



Office of the City Manager

CONSENT CALENDAR  
July 25, 2023

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Liam Garland, Director, Public Works

Subject: Authorize an Agreement with AC Transit to Provide Funding for Transit Shelter Maintenance

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to enter into a funding agreement between the City of Berkeley and the Alameda-Contra Costa Transit District (AC Transit) to provide an amount not to exceed \$110,000 over five years to support transit shelter and bench maintenance.

FISCAL IMPACTS OF RECOMMENDATION

The City will contribute approximately \$22,000 per year, or a total not to exceed \$110,000 over five years, to help defray AC Transit's costs related to maintenance of transit shelters within the City. Funding in the amount of \$110,000 is available from the Alameda County Transportation Commission Measure BB Local Streets and Roads fund.

CURRENT SITUATION AND ITS EFFECTS

On March 31, 2023, AC Transit took over ownership of 276 existing transit shelters in their service area after a maintenance and capital contract with a contractor expired.

AC Transit is now identifying ways to bridge the funding gap between maintenance and advertising contracts, which is approximately \$151,020 annually for five years (\$851,020 [total annual maintenance cost] - \$700,000 [minimum annual advertising revenue guarantee] = \$151,020).<sup>1</sup> AC Transit has asked jurisdictions to pay their "fair share" determined by dividing total annual maintenance costs by the number of transit shelters within each jurisdiction.<sup>2</sup> AC Transit owns a total of 276 transit shelters in 11 jurisdictions. There are 51 transit shelters located in the City Berkeley, of which 46

<sup>1</sup> AC Transit, "Transit Shelter Maintenance Annual Cost Per Jurisdiction", March 29, 2023. This document is included as Attachment 2.

<sup>2</sup> The "fair share" calculations consider the number of transit shelters that contain advertising (and thereby revenue) as a credit against a jurisdiction's share of maintenance costs. Because the City has a relatively high proportion of advertising shelters compared to other jurisdictions, the City's maintenance costs are lower per shelter than other jurisdictions that generate less revenue per shelter from advertising.

generate advertising revenue. If the City approves the recommendations herein, the City would share maintenance costs with AC Transit for only the 51 shelters within the City. Each jurisdiction's share of annual maintenance costs is shown in Attachment 2.

### BACKGROUND

Before the COVID-19 pandemic, AC Transit ran 158 bus lines across its 364-square-mile service area in Alameda and Contra Costa counties and unincorporated areas. In Berkeley, AC Transit operates 24 lines with frequencies of between 12 and 45 minutes. Some bus stops have transit shelters, which can include bus shelters, benches/seating, wayfinding, fare vending machines, trash cans, lighting, and other amenities. Since 1999, AC Transit has been under contract with Clear Channel Outdoor Advertising (Clear Channel) to provide maintenance and capital work in exchange for advertising revenue from transit shelters. Historically, the revenue earned from advertising covered all maintenance and capital costs. However, in recent years, revenue from transit shelter advertisements has decreased partially due to a shift to online advertising, while maintenance costs have increased. Therefore, AC Transit is transitioning to a new model with separate entities to provide maintenance and advertising services. Clear Channel's contract with AC Transit expired on March 31, 2023, after which AC Transit took over ownership of all transit shelters previously owned by Clear Channel.

### ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

The funding agreement would result in continued maintenance of transit shelters to provide a dignified bus stop waiting experience, potentially encouraging more people to use public transportation instead of driving.

### RATIONALE FOR RECOMMENDATION

Approving this recommendation will allow for continued improvements to existing and future bus stop amenities helping Berkeley to implement its existing Transit-First Policy (Berkeley General Plan Policy T-4) and the Transit-First Policy Implementation Plan, approved by Council on March 21, 2023.<sup>3</sup> These amenities can help attract customers by increasing passenger comfort; improve operational efficiencies through incorporation of ADA standards, fare vending machines, and wayfinding/schedule information; foster local civic pride; and increase economic development. Furthermore, approval of this funding agreement would be consistent with the City's Climate Action Plan by supporting the use of public transit as an alternative to single-occupant vehicles, resulting in lower carbon emissions per capita. As stated above, funding in the amount of \$110,000 is available from the Alameda County Transportation Commission Measure BB Local Streets and Roads fund.

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<sup>3</sup> Berkeley City Council Meeting Item 27, "Berkeley Transit-First Policy Implementation Plan", March 21, 2023, <https://berkeleyca.gov/sites/default/files/city-council-meetings/2023-03-21%20Revised%20Agenda%20Packet%20-%20Council%20-%20WEB.pdf>.

ALTERNATIVE ACTIONS CONSIDERED

Council could choose to not adopt the recommendation. Not adopting the recommendation would lead to non-compliance with the City's existing Transit-First Policy (Berkeley General Plan Policy T-4) and the approved Transit-First Policy Implementation Plan by not supporting the use of public transit as an alternative to single-occupant vehicles.

CONTACT PERSON

Hamid Mostowfi, Acting Transportation Manager (510) 981-6403  
Elliott Schwimmer, Associate Transportation Planner (510) 981-7066

Attachment:

- 1: Resolution
- 2: AC Transit Estimated Maintenance Costs for Each Jurisdiction

RESOLUTION NO. ##,###-N.S.

AUTHORIZE THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH AC TRANSIT TO PROVIDE FUNDING FOR TRANSIT SHELTER MAINTENANCE

WHEREAS, Alameda-Contra Costa Transit District (AC Transit) has taken ownership of bus shelters located within the City of Berkeley (City), after a previous contract with a maintenance and advertising firm ended; and

WHEREAS, AC Transit has entered into contracts with firms to provide advertising and maintenance services on transit shelters throughout their service area, including 51 shelters located in the City; and

WHEREAS, AC Transit has requested that each jurisdiction where bus service is provided pay the annual costs of maintenance services proportional to the number of transit shelters in each jurisdiction; and

WHEREAS, in support of the Transit-First Policy (Berkeley General Plan Policy T-4), the City seeks to enter into an agreement to provide funding to AC Transit annually to support ongoing transit shelter maintenance efforts; and

WHEREAS, the City of Berkeley has identified \$22,000 per year, or a total not to exceed \$110,000 over five years, to fund maintenance of transit shelters within the City, available from the Alameda County Transportation Commission Measure BB Local Streets and Roads fund.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to negotiate and sign an agreement with AC Transit to provide annual funding for the upkeep and repair of existing transit shelters.

**Transit Shelter Maintenance Annual Cost Per Jurisdiction**

Last Update: 3/29/2023

**READ FIRST:**

- \* Total costs are highlighted in orange
- \* Maintenance costs may change depending on shelters added, removed, and unscheduled cleanings
- \* Costs do not include map replacements or AC Transit staff costs
- \* Share of maintenance costs can reduce if 65% ad revenue share comes higher than MAG
- \* 276 Total Transit shelters. However, costs do not include 6 shelters owned by AC Transit along 20th St/Thomas L. Berkeley Way in Downtown Oakland.

Jurisdiction	Ad Kiosk	Ad Shelter	Non Ad Kiosk	Non Ad Shelter	Grand Total	Percent Total (Maintenance)	Percent Total (Advertising Panels)	Annual Maintenance Cost per Jurisdiction (Scheduled + Unscheduled)	Annual Maintenance Cost per Jurisdiction (after MAG)
AC Transit				6	6	2.17%	0.00%	\$ 18,500.43	\$ 18,500.43
Alameda Unincorporated		21			21	7.61%	8.94%	\$ 64,751.52	\$ 2,198.33
Albany		9			9	3.26%	3.83%	\$ 27,750.65	\$ 942.14
Berkeley		46		5	51	18.48%	19.57%	\$ 157,253.70	\$ 20,232.42
El Cerrito			1	5	6	2.17%	0.00%	\$ 18,500.43	\$ 18,500.43
Fremont		49			49	17.75%	20.85%	\$ 151,086.88	\$ 5,129.44
Hayward		52		11	63	22.83%	22.13%	\$ 194,254.57	\$ 39,360.95
Newark		13		2	15	5.43%	5.53%	\$ 46,251.09	\$ 7,527.68
Richmond	2	4		3	9	3.26%	2.55%	\$ 27,750.65	\$ 9,878.31
San Leandro		30	2	5	37	13.41%	12.77%	\$ 114,086.01	\$ 24,724.31
San Pablo		9		1	10	3.62%	3.83%	\$ 30,834.06	\$ 4,025.55
	2	233	3	38	276	100.00%	100.00%	\$ 851,020.00	\$ 151,020.00

Annual Maintenance Cost	
Scheduled	\$ 816,960.00
Unscheduled	\$ 34,060.00
<b>Total</b>	<b>\$ 851,020.00</b>
Minimum Annual Guarantee (MAG)	
Advertising MAG	\$ 700,000.00

**Calculation Breakdowns:**

**Percent Total (Maintenance)** = Grand Total / Total Transit Shelters

**Percent Total (Advertising Panels)** = (# Kiosks + # Advertising Shelters) / Total Advertising Shelters

**Annual Maintenance Cost per Jurisdiction (Scheduled + Unscheduled)** = (Annual Maintenance Cost Scheduled \* Percent Total Maintenance) + (Annual Maintenance Total Unscheduled \* Percent Total Maintenance)

**Annual Maintenance Cost per Jurisdiction (after MAG)** = (Annual Maintenance Cost per Jurisdiction Scheduled/Unscheduled) - (% Total Ad Panels \* MAG Total)

