



TRANSIT SHELTER UPDATE

CITY OF RICHMOND INTER-LIAISON COMMITTEE | MAY 11, 2023



Today's Presentation:

- Background
- New Contracts
- Contract Costs – All
- Contract Costs – City of Richmond
- 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 expires 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) | ACT Estimate: \$1,332,720/year 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 - RICHMOND



The total cost to maintain 9 existing transit shelters/kiosks in the City of Richmond is **\$9,878.31 per year** after subtracting advertising revenue.

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

| Jurisdictions | Kiosks | Non Ad Shelters | Ad Shelters | Total Shelters |
|---------------|--------|-----------------|-------------|----------------|
| Richmond | 2 | 3 | 4 | 9 |

| Percent Total (Maintenance) | Percent Total (Advertising Panels) | Annual Maintenance Cost per Jurisdiction (Scheduled + Unscheduled) | Annual Maintenance Cost per Jurisdiction (after M.A.G.) |
|-----------------------------|------------------------------------|--|---|
| 3.26% | 2.55% | \$ 27,750.65 | \$ 9,878.31 |

Advertising and maintenance contracts begin 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