by:** Rick Fernandez, General Manager  
Joe DeProspero, Chief Maintenance Officer

**Prepared by:** Bob Bithell, Manager, Technical Service  
Kate Miller, Manager, Capital Development, Legislation, and Grants

**Date Prepared:** September 13, 2007