



# TRANSIT SHELTER CONTRACT UPDATE

BOARD OF DIRECTORS MEETING | OCTOBER 13, 2021



- The 1999 Contract expired on Dec 31, 2019
- Multiple amendments due to COVID19
- Bridge Agreement ending on March 23, 2022
- Feedback from the public, Board of Directors, and the JPA on needing to improve our transit shelter maintenance.
- Moving forward, any bus shelter program model-other than the existing agreement with CCO-will incur an expense to the District



Costs: power washing, graffiti cleaning, trash, sweeping, and materials, glass replacement, electrical and utilities, mechanical repairs, removal, installation of shelters, permitting, concrete work, etc.

## Methodology

- Calculations are based on
  - 276 shelters, under the Joint Powers Agreement (JPA)
  - Cleanings up to 3x a week and pressure washing 1x a month.
  - Replacing old shelters with new ones
- Currently these costs are not budgeted nor is a funding source identified.

# ANNUAL OPERATING COSTS



| Scenario  | ROLES                             |                           |              | In-House Staff | Total Cost to District |
|---|-----------------------------------|---------------------------|--------------|----------------|------------------------|
|   | Maintenance                       | Installations Relocations | Advertising  |                |                        |
| <b>Scenario A:</b> Existing contract structure, where all services are outsourced to a single contractor.   | Clear Channel Outdoor Advertising |                           |              | 0              | <b>\$0.0M</b>          |
| <b>Scenario B:</b> Separate the cleaning from the advertising and installations, relocations costs by splitting the contracts into two. Shelter ownership – AC Transit. | Contractor 1                      | Contractor 2              |              | 1              | <b>\$3.5M</b>          |
| <b>Scenario C:</b> Outsource three separate contracts for cleaning, advertising, and repairs/installations/relocations. Shelter ownership – AC Transit.                 | Contractor 1                      | Contractor 2              | Contractor 3 | 1              | <b>\$4.0M</b>          |
| <b>Scenario D:</b> Outsource the advertising, repairs/installations/relocations as two separate contracts. Take cleaning, in house. Shelter ownership – AC Transit      | AC Transit                        | Contractor 1              | Contractor 2 | 23             | <b>\$5.2M</b>          |
| <b>Scenario E:</b> Outsource the advertising contract only. Take utility costs, permits, cleaning, repairs, installations, and relocations in-house.                    | AC Transit                        | AC Transit                | Contractor 1 | 28             | <b>\$5,8M</b>          |

Costs: buying new shelters, shipping, vehicles, cleaning equipment, storage and work-space needs, etc.

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- Under **Scenario A** there are **no capital costs** to the District. Capital costs are assumed by CCO over an extended period of time.
- Under **Scenarios B or C** the District would have **\$2.7M** in one-time project capital costs, which includes purchasing 276 new shelters.
- Under **Scenarios D or E** the District would have **\$4.1M** in one-time project capital costs, which includes purchasing 276 new shelters, purchasing vehicles, and other material costs.

**Current JPA:** Albany, Berkeley, Fremont, Hayward, Newark, Richmond, San Leandro, and San Pablo

**Interested in joining the JPA:** Oakland, El Cerrito

**Meetings on September 15<sup>th</sup> and 23<sup>rd</sup> to discuss the following:**

- Scenarios and their cost estimates
- Gauge support from the local jurisdictions (i.e. permit expediting and fee waivers, additional maintenance support, direct monetary contribution, etc.)
- Decisions made by the Board also need JPA input and support.

- Consider scenarios B, C, D, or E
- Authorize the General Manager to enter into a short-term sole source contract with Clear Channel Outdoor (CCO) for a period not to exceed 12-months and a cost of \$1 million.
- Authorize the issuance of solicitation(s) associated with the selected scenario chosen by the Board. Should the Board select Scenario D or E to establish an in-house program, it would require a phased approach and involve various departments, detailed in the alternatives analysis.