

**DEPARTMENTAL INPUT  
CONTRACT/PROJECT MEASURE ANALYSIS AND RECOMMENDATION**

Rev 1

New RFP   
  OTR   
  CO   
  SS   
  BW   
  Emergency   
 Previous Contract/ Project No.  
TR03-ADV

Re-Bid   
  Other   
 LIVING WAGE APPLIES:  YES  NO

Requisition/Project No: RFP 00039 (ROMT1400004)      TERM OF CONTRACT: 5 years with 2 five-year options-to-renew

Requisition/Project Title:- Advertising Services For Transit Vehicles, Metrorail stations and the South Miami-Dade Busway

Description: Develop and manage an advertising program for Transit Vehicles, South Miami-Dade Busway, and Metrorail stations

User Department(s): Miami-Dade Transit

Issuing Department: ISD Procurement      Contact Person Allan M Garcia      Phone: (305) 375-5650

Estimated Revenues: \$2,000,000/yr (Revenue-generating)    Funding Source: N/A (Revenue-generating)    REVENUE GENERATING: Yes

**ANALYSIS**

Commodity/Service No: <u>961-53,</u>		SIC:	
<b>Trade/Commodity/Service Opportunities</b>			
Contract/Project History of Previous Purchases For Previous Three (3) Years Check Here if this is a New Contract/Purchase with no Previous History			
	<u>EXISTING</u>	<u>2<sup>ND</sup> YEAR</u>	<u>3<sup>RD</sup> YEAR</u>
Contractor:			
Small Business Enterprise:			
Contract Value:			
Comments:			
Continued on another page (s): <input type="checkbox"/> Yes <input type="checkbox"/> No			

**RECOMMENDATIONS**

SBE	Set-Aside	Sub-Contractor Goal	Bid Preference	Selection Factor
		%		
		%		
		%		
		%		

Basis of Recommendation:

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RECEIVED  
 DEPT. BUSINESS DEV  
 2014 MAR 20 PM 2: 04

Signed: Allan M Garcia

Date to SBD: March 19, 2014

Date Returned to DPM: \_\_\_\_\_

## **ADVERTISING SERVICES FOR TRANSIT VEHICLES, METRORAIL STATIONS AND THE SOUTH MIAMI-DADE BUSWAY**

### 2.0 Scope of Services

#### 2.1 Background

The County is seeking proposals from qualified Proposers to manage a transit advertising program. Such advertising shall be in the form of:

At Metrorail stations: back-lighted "diorama" poster displays, non-illuminated bench windscreens, non-illuminated wall-mounted poster displays, map/advertising displays, digital information/advertising units and station domination opportunities.

At South-Miami Dade Busway: self-standing, back-lighted advertising devices along the dedicated road and the outer panel signage on the Busway square advertising devices along limited bus stops.

Metromover exterior wrap advertisement with limited window coverage.

Metrorail exterior wrap advertisement with limited window coverage (existing train fleet only).

Inside transit vehicles: inside Metrobus and Metrorail car advertising posters, and inside Metrobus, Metrorail, and Metromover floor and ceiling wrap opportunities.

Exterior of buses: Taillight advertising panels; Full-Back advertising panel on back of buses; King Size advertising panels on side of buses; Queen Size advertising panels on side of buses; Ultra King (no window coverage) and Ultra Super King panels (including window coverage on one side of bus only) applied directly to the side of buses between wheel wells; Metrobus exterior full-wrap advertisement (limited window coverage and excluding the front of vehicles), and other approved forms of advertising at such times and locations as designated and approved by the Director of Miami-Dade Transit (hereinafter referred to as the "Director"). The current advertising device inventory is listed in Exhibit 1 of the Sample Agreement included in this RFP.

#### 2.2 Requirements and Services To Be Provided

The selected Proposer shall secure necessary sales, complete ad installations, provide maintenance personnel, and a local Miami-Dade County based full time account representative who is authorized to act on behalf of the Proposer. The responsibilities of the Proposer shall include, but not limited to the following:

- a) Aggressively pursue sales of advertising devices in/on MDT vehicles (Buses, Metrorail, Metromover), Metrorail stations, and the South Miami-Dade Busway.
- b) Provide billing services
- c) Preparation of related financial and operating reports as specified in section 2.5.
- d) Placement of advertising materials and all related operations including preparation of advertising materials for installation, scheduling of work, and removal of expired materials.
- e) Maintenance of all advertising devices shall include maintaining all display devices listed in Exhibit 1 in clean, graffiti-free and good condition.
- f) Restore transit vehicles to their original condition if any damage occurs due to installation and/or removal of any advertising device.

All installation, maintenance, and personnel that will remove advertising material shall be properly uniformed shall present a neat and clean appearance at all times and adhere to Transit Security Protocols. The Contractor shall control the actions of its employees and remove from employment any employee whose conduct the Director determines is detrimental to the best interests of the general public or the County.

The installation and removal of advertising devices and materials shall take place during hours of minimum passenger and visitor activity, at such hours as approved by the County.

All contractors and subcontractors are required to have a current ID card displayed while on MDT property at all times. In order to obtain a new or renewed Contract ID card, the following paperwork must be submitted in person:

- a) A completed, **original** contractor ID application, completed in **blue** ink, and signed by both the contractor/subcontractor and an MDT authorized representative.
- b) A completed, **original** fingerprint card.
- c) A completed, **original** National Crime Information Center (NCIC) background check form with a proper raised seal.

All documents must be original, and can have no alterations or markings. Similarly, all documents must be produced in person. No emails, PDF files, or facsimiles will be accepted.

### Copies

All copies of original documents will be maintained by an MDT inventory control specialist.

### Ineligibility for issuance or renewal of contractor/subcontractor ID cards

Personnel may not be issued a new or renewed contractor or subcontractor ID if he/she currently or in the past has:

- Any felony, sexual, or domestic violence conviction
- Been discharged from the military under any conditions other than honorable
- Any history of irresponsible behavior including but not limited to an unreasonable driving record, or a problem employment record as determined by the county contract administrator or designee
- Any criminal activity listed in 49 US Code of Federal Regulations (CFR) section 1542.209, *Disqualifying Criminal Offenses* and 19 CFR 122.183, *Denial of Access*.

### Display of ID card

All contractor and subcontractor personnel **must** at all times conspicuously display their contractor/subcontractor ID card. Prior to entry, and at all times while on MDT property, contract and subcontract personnel are subject to ID checks by any authorized MDT agent. Any personnel not in possession of their ID card will be denied access to MDT property, or if already on property will be immediately escorted off MDT property until such time as he/she can display proper ID.

All contract and subcontract personnel are subject to random ID checks while on MDT property, at any time for any purpose, by any authorized MDT agent.

### Limit of Duration of Contractor/Subcontractor ID card

New or renewed contractor/subcontractor ID cards shall be valid for a time not to exceed one year. All issued contractor/subcontractor cards must be renewed prior to the completion of the one year period to maintain all contractor/subcontractor privileges included therein. Any contractor or subcontractor who fails to comply with the one year renewal requirement is strictly forbidden from entering any MDT property as a contractor/subcontractor until such time as the ID card is renewed and returned to valid status.

The installation and removal of bus advertising devices shall take place when such vehicles are not in service.

## **2.3 Unsold Advertising Space**

The Contractor shall keep all advertising spaces occupied with advertising materials at all times. Devices not used by paid advertising shall be filled in the following order of priority:

- (a) Transit information or Miami-Dade Transit self-promotional materials
- (b) County services information or self-promotional materials

Any use of unsold advertising space may be pre-empted by cash sales. The Contractor shall maintain a complete inventory of all unsold devices occupied by County advertising materials posted by the Contractor. Contractor shall be responsible for the installation and removal of County materials.

#### **2.4 Advertising Content**

All advertising materials, advertisement content and manner of presentation shall be subject to approval by the Director prior to installation, which may disapprove any such items at its sole discretion. The Director is authorized to deny the placement of any advertisement, which in his/her opinion is detrimental to the aims, purposes, goals, or reputation of Miami-Dade County and/or Miami-Dade Transit.

The Contractor shall remove from the vehicles, Metrorail stations, and the South Miami-Dade Busway, at its sole cost and expense, within three (3) days upon receipt of written demand, any advertising material that is disapproved, damaged, or becomes unsightly. Any advertising material previously approved, which may subsequently be considered objectionable by the Director shall likewise be removed. If Director requires the removal of previously approved advertisements, Contractor shall be entitled to reasonable production costs incurred. Contractor shall provide written documentation verifying production costs and production expenditures.

In the event that such disapproved material is not removed within three (3) days upon receipt of written notice, the Director may cause said material to be removed, and the Contractor shall pay all related costs and expenses. The County shall not be liable for any damages in connection therewith. Refusal by the Contractor to remove said material shall be considered a default of this Contract, which shall be considered as waived by the corrective action on the part of the County and reimbursement of all costs and expenses by the Contractor.

The Contractor shall adhere to generally accepted principles of advertising in relation to good taste and truth in advertising. Whenever a question arises as to the propriety of an advertisement, the Contractor is required to submit the advertisement to the Director for review and approval prior to installation.

Tobacco advertising and/or political or political campaign advertising shall not be allowed.

Advertising of alcoholic beverages shall be permitted with the following restrictions:

- (a) To avoid overexposure, this category shall be limited to no more than 25 percent (25%) of the contract's Agreed-Upon Inventory to include Metrobuses, Metromover and Metrorail vehicles, Metrorail stations, and the South Miami-Dade Busway;
- (b) Miami-Dade Transit (MDT) staff must pre-approve all ads for alcoholic beverages
- (c) All advertising of alcoholic beverages must include the disclaimer below as mandated by the Alcohol Beverage Labeling Act (ABLA) of 1988. Government warning disclaimer must be equal to at least 10% of the size of the ad:

GOVERNMENT WARNING: (1) According to the Surgeon General, women should not drink alcoholic beverages during pregnancy because of the risk of birth defects. (2) Consumption of alcoholic beverages impairs your ability to drive a car or operate machinery, and may cause health problem.

#### **2.5 Reports**

##### Monthly Report

The Contractor shall provide MDT with a link or access to real-time reports in Contractor's current reporting system. Access to reports shall include but not be limited to:

- a) Gross billings and net billings – All Gross and Net Revenue billings.
- b) A copy of each and every contract or agreement by the Contractor -- including, but not limited to, local and national agreements, agency commissions paid or unpaid including trade, and bonus or free space traded.

- c) Inventory occupancy by device – Includes the total sold/unsold space by device type; total advertising space traded or bartered by device type; and the total advertising space used for public service announcements by device type.
- d) Installations and removals of advertisement devices -- Includes the name of the advertiser, advertising agency (if applicable), the type of advertising device, quantity per type of advertisement device installed and/or removed, date of installation and location per advertising device (i.e. bus number, bus exterior side, Metrorail station, Busway location, etc.)

#### End of Contract Year Revenue Report

The Contractor shall, within ninety (90) days following each anniversary date of this Contract, submit to the County a Revenue report prepared and signed by an Independent Certified Public Accountant, as to the Contractor's operations under this Contract. Said Revenue report shall be prepared in conformance with the American Institute of Certified Public Accountants' requirements for special reports. Such Revenue reports shall contain twelve (12) full calendar months of reconciliation and summary of 12 months of reports.

While the County does not expect to request other reports on a routine basis, there may be instances when the County may require a special report as it relates to the contract services. Selected Proposer shall provide all required reports to the County, in a format, frequency and quantity acceptable to the County.

Within ninety (90) days from the date the Contractor is required to provide the End of Contract Year Report, the County shall make a reconciliation of the total amount paid by the Contractor to the County during a contract year based on the Minimum Annual Guarantee and the percent of Net Revenue calculations.

In the event that the total amount paid by the Contractor to the County at the end of a contract year was less than the Minimum Annual Guarantee or the percent of the Annual Net Revenues required under this Contract, whichever is greater, a payment for the difference owed to the County shall be made by the Contractor within thirty (30) days from written notification from the County to the Contractor on the reconciliation outcome.

## **2.6 Inventory**

### FRAMING OF BUSES

The Contractor shall provide, install, maintain and replace, at its own cost, all necessary Metrobus interior and exterior (if any) advertising display hardware (frames, card springs, etc.). The County must approve changes from current practices. All hardware, once installed on or in transit vehicles under this Contract shall become the property of the County. As vehicles are taken out of service for disposal, it shall be the Contractor's responsibility to remove all advertising hardware (if any) from such vehicles.

### ADVERTISING DEVICE RELOCATION

The present locations of all advertising devices under the Agreed upon Inventory are permanent. No advertising device may be removed or relocated by the Contractor without prior written approval of the County. The Contractor shall remove, reinstall and/or relocate any advertising device at the County's discretion and upon direction by the County, and at no cost or expense to the County. The Contractor should consider all advertising hardware locations as permanent.

### ADVERTISING DEVICES RESERVED FOR MDT

The following advertising devices shall be reserved for the exclusive use of MDT through the contract year:

- (a) Five interior devices in each Metrorail vehicle.
- (b) The device directly behind the driver's seat (bulkhead) in the interior of each bus.
- (c) The two devices nearest the front door (one on each side) located over the windows in the interior of each bus.
- (d) All center bench windscreen advertising device in Metrorail stations.
- (e) Five South Miami-Dade Busway Advertising Kiosk panels between SW 104<sup>th</sup> Street and SW 160 Street.
- (f) MDT shall receive guaranteed posting for promotional purposes of at least 25 bus exterior devices at MDT's discretion.

(g) Any advertising device not included in Exhibit 1, otherwise authorized by the Director.

## **2.7 Damages**

The Contractor shall reimburse the County for the cost as determined by the County of repairs for any damage caused by the Contractor, its employees, subcontractors, and agents to transit vehicles, Metrorail stations, South Miami-Dade Busway advertising devices, or any other MDT property including damages occurred due to the installation and/or removal of advertising devices. If County makes repairs, the cost of the repairs shall include all materials and labor necessary to return the device or structure to its original condition. County labor cost shall be at the current rate for personnel completing the repair plus fringe benefits at the then labor rate.

The Contractor shall restore transit vehicles to their original condition if any damage occurs while installing and/or removing advertisement materials. If the contractor fails to restore the transit vehicles to its original condition, the County shall have the right to have repairs completed and requires the selected proposer to reimburse the County.

Transit vehicle numbers must be visible at all times regardless of the advertisement on the vehicles, unless the Director grants prior written approval.

At no time shall advertisement materials be installed on the front of transit vehicles. On Metromover, no advertisement device installation will be allowed on the front and the back of cars.

In the event that the Contractor fails to conform with this regulation, the County, at the sole discretion of the Director, will be able to remove all or the portion of the advertising device(s) covering any part or all window area. The County shall have the right to seek monetary reimbursement for all costs associated with the removal of such device(s) as stated in Section 8.03 above.

Should the need arise to cover or partially cover an MDT logo decal with an advertisement device, the Contractor must obtain prior written approval from the Director (full-wrap bus ads excluded). In addition, the Contractor will be responsible for replacing each MDT logo decal damaged as a consequence of installation and/or device removal.

All advertising materials shall be removed within seven days of its contract expiration date. All dated advertising materials shall also be removed within seven days of the date shown on the advertisement. In the case that the Contractor fails to remove such materials, the County can remove such advertisement materials at the sole cost to the Contractor.

The Contractor, in connection with the installation of any advertising device, shall not alter Metrorail stations, the South Miami-Dade Busway Advertising devices, or any part thereof without prior written approval by the Director. The Director reserves the right to make such improvements to Metrorail stations and South Miami-Dade Busway Advertising devices, as it may deem desirable at any time.

## **2.8 Payments to the County**

The selected Proposer shall pay the County the highest of the Minimum Annual Guarantee or a percentage of Monthly Gross Revenue from the date of the Notice to Proceed and through the termination date of the Agreement (see Form B-1).

### **Minimum Annual Guaranteed**

The selected Contractor shall pay to the County 1/12 of the Minimum Annual Guarantee (MAG) due in advance on the first day of each calendar month via electronic payment (ACH/Wire). The MAG proposed shall be no less than 2 million dollars per year. Any proposed MAG less than 2 million dollars per year shall receive a score of zero for the MAG category.

If the percentage fee due to the County on the monthly revenue exceeds the MAG payment, the Contractor shall pay the County the difference between the MAG and the percent of all Net Revenues in addition to the MAG by the 10th day of the calendar month following the month during which the Net Revenues were received or accrued via electronic payment (ACH/Wire). Payments received by the Contractor in advance shall be reported as Net Revenues in the month the money is earned, calculated on a straight-line basis. (See example base on a 2 million dollar MAG and 60% Net Revenue below).

	MAG on the First Day of the Month	Total Net Revenue	60% of Net Revenue	Payment to County on the 10 <sup>th</sup> Day of the following Month
January	\$166,666.66	\$500,000.00	\$300,000.00	\$133,333.34
February	\$166,666.66	\$525,000.00	\$315,000.00	\$148,333.34
March	\$166,666.66	\$550,000.00	\$330,000.00	\$163,333.34

Increase/Decrease in Agreed-Upon Inventory: In the event there is an increase or decrease by 20% or more, at any time during a contract year, in the total number of buses designated by MDT as included in the Agreed-Upon Inventory in effect at the time of the increase/decrease (Exhibit 1), the Minimum Annual Guarantee shall be recalculated as provided below.

The Minimum Annual Guarantee shall be adjusted to be effective with the first day of the calendar month following such recalculation. Such adjustment shall be prorated for purposes of adjusting the Minimum Annual Guarantee for the contract year. Failure by the Contractor to request in writing to the County any adjustments to the Agreed Upon Inventory and/or Minimum Annual guarantee with ninety (90) days of receipt of notice from the County of the actual inventory adjustment by the County shall result in a waiver by the Contractor of claims and/or rights to any adjustments with respect to such actual inventory adjustment during the term of this Contract and any extensions thereof.

For purposes of this section, the total number of buses shall include the full-size and minibus fleet.

All recalculations of the Minimum Annual Guarantee shall be accomplished as follows:

- (1) The Minimum Annual Guarantee for each contract year under this Contract – At the commencement of each new contract year, the corresponding Minimum Annual Guarantee for that specific contract year under Form B-1.
- (2) In the event that there is an increase/decrease of 20% or more of the number of buses available as included in the Agreed-Upon Inventory in effect at the time of the increase/decrease, the Minimum Annual Guarantee will be adjusted upward or downward, as the case may be, by the same percentage as the increase/decrease of the number of buses available.

Any increase/decrease to the number of Metrorail vehicles, Metrorail station devices, Metromover vehicles, and the South Miami-Dade Busway advertising devices shall not cause an adjustment to the Annual Minimum Guarantee, unless otherwise requested and/or approved by the Director.

**2.9 Laws, Regulations, and Permits**

**COMPLIANCE**

The Contractor shall comply with all laws, ordinances, regulations, and rules of Miami-Dade Transit and the County, State, and Federal governments, which may be applicable to its operation under this Contract.

**PAYMENT OF OBLIGATIONS**

The selected Contractor shall pay all costs and expenses in connection with its operations under this Contract and the rights and privileges herein granted, including without limitation, permit, and license fees. The selected Contractor shall assume and pay all personal property taxes levied or assessed against its property located in Metrorail stations, transit vehicles, and the South Miami-Dade Busway. The selected Contractor may be required to report, and display evidence that all permit, excise, and license fees and personal property taxes have been paid.

**2.10 Trade or Barter**

During the term of this Contract, the Contractor may not enter into trade or barter agreements related to the Agreed Upon Inventory without the prior written approval of the MDT Director.

**2.11 Rates**

The Contractor shall establish all rates for the sale of advertising devices included in the Agreed-Upon Inventory. All advertising sales rates and related charges shall be provided to the Director for information. Rates, including any long-term discount to be offered (e.g., three-month, six-month, twelve-month rate), that will be effective from the commencement of this Contract, shall be submitted to the Director within 15 days from award of the Notice to Proceed. Subsequent sale rate adjustments shall also be submitted to the Director for information no later than 30 days prior to the effective date of the adjustment. The County will not be responsible to the Contractor for any loss of anticipated profits or subsequent damages resulting from an inaccurate estimate of annual sales rates for advertising devices.

## **2.12 General Maintenance**

The Contractor agrees that its representatives and employees will not deface or damage any transit property or deposit or scatter any rubbish, waste, or litter in or about any transit facility or vehicle. The Contractor will, at its own expense, promptly remove any such rubbish, waste, and litter caused by any of its representatives or employees.

The Contractor will maintain, at its own expense, all advertising devices and the advertising materials clean and in good repair and free of graffiti at all times. The Contractor, at its sole cost and expense, will take remedial action on any advertisement device-related complaint including graffiti, cleanliness, safety-related condition, etc. within 24 hours of verbal notification by the Director or his/her designee. The Director reserves the right to immediately remove any device or advertising material which may be hazardous or offensive to the public.

The Contractor shall be responsible, at its own expense, for all maintenance of advertising devices as needed, or as requested by the Director. This maintenance shall include keeping in working condition all electrical components, repairing and/or repainting of frames, replacement of the acrylic covers, and the removal of any graffiti on them. The maintenance shall also include a thorough inspection of all hardware for loose electrical wires, frayed wires, loose poster frames, sharp edges, replacement of burnt-out lamps, etc. The Contractor is sole responsible for insuring that all electrical devices conform to standard safety measures and do not represent a hazard to any person. All parts and materials used in the maintenance of advertising devices shall become the property of the County.

While the County continually makes a good faith effort to keep Metrorail stations, Metrorail/Metromover vehicles and the interiors and exteriors of Metrobuses in a reasonably clean condition so that the ability of the Contractor to sell and renew advertising accounts will not be impaired, the County cannot guarantee the cleanliness of these vehicles and facilities or the Contractor's advertisements installed thereon.

**Electric Power:** The County shall provide the electricity used for the operations and lighting of advertising devices at the sole discretion of the Director.