

**AC TRANSIT DISTRICT  
Board of Directors**

**GM Memo No. 11-144**

Meeting Date: July 13, 2011

**Committees:**

Operations Committee   
External Affairs Committee   
Board of Directors

Planning Committee   
Finance and Audit Committee   
Financing Corporation

**SUBJECT:** Update of Bus Shelter Contracts throughout the District

**RECOMMENDED ACTION:**  Briefing Item  Recommended Motion

**Consider Receiving a Report on Bus Shelter Contracts Throughout the District**

**Budgetary/Fiscal Impact:**

There are no budgetary or fiscal impacts associated with this report.

**Background/Discussion:**

This memo specifically updates the current status of the bus shelter contracts. To provide context, the history of the bus shelter contracts is also included as per Memo GM 09-094.

**Bus Shelter Contract History**

In the mid 1990's the District decided, for a variety of reasons, to eliminate the bus shelters it provided and maintained. This led to concerns among some jurisdictions about local ownership of some shelters with the jurisdiction taking over responsibility for both ownership and maintenance. This "hit and miss" approach eventually resulted in a study of other transit agencies approach to providing bus shelters. This study indicated that agencies were creating Joint Exercise of Power Agreements and entering into contracts with advertising companies who would agree to provide, repair and maintain bus shelters provided they had the right to place advertising in shelter locations with high visibility. In 1999, a Joint Powers Agreement (JPA) was entered into between AC Transit, the County of Alameda and the cities of Albany, Berkeley, Emeryville, Hayward, Fremont, Newark, El Cerrito and San Leandro to provide bus shelters in these jurisdictions through an advertising firm along the lines identified above. A Request For Proposals was issued by AC Transit on behalf of the JPA participants and a contract awarded to Lamar Transit Advertising. It should be noted that the City of Oakland was not part of the initial agreement and entered into a separate bus shelter agreement with a separate provider. Additionally, the city of Alameda has pursued its own bus shelter program, designing, installing and maintaining the shelters in-house. Finally, a few years after its execution the cities of El Cerrito and Emeryville opted not to continue to be part of the JPA while San Pablo and Richmond opted in.

On an annual basis, AC Transit is paid an administrative fee as part of the JPA contract, to cover the staff costs related to contract administration. This fee covers staff costs amounting to one full-time transportation planner. The original contract also included a payment of 10% collected revenue, minus the administrative fee to be apportioned to the cities; however, no city has ever received any payment because of limited revenues derived from the contract.

The original ten year contract was awarded to Lamar Outdoor in 1999 and subsequently assigned to Clear Channel Outdoor in 2007. One five-year extension was optioned in 2009 and another is available in 2014, which would bring the contract term in line with that of the City of Oakland.

There are currently 294 shelters and kiosks installed under the JPA contract and a further 195 installed with the City of Oakland contract. Attachments A-D were created in 2009 and illustrate the locations of these shelters across the District.

For the Rapid bus lines (1R and 72R), separate contracts were negotiated with Lamar (and with Clear Channel for the Oakland sections) to provide enhanced shelters. These shelters are more substantial, branded and include a NextBus real-time arrival sign. Attachment E shows the different types of shelters and kiosks.

#### Current Bus Shelter Contracts

As noted above, a five-year extension and amendment of the JPA contract was executed in September 2009. This action has extended the contract until November 2014 when there is a final option of a further five year extension. Due to economic conditions at the time of extension execution, the contract did not allow for installation of any new shelters until at least November 2011. Effective November 2011, the contract specifies that the JPA participants would meet with Clear Channel and discuss possible additional installations. It should be noted that there is no commitment in the contract for installation of additional shelters; however, staff is working with the cities to determine and update the needs/desires of each jurisdiction, which will be discussed with Clear Channel in the next few months. Currently, staff is waiting for receipt of Clear Channel's financial reports to initiate these discussions.

As per the contract amendment, the relocation of bus shelters is also limited to five per calendar year. However, this has not been a problem as relocation requests are low. The consensus among the JPA participants is that maintenance of existing shelters is their first priority.

Notwithstanding the above, if a JPA member or private entity can provide capital funding for a shelter and its installation, Clear Channel will assume the maintenance responsibility for that shelter.

There are some entities that are not part of the JPA that have separate bus shelter agreements. As noted previously, the City of Alameda has pursued its own bus shelter program, designing, installing and maintaining shelters in-house, and the cities of El Cerrito and Emeryville opted out of the JPA because they did not want advertising on their shelters. However, non-advertising shelters for Rapid stops exist within both cities. The City of Oakland has its own separate contract with Clear Channel, as does UC Berkeley.

Future Installations and Placement

Shelter requests from the public are taken by AC Transit staff and then surveyed by AC Transit, city/county and Clear Channel staff to determine the suitability of the location. The physical constraints are checked, along with ridership information, to determine the demand at the stop. If it is a viable site, and if funding is available, it can be built within two months, assuming no public objections and the one month public notice requirement is met. If a location is deemed suitable, but no funding is available, the location is to be put on a list for future consideration.

Conclusion and Next Steps:

The JPA and Oakland shelter contracts have helped provide enhanced facilities for AC Transit passengers. In a highly cost-effective solution, these amenities provide shelter from the elements and AC Transit schedule information, while not resulting in any capital or on-going operating costs to the District. Additionally, Rapid shelters also have the enhanced feature of a NextBus display to provide even more information to District patrons.

The current contract with Clear Channel was negotiated with the best interests of AC Transit passengers in mind, but also was a product of current economic realities. As previously noted, while the jurisdictions consider maintenance of existing bus shelters their top priority, District staff will continue dialogue to ensure that shelter location changes and/or additions are discussed and negotiated based on all relevant information including ridership (boardings and alightings), location viability and regulatory issues (Title VI).

Staff intends to continue discussions and negotiations with the jurisdiction partners regarding potential shelter locations, etc., and carry that information to Clear Channel to best ascertain future locations for shelter placement. It is staffs intention that a prioritized list of future sites be developed to aid in the acceleration of additional shelter placement.

Prior Relevant Board Actions/Policies:

GM 09-094: Overview of Bus Shelter Contracts throughout the District

Attachments:

- Attachment A: Map of Richmond Bus Shelters
- Attachment B: Map of Oakland Bus Shelters
- Attachment C: Map of Hayward Bus Shelters
- Attachment D: Map of Fremont Bus Shelters
- Attachment E: Photos of Bus Shelter Types

**Approved by:** Mary V. King, Interim General Manager  
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**Date Prepared:** July 1, 2011















