

SR 23-386 Item 2.D.



TRANSIT SHELTER UPDATE

CITY OF BERKELEY INTER-LIAISON COMMITTEE | JULY 25, 2023



Today's Presentation:

- Background
- New Contracts
- Contract Costs – All
- Contract Costs – City of Berkeley
- Next Steps

- For the past 20+ years, AC Transit had a **1999 Transit Shelter Agreement** with Clear Channel Outdoor Advertising (CCO) to do **all** maintenance and capital work in exchange for advertising revenue in shelters. This agreement expired on **March 2023**.
- Historically, CCO used advertising revenue to pay for maintenance and capital costs.
- Revenue in transit shelters has gone **down** (and moved online) while costs to maintaining infrastructure has gone **up**.
- AC Transit is shifting to a **new model** that continues maintenance, advertising, and capital services that provides a more dignified bus stop waiting experience for our riders.

On Feb 22, 2023, AC Transit's Board of Directors approved the award of two contracts:

Transit Shelter Advertising Contract – Intersection LLC

- \$700,000 Minimum Annual Guarantee in advertising revenue, 5 year contract
- Installation, removal, sale, and maintenance of advertising. Potential for digital advertising.

Transit Shelter Advertising Contract		
Service	Old Contract	New Contract
Monthly Revenue Share	50%	65%
Minimum Annual Guarantee (MAG)	No	Yes

On Feb 22, 2023, AC Transit's Board of Directors approved the award of two contracts:

Transit Shelter Maintenance Contract – Graffiti Protective Coatings, Inc.

- \$851,020 dollars a year for existing 276 shelters, 5 year contract

Transit Shelter Maintenance Contract		
Item	Old Contract	New Contract
Cost	\$0 per year (Nonmonetary Contract – no longer viable)	Actual: \$851,020/year
Cleaning (i.e. graffiti, trash pick up, etc.)	1x a week	2x – 3x a week
Pressure Washing	1x a month	1x a month
Maintenance Log	2x a month, excel file	Online accessible 24/7
Unscheduled Requests	24 hour response	24 hour response
Unhoused Trash Cleanup	None	Yes

The table shows the total cost for the transit shelter maintenance and advertising contracts for all Jurisdictions.

Maintenance Contract Annual Cost (All Jurisdictions)		
Scheduled	\$816,960	Includes Pressure Washing 1x a Month and Cleaning (Graffiti Removal, Trash, Sweeping, Etc.) 2x a Week (up to three times).
Unscheduled	\$34,060	Includes on-call Pressure Washing, Cleaning, Graffiti Removal, Trash, Sweeping, Minor Maintenance, Repainting, Unhoused Trash Cleanup
Total	\$851,020	All shelters in ACT's Service Area
Advertising Contract Annual Revenue (Minimum Annual Guarantee - M.A.G.)		
Advertising M.A.G.	\$700,000	Annual revenue guaranteed based on all advertising shelters in ACT's Service Area

CONTRACT COSTS – BERKELEY



Jurisdictions	Kiosks	Non Ad Shelters	Ad Shelters	Total Shelters
Berkeley	0	5	46	51

Percent Total (Maintenance)	Percent Total (Advertising Panels)	Annual Maintenance Cost per Jurisdiction (Scheduled + Unscheduled)	Annual Maintenance Cost per Jurisdiction (after M.A.G.)
18.48%	19.57%	\$157,253.70	\$20,232.42
		Annual Cost (20% contingency)	\$22,000.00

The total cost to maintain existing transit shelters/kiosks in the City of Berkeley is **\$22,000 per year (or \$110,000 over five years)** after subtracting ad revenue.

Staff asks that the jurisdiction share the responsibility to fund the transit shelter maintenance contract.

Advertising and maintenance contracts begun in April 2023.

- AC Transit has taken on ownership of transit shelter assets and will continue to administer the contracts on behalf of the jurisdictions.

AC Transit asks that the jurisdictions:

- Share the responsibility to fund the cost of transit shelter maintenance (i.e. through a budget process or other funding source).
- Streamlining processes such as permit approvals and waiving fees.

Questions and Feedback