

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
6	08/22/16	Open	Action	08/16/16

Subject: Ratify the Release of a Request for Proposals for Light Rail Vehicle and Station Advertising Services and Delegate Authority to the General Manager/CEO to Award a Contract for Light Rail Vehicle and Station Advertising Services

ISSUE

Whether or not to Ratify Release of a Request of Proposals for Light Rail Vehicle and Station Advertising Services and Delegate Authority to the General Manager/CEO to Award a Contract for Light Rail Vehicle and Station Advertising Services.

RECOMMENDED ACTION

Adopt Resolution No. 16-08-____, Ratifying the Release of a Request for Proposals for Light Rail Vehicle and Station Advertising Services; and Delegate Authority to the General Manager/CEO to Award a Contract for Light Rail Vehicle and Station Advertising Services.

FISCAL IMPACT

None as a result of this action. Fiscal impact will be determined when a vendor is selected.

DISCUSSION

On August 11, 2016, Staff released a Request for Proposals (RFP) for Light Rail Vehicle and Station Advertising Services. The RFP was sent to nine plan holders. RT intends to award a 5-year Contract with the option to renew for three additional 1-year periods.

RT has been contracting for interior and exterior bus advertising space since 1987, and had initially contracted for Light Rail Vehicle Advertising from 1994 through 2002. During that time, the ads caused severe paint damage on the Siemens cars, which to date, except for a few recently RT branded vinyl applications (wraps), have not been repaired. In 2008, RT once again proposed a contract for Light Rail Vehicle Advertising; however, staff determined that the revenue guarantee for Light Rail Vehicle Advertising at that time was insufficient due to the low interest, and a contract was not awarded.

The CAF light rail vehicles, which also have their original paint, are the second priority for application of advertising wraps and will be available for advertising if there are no unwrapped Siemens Light Rail Vehicles.

With the opening of the Golden 1 Center this fall and the expected increase in light rail ridership and number of people visiting downtown Sacramento, there is a critical need to improve the look of RT's aging light rail vehicles. In addition, the number of light rail vehicle and station impressions will increase, which will generate greater interest in ad sales.

Approved:

Presented:

Final 08/17/16

General Manager/CEO

Acting, VP of Communications and Partnerships

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Similar to bus advertising, RT will receive much need revenue through the sale of advertising on light rail vehicles and stations. RT intends to issue an addendum to the RFP to add station naming rights as an additional revenue source. Proposers will be asked to provide a proposal for assisting RT to sell naming rights at RT light rail stations.

RT's evaluation criteria for responsive RFPs will be ranked, based on a maximum of 100 points, using a scoring range of 1 to 10 for: Description of Proposed Services; Advertising Program Staffing and Experience; Financial Stability; and Proposed Revenue. A pre-proposal meeting and job walk will be held at 10:00 a.m. on Monday, August 22, 2016, in the conference room at the Metro Heavy Repair Facility at 2760 Academy Way, Sacramento, CA 95815.

Staff is requesting that the Board ratify the release of the Request for Proposals and delegate authority to the General Manager/CEO to award a Contract for Light Rail Vehicle and Station Advertising Services once staff reviews the proposals and determines the most responsible bidder. In order to expedite the RFP process, the General Manager/CEO requested Staff to release the RFP in advance in order to expedite the procurement process, which can take up to four months.

RESOLUTION NO. 16-08-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

August 22, 2016

RATIFYING THE RELEASE OF A REQUEST FOR PROPOSALS FOR LIGHT RAIL VEHICLE AND STATION ADVERTISING SERVICES; AND DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO AWARD A CONTRACT FOR LIGHT RAIL VEHICLE AND STATION ADVERTISING SERVICES

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Board hereby ratifies the release of a Request for Proposals for Light Rail Vehicle and Station Advertising Services.

THAT, the Board hereby delegates authority to the General Manager/CEO to award a Contract for Light Rail Vehicle and Station Advertising Services.

THAT, the Board hereby authorizes and directs the General Manager/CEO to execute the agreement with the selected advertising firm.

JAY SCHENIRER, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary