

COUNCIL AGENDA: AUGUST 20, 2013

SUBJECT: AUTHORIZATION TO ADVERTISE FOR PROPOSALS –
REVENUE SHARING TRANSIT ADVERTISING

SOURCE: Public Works Department - Transit

COMMENT: On April 19, 2005, the City Council authorized a service agreement to the Kaltroff Company to provide professional services for the development, implementation and on-going direct sales and program coordination for the City Transit Advertising program. The original service agreement was valid for a period of three (3) years and could potentially be extended subject to mutual agreement between both parties.

After review of the transit advertising policy and accompanying service agreement, staff determined that the agreement is no longer valid under the Federal Transit Administration (FTA) procurement policy due to the lack of a written extension provision.

Staff is requesting authorization to advertise for proposals for the services of a qualified contractor to administer and carry out the day-to-day functions associated with the revenue sharing transit advertising program for a period of three (3) years, with the option to renew for one (1) additional two (2) year period.

RECOMMENDATION: That the City Council:

1. Authorize staff to distribute Requests for Proposals for Advertising Contractor.

ATTACHMENT: Scope of Services

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Item No. 5

SECTION 2 SCOPE OF SERVICES

The City of Porterville is seeking the services of a firm to administer and carry out the day-to-day functions associated with interior and exterior revenue sharing transit advertising. The contractor selected to manage the sales and placement of advertising on vehicles, shelters, and any other appropriate property shall demonstrate its ability to manage all tasks related to the execution of this revenue sharing agreement. These tasks include:

- All client sales contracts
- Design, production or silk-screening services
- Posting and removing signs on transit property
- Billing and collecting revenues from clients
- Other necessary or customary business practices

The City of Porterville is located in Tulare County, which is centrally located in the San Joaquin Valley of California. The San Joaquin Valley is a rich agricultural area, and Tulare County is recognized as the largest agricultural-producing county in the world.

Porterville has a land area of approximately 14.3 square miles, situated at the base of the foothills of the Sierra Nevada Mountain Range. It is approximately 30 miles southeast of Visalia; 60 miles northeast of Bakersfield, 165 miles northeast of Los Angeles, and 254 miles southeast of San Francisco. State Routes 65 and 190 bisect the community. According to the United States Census Bureau our population (including East Porterville) in 2010 was in excess of 70,000 people. Porterville Transit currently operates twenty-two (22) vehicles for transportation (Attachment 4).

The City of Porterville operates a fixed route system known as Porterville Transit and a paratransit system known as Dial-A-COLT.

As of July 1, 2013, Porterville Transit operates nine (9) fixed routes with nine (9) fixed route buses for pullout each day. There are three (3) paratransit vehicles (Dial-A-COLT) during peak service. Service for Porterville Transit is 7:00 a.m. to 10:00 p.m. (Monday – Friday) and 9:00 a.m. to 5:00 p.m. (Saturday and Sunday).

The City has fourteen (14) bus shelters with advertising panels that are located along major corridors.

The City will provide exclusive rights (except when the City may want to have Public Safety notices posted with coordination through the Contractor) to advertising space on the interior and exterior of all City transit advertising property specified in the contract and as added or amended.

All agreements for the placement of advertising shall be between the advertiser and Contractor. Nothing herein shall be construed to create a contractual relationship between the City and such advertiser.

Contractor Responsibilities:

1. The Contractor shall maintain a comprehensive sales plan, and shall aggressively market their program to advance the sale of advertising space. The Contractor shall put forth its best effort to coordinate the sale, installation, removal, and maintenance of exterior and interior advertising space on City transit property. A copy of the sales plan shall be provided to the City.
2. A single representative shall be designated as the point of contact to answer any inquiries, troubleshoot problems and resolve any issues and be the general liaison for any business between the City and the proposer. Said person must be accessible during regular business hours and must provide two telephone numbers for contact.
3. The Contractor shall procure, sell and install advertising in accordance with this section upon the property utilized by the City for public transit at no cost to the City.
4. The Contractor shall be responsible for durable advertising signs produced in a process subject to approval of the City.
5. Contractor shall not self-promote on any transit property without express written consent from the City.
6. The Contractor shall perform all billing and collections connected with advertising sales.
7. The Contractor shall establish all rates and charges for the rental of advertising space on transit property and must provide a copy of its rate sheet to the City.
8. The Contractor shall maintain, separately, all sales and financial records relating to each account of the revenue-advertising program.
9. The Contractor shall provide accurate sales reports, and provide a copy of each contract. Monthly reports will be required of the Contractor featuring gross billing and net billings, display types, total space available, total space sold, and total space traded or bartered. Inventory reports will also be required monthly. These reports shall be provided in conjunction with the monthly payments tendered by the Contractor to the City.
10. The Contractor shall be responsible for services that are in strict compliance with all applicable laws and statutes of the United States, the State of California, ordinances, regulations or resolutions of the City of Porterville.
11. To acknowledge full liability and responsibility for any claims for damages resulting out of services performed under this agreement.
12. The Contractor shall furnish the City with copies of all signed contracts and correspondence (including changes in price, lengths of contracts and cancellation notices) within a month of their execution and prior to the advertising being installed.
13. The Contractor is required to remit revenues earned each month within twenty (20) calendar days after the end of the month in which they were earned. The

revenue must be accompanied by a report that includes details of:

- a. All contracts in effect
- b. Billings for the month
- c. Collections for the month
- d. Past due amounts
- e. Total remaining balances on accounts
- f. Contract expiration dates

14. The Contractor shall not pursue advertisements that fail to meet the City's advertising policy (Attachment 5).

Installation of advertisements:

1. The Contractor must ensure that all installations and maintenance personnel are properly uniformed, presenting a neat and clean appearance at all times. The Contractor must control the actions of its employees.
2. All advertising shall be displayed in a neat and professional manner. The Contractor shall maintain all displayed advertising so as to ensure its neat appearance and promptly remove all advertising which is torn or otherwise unsightly in appearance.
3. All installation, unless otherwise arranged, must be scheduled through the Transit Operations Manager in conjunction with appropriate City maintenance operation staff. Contractor's representative shall be responsible for submitting all proposed advertising to City for review, approval and/or disapproval. This review and subsequent feedback shall take place within ten (10) business days after receipt unless extenuating circumstances prevail. The Contractor is responsible for the cost associated with preparation and maintenance of ads.
4. The Contractor must ensure that the installation of advertising devices and the materials to be contained therein shall take place during hours of minimum passenger and visitor activity, at such hours as approved by the City and installation of all advertising display units will be closely coordinated with the City so that regular operations are not impacted and so that all standard safety regulations are adhered to.
5. Contractor shall insure that graphics are installed utilizing materials and application methods that are of the highest industry standard. Furthermore, each contract entered into between Contractor and client shall include these specifications, and have certifications of compliance for materials and application methods utilized signed and included as part of the contract.
6. The Contractor must ensure all advertising is kept free of graffiti. The Contractor must remove copy that contains graffiti within twenty-four (24) hours of being notified verbally by the City.
7. The Contractor shall reimburse the City for the cost of repairs to return all vehicles to original state and condition when wraps/signage comes off. Any damages and/or repainting shall be paid by the Contractor.

Rights of the City:

1. The City shall approve all advertising, exhibit material, announcements, or any other communications displayed and/or exhibited on its transit property, according to the City Transit Advertising Policy.
2. The City has the right at all times during the term of the agreement, following reasonable advance written notice, to the removal, change of location, modification or refurbishment of any or all advertising. No advertising, once approved by the City, may be removed by the Contractor without advance written approval.
3. If the City buses are utilized for wrapping, the Contractor will bear the wrapping, removal, and repainting costs. The buses will be restored to the original painted colors when the contract expires.
4. The City reserves the right to use, without charge, unsold available advertising space for the promotion of its transit service. A minimum of one (1) interior bus sign per bus may be used by the City for its own use. The Contractor shall place and remove the City's advertisements without charge. The City will be responsible for the production costs of any advertising signs used for the City.