

**REQUEST FOR PROPOSAL**  
**FOR**  
**TRANSIT ADVERTISING SALES SERVICES**  
**PROJECT 2019-25**



**Interurban Transit Partnership**  
**300 Ellsworth Avenue SW**  
**Grand Rapids, MI 49503-4005**  
**(616)456-7514**

Date of Issue:	August 15, 2019
Request for Clarifications Due:	August 21, 2019 – 5:00 p.m., local time
Proposals Due:	September 3, 2019 - 2:00 p.m., local time
Potential Interviews:	September 9, 2019
Board of Directors Action:	September 25, 2019
Contract Award:	September 26, 2019

## TABLE OF CONTENTS

<u>SECTION</u>	<u>PAGE</u>
• Table Of Contents .....	i
• Section 1: Request for Proposal.....	1
• Section 2: Statement of Work .....	3
1 Purpose	
2 Background	
3 Program Requirements and Conditions	
4 Financial Requirements	
• Section 3: Proposal Requirements .....	14
A Cover Letter	
B Company Profile & Qualifications	
C Experience & References	
D Financial Proposal	
• Section 4: Evaluation of Proposals .....	19
1 Project Approach	
2 Financial Proposal	
3 Experience & Qualifications of Proposer	
4 Proposers Ability to Perform	
• Section 5: Instructions to Proposers.....	20
• Section 6: Contract Provisions .....	24

## **SECTION 1: REQUEST FOR PROPOSALS FOR TRANSIT ADVERTISING SERVICES**

The Interurban Transit Partnership (ITP) is accepting sealed proposals from professional firms to provide transit advertising sales services and partner to grow the ITP's overall advertising sales program.

The ITP is seeking proposals from interested firms to act as an exclusive Contractor for the sale of transit and other advertising in and on buses, vans, and in and on facilities and other assets owned or operated by the ITP. The Contractor shall sell and maintain interior and exterior display sign advertising space on ITP's vehicles and full and partial vehicle wraps. The Contractor may also propose environmental advertising placements, digital signage placements on both buses and in ITP'S facilities, and other advertising offerings. In return, the Contractor will pay ITP a percentage of its gross operating revenue and/or a profit-sharing percentage. The Contractor is to administer all approved forms of advertising as well as all aspects of design, development, production, installation, and removal of advertisements. The Contractor will be responsible for the complete management of all necessary and desired components relative to the provision of this advertising program.

The ITP wishes to enter into a strategic, long-term, mutually beneficial advertising relationship with a Contractor in order to maintain, diversify, and grow the ITP's advertising offerings and revenues over both the short and long term. The ITP encourages proposers to include proven, creative, and executable transit advertising methods and mediums in their proposal, regardless of whether they are specifically mentioned or defined in this scope. The ITP seeks a partnership with a firm who will support existing, and propose new, advertising opportunities that will increase revenue and support the advancement of public transit in the ITP's six-city area.

The Contractor shall clarify, with the ITP, any conflicts, errors, or discrepancies in this RFP prior to the submission deadline as provided herein.

Proposals will be accepted until Tuesday, September 3, 2019, at 2:00 p.m. local time. They should be directed to the Purchasing Department at the address shown below.

The ITP Board reserves the right to postpone, accept or reject any and all proposals, in whole or in part, on such basis as the ITP Board deems to be in its interest to do so.

No proposal may be withdrawn for at least ninety (90) days after the scheduled closing time for receipt of proposals. An original, three (3) copies and one (1) digital copy of the proposal shall be submitted to the ITP Purchasing Department.

Contact Person:

Judy DeVries-Eppinga  
Senior Procurement Specialist  
(616)456-7514  
[jdevries-eppinga@ridetherapid.org](mailto:jdevries-eppinga@ridetherapid.org)

Interurban Transit Partnership  
300 Ellsworth Avenue SW  
Grand Rapids, MI 49503-4005

## **SECTION 2: STATEMENT OF WORK**

### **1. PURPOSE**

The Interurban Transit Partnership (ITP) is seeking a qualified advertising firm to generate revenue for ITP through the sale of advertising space and to manage and grow ITP's transit advertising sales program.

### **2. BACKGROUND**

#### **1. Current Program Management**

The ITP's advertising sales contract is currently held by Crosstown Communications, Inc. They have managed the contract since October 1, 2004. The current contract expires on September 30, 2019.

#### **2. Market Area, Location, Population, & Future Growth**

The ITP is the regional public transportation provider for West Michigan. The ITP's service area currently includes the cities of East Grand Rapids, Grand Rapids, Grandville, Kentwood, Walker, and Wyoming, and a portion of townships including Alpine, Byron, Gaines and Cascade. The area encompasses approximately one hundred eighty-five (185) square miles and has a resident population of over 500,000.

The Grand Rapids Metropolitan Statistical Area has a population of over 1,000,000 people, most of whom work, shop, seek medical treatment, and do business within ITP's six-city service area, and so frequently interact with ITP's vehicles and properties.

The ITP is currently participating in discussions to provide regional service to Holland, preparing an RFP to expand the ITP's vanpool and carpool services, and conducting a Comprehensive Operational Analysis (COA) that will guide the ITP's future growth and service plans.

#### **3. Vehicles & Ridership**

Advertising is currently limited to the interior and exterior of one hundred fifty-six (156) 40' large buses that operate on fixed routes and schedules. These buses operate approximately 6 million vehicle miles annually.

The ITP operates twenty-eight (28) fixed routes in a six-city service area; fifteen (15) of the routes form a radial pattern which focuses on

downtown Grand Rapids. The remaining routes operate in the southern part of the metropolitan area and provide service between the southeast and southwest parts of the service area. In addition to regular route service, the ITP is under contract to provide shuttle bus (Dash Bus) service between downtown Grand Rapids and parking areas adjacent to the downtown. The hours of service are Monday through Friday, from 5:00 a.m. to 12:30 p.m., Saturday 5:30 a.m. to 10:00 p.m. and Sunday from 6:30 a.m. to 7:00 p.m.

Ridership during fiscal year 2018-2019 is projected at nearly 10.4 million.

It is the ITP's wish to expand our advertising program to increase revenue and support the advancement of public transit in ITP's six-city area. The following information may assist Proposers in making a competitive and creative proposal:

Total vehicles in ITP's fleet as of August 2019, whether with advertising frames attached or not follow:

- GO!Bus – Cutaways - 26' buses used for paratransit service: 68
- Laker Line - BRT - 60' Articulated Buses – These buses are in production and are for new service beginning August 2020: 16
- Silver Line - BRT, 40' Buses -10
- Fixed Route 40': 146 – Buses with current advertising will become available when their respective promotion periods end.
- Dash Service 35': 10

4. Environmental (e.g., platform, facilities), Digital Signage, Stations, Shelters & Benches:

ITP does not currently offer advertising at any ITP facilities, bus shelters, BRT stations, benches, or on digital signage, but seeks a Contractor with whom to expand our advertising program to increase revenue and support the advancement of public transit in ITP's six-city area.

5. Other Relative Information

a) Laker Line Buses:

The ITP will begin operating a BRT line called the Laker Line in August of 2020. 16 articulated New Flyer buses will be operating on that line and will be housed in a separate Maintenance facility. According to the terms of the ITP's agreement with GVSU, which the Laker Line

will directly serve, the ITP may not accept advertisements from other educational institutions on these vehicles.

b) Dash Buses:

The City of Grand Rapids owns the buses used for DASH service and they are operated by the ITP. As such, no advertising sales are currently allowed on DASH buses; however the City of Grand Rapids has begun to review a possible advertising sales policy. At some point in the future, the ITP may ask the Contractor to propose an advertising program for DASH buses to the City of Grand Rapids.

c) Shelter Ownership & Right-of-ways

The ITP does not currently offer advertising sales on any shelters, but is interested in discussing this option with the various municipalities involved.

### **3. PROGRAM REQUIREMENTS AND CONDITIONS**

The ITP seeks a Contractor to creatively and strategically support existing, and propose new, advertising opportunities to ITP that increase revenue and support the advancement of public transit in ITP's six-city area.

Requirements and conditions for program management and sale of advertising space include, but are not limited to the following:

1. Exclusive Contractor

The Proposer, selected (also referred to herein as the "Contractor"), will act as ITP's exclusive Contractor to sell and maintain advertising space in and on ITP's buses and/or facilities. The Contractor will solicit and procure advertisers for available advertising space on ITP's transit assets and other properties.

2. Building Access, Conduct & Compliance with Policies

Access to the ITP's vehicles will be permitted during flexible hours that will be negotiated between the Contractor and ITP. Contractor's employees must schedule or arrange access to the facilities with the Maintenance Department. Work by the Contractor shall not interfere, interrupt, or impede the normal operation of the ITP. Contractor shall be responsible for ensuring that employees or subcontractors assigned to work on ITP property comply with the following:

- Contractor shall access ITP vehicles only for the purpose of performing services in connection with the Contract;
- Contractor shall notify the maintenance personnel on duty immediately upon arrival on ITP property;
- Contractor shall obey all speed limit signs, directional arrows and other regulatory signs while on ITP property;
- Contractor is prohibited from possessing or being under the influence of alcohol or drugs. Use of tobacco products is prohibited on ITP property.
- Contractor is prohibited from possessing weapons while on ITP property.

### 3. Sign Posting and Removal

The Contractor will be responsible for posting and removing all advertising in a timely fashion in accordance with the terms of each advertising sales contract. **Any dated materials MUST be removed at the end of the contract period. The Contractor will remove all expired advertisements from ITP's property in a timely manner not to exceed thirty (30) days beyond the date found on materials. Seasonal advertisements must be removed no later than thirty (30) days beyond the date of the next season's beginning.** No vehicle will be removed from service for the purpose of installing or removing advertising signs. The ITP will not be responsible for posting advertising signs or removing outdated signs (or any other signs deemed unsightly in appearance by the ITP).

### 4. Work Area and Sign Storage Rack

The ITP will furnish a work area and rack to the Contractor at no charge to store signs in the maintenance facilities. The Contractor will be responsible for keeping the area clean and the storage rack neat and orderly.

### 5. Advertising Rates & Rate Reviews

Any proposed rate changes by the Contractor shall be submitted in writing to the ITP sixty (60) days prior to implementation.

### 6. Advertising Policies

The Contractor will consistently maintain and share with potential advertisers the Contractor's advertising policy pertaining to what does



and does not constitute an appropriate and allowed advertisement. Advertisements shall also comply with the ITP's advertising policy.

7. Targeting Coverage

The ITP does not currently offer geographic-based, digital, vehicular advertising. Geographic-based, digital, vehicular advertising will be permitted, if hardware is added in the future.

The Contractor is advised that in regard to physical advertising inventory, geographic-based, vehicular advertising sales will only be available on the Laker Line and Silver Line vehicles, on which the advertising cannot be specified to any portions of those routes but must be assigned to the entire route. Other physical, geographic-based, vehicular advertising will not be permitted. ITP's fleet is assigned daily based on a variety of considerations and assigning vehicles to display specific advertisements in specific geographic areas cannot be permitted or accommodated.

8. Accidental Damage

The ITP will not be responsible for accidental damage caused to advertising during operation or maintenance of the vehicles. The ITP will notify the Contractor of any accident, incident, or needed mechanical repair that will necessitate removal of any vehicle from service for longer than seven (7) days.

9. Sales Organization

The Contractor shall provide and maintain a national sales capability with The ITP will not be responsible for accidental damage caused to advertising during operation or maintenance of the vehicles. The ITP will notify the Contractor of any accident, incident, or needed mechanical repair that will necessitate removal of any vehicle from service for longer than seven (7) days.

10. Advertising Rights Retained By the ITP

The ITP retains the right to advertise on a to-be-determined percentage of total available ITP advertising for the purposes of self-promotion and/or media trade. This percentage will be negotiated in advance between the Contractor and ITP. ITP will be responsible for the design, production, installation, and removal costs of any ITP self-

promoting advertising at reduced, predetermined rates agreed to by the Contractor.

11. Public, Charitable, or Educational Advertisements

The Contractor shall display, in spaces unused for commercial advertising, public, charitable, or educational advertisements for the purpose of avoiding unfilled spaces and for promotion of public good will. As such, the ITP reserves the right to offer interior and exterior ad space to certain public, charitable, or educational entities free of charge. Such entities will be responsible for the design, production, installation, and removal costs of said signs at reduced, predetermined rates that will be defined mutually and contractually.

The ITP will manage a program in conjunction with the Contractor for these public, charitable, or educational messages. The public or non-profit entity shall be responsible for the design, production, installation, and removal costs of said signs and shall not be required to pay a commission or fee to ITP or the Contractor for such advertising activities. No guarantee will be made as to if or when these advertisements will be posted and the advertisements will not be time sensitive. These advertisements can be removed at any time by the Contractor when there is a paid advertisement available for that space.

12. Unsold Space - Defined

"Unsold space" is defined as any space not needed for any calendar month to fill advertising orders of clients which have paid or will pay the ITP for use of the space. Any space being utilized for a public, charitable, or educational benefit shall be immediately made available for advertising sold by the Contractor.

13. Advertising Space - Defined

"Advertising space" refers to any space on or in ITP-owned vehicles, property, or assets identified by both the Contractor and the ITP as available to be sold.

14. Advertising Contracts

All advertising space sold by the Contractor shall be in accordance with contracts approved and executed by the ITP. The Contractor will

provide copies of all advertising contracts upon request, as well as monthly reporting.

15. Advertising Maintenance

The Contractor will be responsible for the maintenance, repair, rotation, and updating of all advertising displays. For physical advertising space, this work will be performed only at facilities owned by the ITP. For digital advertising space, when possible, the work will be performed by the Contractor at a location of their choosing. The Contractor must maintain all display advertising so as to ensure its neat appearance, and promptly remove all advertising that is worn or otherwise unsightly in appearance. All advertising shall be printed and displayed in a neat, professional manner. ITP reserves the right to require the Contractor to promptly remove, at the Contractor's own expense, any advertising which, in the opinion of ITP, is unsightly in appearance or which might cause unsafe driving conditions.

All advertising materials displayed on ITP's available assets shall be of a quality so as to maintain an attractive appearance and to withstand the elements and general asset maintenance (e.g. cleaning).

The timely installation and removal of bus interior and exterior ads shall be performed on-site at an indoor facility area at the ITP's Operations Facility, MV Transportation's facility, and at ITP's Laker Line facility. Prior to fixed route or Laker Line bus wrap installations, ITP will run the vehicle through the bus wash and remove all lights and fixtures. The selected Contractor is responsible for any additional prep required for installation or removal. Contractor is to schedule installation and removal of ads in advance with ITP. Contractor is responsible for damage to any ITP vehicle that occurs during the installation or removal of advertising wraps and/or signage.

Contractor to restore artwork, production, and painting of vehicles and other assets used in the advertising program at the end of each ad campaign contract, including placement of reflective vinyl of fleet numbers and safety signage over any vinyl wrap should they cover this information. ITP shall not incur any costs relating to these services. Contractor must furnish all equipment, labor, supervision, any/and all required materials and services.

16. Change in Number of Buses

The ITP reserves the right to add to or eliminate vehicles from its inventory without permission from the Contractor and without any penalty to the ITP. The ITP also reserves the right to change or modify the physical appearance of its vehicles for safety and/or other reasons without permission or remuneration to the Contractor for either reduction in the salable space or the reduction in time of bus availability when vehicles are removed from service for repairs. ITP will be responsible for notifying the Contractor within 48 hours of an accident, incident, or needed mechanical repair that will necessitate removal of any vehicle from service for longer than seven (7) days.

17. Display Fixture Ownership and Maintenance

The ITP reserves the right to add to or eliminate vehicles from its inventory without permission from the Contractor and without any penalty to the ITP. The ITP also reserves the right to change or modify the physical appearance of its vehicles for safety and/or other reasons without permission or remuneration to the Contractor for either reduction in the salable space or the reduction in time of bus availability when vehicles are removed from service for repairs. ITP will be responsible for notifying the Contractor within 48 hours of an accident, incident, or needed mechanical repair that will necessitate removal of any vehicle from service for longer than seven (7) days.

18. Design Assistance

The Contractor shall provide to customers, as required, advice and assistance regarding advertising design and production.

19. Bus Wraps

The Contractor agrees that should an advertiser request an Ad bus, acceptance of such request will be made jointly by the ITP and the Contractor. Should both parties agree to provide an Ad bus, the following minimum terms shall apply:

1. All design, production, installation, and removal costs will be at the advertiser's expense. This excludes special conditions with trade advertisers. In those cases, each situation will be negotiated separately. If the ITP is required to restore a wrapped bus to its original condition, the Contractor will be

required to pay for the restoration at the ITP's prevailing shop rate plus 48% overhead.

2. The design shall be approved by the ITP prior to the initiation of any work. Together, the Contractor and ITP will create an agreed upon spec sheet that governs the specs of bus wraps on ITP vehicles. Specific to full or partial exterior bus wraps: Windows to use perforated vinyl suitable for vehicle windows. The Contractor shall not install any advertising which in any way interferes with the operation and general maintenance of the bus. E.g. the front curbside door must be free of any wrap materials. All safety messages must be applied on top of the wrap, if not designed into the wrap, etc.
3. The ITP shall permit up to fifty percent (50%) of its fleet vehicles to have exterior space sold as full or partial advertising wraps.

20. Safety Requirements

The Contractor's personnel and/or any subcontractors must observe all of the ITP's safety requirements.

21. Legal Requirements

The Contractor will consider all federal, state and local laws, statutes, ordinances, regulations and other applicable laws, rules and regulations that may affect costs, permitting, progress, performance, or services. The Contractor will provide a sample contract as part of proposal.

22. Transition Responsibilities

To ensure an orderly transfer of advertising contracts, the Contractor will be obliged to accept assignments by the ITP, or its nominee, of all right, title and interest in and to any and/or all contracts for advertising of the ITP's vehicles in effect on September 30, 2019.

23. Equal Employment Opportunity and DBE/SBE Requirements

The ITP is committed to maximum utilization of minority, woman owned, disadvantaged businesses and small businesses in contract awards and as such, Contractors shall not discriminate based on race, color, religious creed, national origin, ancestry, sex, sexual orientation, physical disability or any other protected class in the performance of

this contract. There is not a DBE goal tied to this contract, however; the ITP highly encourages Contractors to seek out and provide qualified DBE/SBE firms an opportunity to bid on sub-contract opportunities which may arise as part of the execution of required services tied to this Contract.

#### 24. Sustainable Practices

The ITP highly encourages sustainable business practices in the performance of the ITP's contracts and promotes the recycling of expired advertising materials, when possible, and the use of eco-friendly materials where available and price of the goods sought is reasonable.

### **4. FINANCIAL REQUIREMENTS**

#### 1. Records, Audits, and Reports

- a) Contractor shall keep true and accurate records of all transactions pertaining to this agreement. Such records shall be open to audit by the ITP or its authorized representatives during any normal business hours at the offices of the Contractor. All records pertaining to this agreement shall be retained by the Contractor for a minimum of three (3) years after the expiration of each contract year. Copies of all executed agreements shall be furnished by the Contractor to the ITP along with the monthly guarantee payment, which is due on or before the tenth (10th) of each calendar month.
- b) The Contractor shall be responsible for providing ITP with a Monthly Revenue Reconciliation Report of revenue earned for each month for the duration of the contract. This report will be delivered in written form to ITP within ten days of the close of each month. The revenue report will include, but is not limited to the following:
  - All contracts in effect;
  - Billings for the three-month time frame by vendor/client;
  - Contact information for each vendor/client;
  - Collections for the three-month time frame by vendor/client;
  - Past due amounts;
  - Total remaining balances on accounts by vendor/client;
  - Contract expiration dates;
  - Bus number where each piece of advertising is posted.

c) On or before the 10<sup>th</sup> of each month the Contractor shall provide the ITP with the following:

- A monthly report of sales, collections and net receivables;
- A current inventory showing advertising installed.

d) At the end of each twelve (12) month period, the Contractor will provide to the ITP an annual financial summary statement.

## 2. Payments

The Contractor shall send payments to the ITP for its share of the advertising profits within thirty (30) days after the end of each month in which advertising collections are received. The payment shall be supported by documentation as to the computation of profits, including revenue and expense data. Additional information related to these payments and their computation shall be furnished by the Contractor upon the ITP's request. At the end of each twelve (12) month period, the Contractor will provide to the ITP an annual financial summary statement.

## 3. Compensation Structure

The Contractor shall pay ITP a percentage of gross/net advertising revenue generated, computed against a minimum annual guarantee (MAG), whichever is greater, for each year of the contract.

Monthly revenue payments will be totaled at the end of each contract year and compared to the corresponding MAG. In the event of a shortfall, where the annual payments fall below the MAG; Contractor shall provide a payment of shortfall within 30 days of the end of said contract year.

### SECTION 3: PROPOSAL REQUIREMENTS

Proposals not following the prescribed format as set forth below OR failure to respond to each question/requirement as set forth or comply with any applicable item may result in the proposal deemed non-responsive and rejected for further consideration.

Proposals are due no later than Tuesday, September 3, 2019, 2:00 p.m., local time. Late proposals will not be accepted or receive consideration.

The ITP, at its sole discretion, reserves the right to consider the actual level of Proposer's compliance with Solicitation requirements, accept or reject any and all Proposals received, waive any irregularities or minor informalities, to accept any items or combination of items, and to request additional information required to fully evaluate a Proposal.

**Proposals shall be provided in binder or bound format and tabbed and labeled in the order listed below. One (1) original, three (3) copies and one (1) digital copy of the proposal are required.** Firms shall include the following information, at a minimum, in their proposal (F IS OPTIONAL):

**A. COVER LETTER** *(Essential Proposal Element: Must be included.)*

A cover letter shall be submitted and shall include:

1. A brief introduction of the Proposer's firm.
2. A list of the contents of the proposal (e.g., exhibits and any optional items, by title).
3. The name of a contact person with an e-mail address and telephone number. The ITP will only correspond with the contact person designated in the cover letter.
4. A signature on the letter of an individual authorized to commit the firm's personnel and financial resources to the contract and to execute legal documents on behalf of the firm.
5. Acknowledgement of the receipt of all addenda issued to the RFP.

**B. COMPANY PROFILE & QUALIFICATIONS** *(Essential Proposal Element: Must be included.)*

Specific information regarding the Proposer's firm and staff shall be submitted and shall include:

1. The firm's name, business address, and telephone number as well as a brief description of the firm's presence nationally and locally.



2. Date of establishment, type of organization, and local organizational structure.
3. A discussion of the firm's advertising capabilities and resources including, but not limited to sign posting, removal and maintenance; sales office location and access to local and national markets; and design and production services.
4. Computer systems and software formats required for artwork submission, in-house or outsourced printing, staff size, local and national expertise.
5. A brief history of the firm, describing experience, size, headquarters location, key principals/officers, and length of time in business.
6. Information regarding the expertise and experience of staff person(s) to be assigned to this work. It should also contain specific proposed responsibilities of the project staff person(s) and coordination activities with the ITP staff.
7. If any work is to be subcontracted to another firm(s), the proposal must include the above firm and staff qualification information for each subcontractor, a description of the services the firm(s) will be performing, and estimated fees for their services.
8. A statement of financial stability and solvency shall be provided that describes the financial condition of the company. This statement shall include at least one bank reference and two supplier references.
9. A litigation disclosure shall be provided that lists and briefly describes the circumstances and status of any litigation brought on behalf of an advertising client against the Proposer's firm that has been initiated from January 1, 2017 to the present.

**C. EXPERIENCE & REFERENCES** *(Essential Proposal Element: Must be included.)*

Specific information regarding the Proposer's experience and references shall be submitted and shall include:

1. A list of three (3) current and/or former clients as references. Include the name, telephone number and email address of a contact person for each current and former client listed.
2. A list of up to ten (10) transit, or other comparable, clients, including a statement of qualification that indicates the dates and length of time the firm has served each client cited, the size of the client's operation, the creative methods used by the firm to increase revenue for the client, and the amount in which the firm increased revenue for each client. Examples of advertising artwork designs and creative campaigns may also be submitted.

**D. FINANCIAL PROPOSAL** *(Essential Proposal Element: Must be included.)*

Specific information regarding the Proposer's financial proposal shall be submitted and shall include:

1. Describe the proposed financial guarantee for the duration of the Agreement.
2. Describe the proposed distribution of proceeds from advertising sales. Describe what expenses would be deducted from gross revenues and what expenses would be the sole responsibility of the ITP or the Contractor.
3. Furnish a copy of the proposed rate structure for all proposed inventory and revenue types.
4. Each proposer shall clearly state a payment proposal/revenue share for ITP. This shall include:
  - Minimum guaranteed payment for compensation to ITP for each year of the initial proposed contract period of five (5) years.
  - Percentage rate on sales revenue to be paid to ITP. Specifying the basis on which the percentage rate will be applied (gross or net revenue and, if net, what expenses are deducted to determine net revenue).
  - Estimated compensation structures must be outlined for ITP with corresponding rationale. Proposers must submit a table showing gross revenue, expenses, MAG, and their calculation of the net revenue broken down by advertising type anticipated to be paid to ITP during the five years, plus two optional three-year timeframes of the agreement.

**E. PROJECT APPROACH** *(Essential Proposal Element: Must be included.)*

Proposers **shall** include the following in the specific description of their project approach (Numbers 1 through 4):

1. Proposers shall provide a brief and concise description of the plan for the sale of bus advertisement at the local and national levels, including but not limited to, staffing levels, approach to marketing advertising sales, etc., based on the ITP's goal of increasing revenue and advocacy for public transit in ITP's six-city area and the Grand Rapids metro area, and aimed at securing business from national as well as local and regional advertisers.
2. Proposers shall provide a brief and concise description of advertising set asides for use by ITP, including: the cost for design,

production, installation, and removal of all advertising & announcement types (including, but not limited to, bus wraps, digital, interior and exterior advertising) for use by ITP at ITP's sole discretion, and the percentage of total advertising, broken down by type, that will be offered to ITP for use at its sole discretion.

3. Proposers other than ITP's current advertising sales provider, Crosstown Communications, shall provide a plan and process for the transition of ITP's current advertising client contracts from Crosstown to any newly chosen Contractor.

The ITP's current advertising revenue contract expires on September 30, 2019. All advertising displays on and in the buses and other properties owned by the ITP will continue to remain in place through the expiration of the terms of their applicable contracts. The Contractor will be responsible for all billings and collections for such contracts at their current rates beginning October 1, 2019. The Contractor will be responsible for removing advertising signs once the contracts have expired. Any renewal of current advertising contracts will be assigned to the Contractor.

4. Proposers shall provide a copy of any policy, written or otherwise, regarding the governance of allowed content & advertising categories, as well as any applicable information on how the policy is enforced company-wide.

The Contractor will make all decisions regarding what constitutes appropriate and inappropriate advertising content and will reserve the right to maintain a policy to reject all advertisements that do not meet their standards.

**F. PROJECT APPROACH** (*Optional Proposal Elements: May be included.*)

In addition, Proposers **may** choose to provide the following in the specific description of their project approach (Numbers 5 through 11):

1. Proposers may provide a timeline, description, and/or an approach to any expected increase of the advertising fees charged to the ITP's future advertising clients, any suggested additions or changes to the materials and application methods used for advertisements, and/or justification of any such proposed changes, based on prior experience with public transit or other clients in markets similar in size or population to metro Grand Rapids.

2. Proposers may provide a timeline, description, and/or an approach to implementing an advertising program on the City of Grand Rapids's DASH bus service.
3. Proposers may provide a timeline, description, and/or an approach to implementing digital and environmental advertising on properties owned by ITP, such as Rapid Central Station and the platform at Rapid Central Station.
4. Proposers may provide a timeline, description, and/or an approach to implementing a shelter and/or bench advertising program in or around ITP bus stops, shelters, and BRT stations throughout ITP's six-city area.
5. Proposers may provide a timeline, description, and/or an approach to implementing interior digital advertising sales on ITP's fleet, including on Laker Line articulated buses that will be delivered equipped with necessary hardware, as well as ITP's Silver Line, GO!Bus "cutaways," and fixed route vehicles, which do not currently possess the necessary hardware. This may include any commitment to providing initial hardware and subsequent hardware upgrades, as well as any needed software.
6. Proposers may provide a description of any proposed changes to ITP's current practice of providing display fixtures, frames, moldings, and racks exterior advertising signage on the ITP's vehicles.
7. Proposers may provide a description of any other relevant "value adds" offered by the Contractor that might benefit ITP financially or in supporting the advancement of public transit in ITP's six-city area and the Grand Rapids metro area.

## **SECTION 4: EVALUATION OF PROPOSALS**

All proposals determined to be responsive and responsible will be evaluated using the criteria set forth below.

The criteria are listed in order of importance.

Once scored, the Firms with proposals determined to be in the competitive range, may be invited to meet with the Evaluation Team on September 9, 2019. The ITP may decide to conduct 'in person', 'phone' or 'Skype' interviews and reserves the right to recommend contract award without holding interviews.

### **1. PROJECT APPROACH**

Proposals will be evaluated to determine which offer is most advantageous to the ITP based on factors including, but not limited to, the growth potential of the ITP's advertising program and the overall strategic creativity of the proposal.

### **2. FINANCIAL PROPOSAL**

The financial proposal will be evaluated by factors including, but not limited to, any proposed increase in the ITP's current advertising revenue, minimum financial guarantees to the ITP, costs, and percentage share of profits offered to the ITP to determine which offer is most advantageous to the ITP.

### **3. EXPERIENCE & QUALIFICATIONS OF PROPOSER**

Proposals will be evaluated to determine the ability of each firm and its staff to perform under the work requirements identified in this RFP from factors that include, but are not limited to, information pertaining to the experience and qualifications of the proposer. This evaluation of experience and qualifications will also include any work performed by subcontractors.

### **4. PROPOSER'S ABILITY TO PERFORM**

The Proposer's ability to perform will be evaluated from factors that include, but are not limited to, client references, ITP's prior experience with any proposers, and information provided as part of the litigation and statement of financial stability and solvency provided. This evaluation of ability to perform will also include any work performed by subcontractors.

## **SECTION 5: INSTRUCTIONS TO PROPOSERS**

### **5.1 SUBMISSION OF PROPOSALS**

Sealed proposals will be accepted until Tuesday, September 3, 2019 at 2:00 p.m., local time. They shall be submitted to:

Procurement Department  
Project 2019-25  
Interurban Transit Partnership  
300 Ellsworth Avenue, SW  
Grand Rapids, MI 49503-4005

Quotations submitted to the ITP shall include one (1) original and three (3) copies and one (1) digital copy.

### **5.2 SEALED PROPOSAL LABEL**

The bidder should seal the proposal submission with a label referencing Project 2019-25, Transit Advertising Sales Services, and the name of your firm and attach it to the envelope containing the bid or proposal. The ITP assumes no responsibility for the premature opening of sealed bids or proposals which do not have this label attached to the outside of the envelope.

### **5.3 MAILING BIDS/PROPOSALS**

Bids or proposals submitted by mail shall be mailed a minimum of three (3) days prior to the bid opening date or date scheduled for receipt of proposals. A postmark by the U.S. Postal Service or other mail delivery service is required. Postage meter dates are not acceptable. Bids or proposals which are not mailed in a timely manner and received after the scheduled bid opening or proposal submittal date will not be accepted.

### **5.4 DURATION OF OFFER**

All bids or proposals shall remain in effect for a minimum of ninety (90) days from the bid opening date or scheduled date for receipt of proposals. Offers that allow less than ninety (90) days for acceptance by the ITP will be considered non-responsive and will be rejected.

## 5.5 TAX EXEMPTION

The ITP is exempt from payment of all Federal, State, and local taxes in connection with this Project. Said taxes shall not be included in the bid or proposal prices. The ITP will provide necessary tax exemption certificates. This provision does not relieve the Contractor from the responsibility to pay all applicable taxes for goods, services, and labor acquired in the performance of this Project.

## 5.6 LATE PROPOSALS OR WITHDRAWAL OF PROPOSALS

- 1) Any proposal received at the ITP offices designated in the solicitation after the time specified for receipt of proposals will not be considered and will be returned to the bidder unopened.
- 2) A proposal may be withdrawn in person by the bidder or their authorized representative, provided their identity is made known and a receipt is signed for the proposal, and only if the withdrawal is made prior to the time specified for receipt of proposals.

## 5.7 DETERMINATION OF SUCCESSFUL PROPOSER

In determining the successful bidder, consideration is given to the bidder's qualification, content of proposal, and financial proposal as described in the evaluation criteria. The Contract award for this Project will be made to the bidder making the best and most advantageous offer, price considered.

## 5.8 ACCEPTANCE OF PROPOSAL

Each proposal shall be submitted with the understanding that the acceptance in writing by the ITP of the offer to furnish any or all goods or services described therein shall bind the bidder on his part to furnish and deliver at the proposal price, in accordance with the conditions of said accepted proposal and specifications.

## 5.9 WITHHOLDING AWARD

This solicitation for bids or proposals does not commit the ITP to award a contract, pay any costs incurred in preparation of bid or proposals in response to this solicitation, or to procure or contract for goods or services. Bidder shall be responsible for all costs incurred as part of their participation in the pre-award process.

## 5.10 PROPOSAL ACCEPTANCE, REJECTION, AND POSTPONEMENT

The ITP reserves the right to postpone, accept, or reject any and all proposals in whole or in part, on such basis as the ITP Board deems to be in its best interest to do so, subject to the rules and regulations set forth by the U.S. Department of Transportation. Also, the ITP reserves the right to accept an original offer or proposal without negotiation or without calling for a "best and final" offer.

### 5.11 Disadvantaged Business Enterprise (DBE) Participation Note: There is no DBE goal for this contract, however, the ITP encourages proposers to seek out DBE firms for the purpose of providing opportunity to participate in bidding on any sub-contract opportunities related to this contract.

In connection with the performance of this Contract, the successful bidder agrees to cooperate with ITP in meeting its commitments and goals with regard to maximum utilization of Disadvantaged Business Enterprises (DBE). The policy and obligations for maximum utilization of DBE's are herein set forth:

A) Policy - It is the policy of the Department of Transportation that Disadvantaged Business Enterprises, as defined in 49 CFR, Part 26, shall have the maximum opportunity to participate in the performance of contracts financed in whole or apart with Federal funds under this Agreement. Consequently, the DBE requirements of 49 CFR, Part 26 apply to this Agreement.

B) DBE Obligation - ITP or its Contractor agrees to ensure that Disadvantaged Business Enterprises, as defined in 49 CFR, Part 26, have the maximum opportunity to participate in the performance of contracts and subcontracts financed in whole or in part with Federal funds provided under this Agreement. In this regard, ITP or its Contractors shall take all necessary and reasonable steps in accordance with 49 CF, Part 26, to ensure that Disadvantaged Business Enterprises have the maximum opportunity to compete for and to perform contracts. ITP and its Contractors shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of DOT-assisted contracts.

Requirements and goals for Disadvantaged Business Enterprise participation in this Project are as follows:

A minimum of zero percent (0%) of the total contract price, as awarded, shall be established as a goal that can be made available to certified



DBE's. Compliance with the percentage goal may be fulfilled by DBE's performing as either:

- 1) A member of a joint venture as a prime contractor;
- 2) An approved subcontractor;
- 3) An owner-operator of equipment;
- 4) A renter of equipment to a prime contractor;
- 5) A firm manufacturing and supplying goods used in the project;
- 6) A firm supplying goods used in the project (when supplying goods, only 60 percent (60%) will be counted).

Prior to Contract award, the apparent successful bidder shall submit a written assurance of meeting the above goals and shall include names of DBE subcontractors, addresses of contact persons, a description of work to be performed and dollar values of each proposed DBE subcontract.

If the goals were not met, the bidder must demonstrate that sufficient good faith efforts were made to meet the DBE contract goals and shall document the steps he has taken to obtain DBE participation.

Good faith efforts may include, but are not limited to, the following:

- 1) Attendance at a pre-bid meeting, if any, scheduled by ITP to inform DBE of subcontracting opportunities under a given solicitation.
- 2) Advertisement in general circulation media, trade and association publications and minority focus media.
- 3) Written notification to DBE's that their interest in the contract is solicited.
- 4) Efforts made to select portions of the work proposed to be performed by DBE's is in order to increase the likelihood of achieving the stated goals.
- 5) Efforts to negotiate with DBE's for specific sub bids shall include the names, addresses and telephone numbers of DBE's contacted regarding the plans and specifications for portions of the work to be performed.
- 6) Concerning each DBE the bidder contacted but rejected as unqualified, the reasons for the bidder's conclusion.
- 7) Effort made to assist the DBE contacted that needed assistance in obtaining bonding or insurance required by the bidder or ITP.

## **SECTION 6: CONTRACT PROVISIONS**

### **6.1 DURATION OF CONTRACT**

This Contract shall become effective on October 1, 2019, and shall remain in effect through September 30, 2024. This contract includes two (2) additional five (5) year extension option implemented with the concurrence of both parties.

### **6.2 AGREEMENT CHANGES**

Additions, deletions or modifications to this Agreement may be made only in accordance with a written agreement between the parties, signed on behalf of the ITP by its CEO or the Procurement Contract Administrator.

### **6.3 DISPUTES**

Except as otherwise provided in the Contract, any dispute concerning a question of fact arising under the Contract which is not disposed of by agreement shall be decided by the ITP Procurement Manager who shall reduce his/her decision to writing and mail or otherwise furnish a copy thereof to the Contractor. The decision of the ITP Procurement Manager shall be final, unless determined by a court of competent jurisdiction to have been fraudulent or capricious or arbitrary or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal proceeding under this clause, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute thereunder, the Contractor shall proceed diligently with the performance of the Contract and in accordance with the ITP Procurement Manager's decision.

This clause does not preclude consideration of law questions in connection with decisions provided for in this clause, provided that nothing in this Contract shall be construed as making final the decision of any administrative official, representative or board on a question of law.

### **6.4 PATENT INFRINGEMENT**

The Contractor warrants that the goods do not infringe on any patent rights and agrees to defend, indemnify and hold the ITP, its officers, agents, employees, trustees and its successors and assigns, harmless from and against any and all liabilities, loss, damage or expense, including, without limitation, court costs and reasonable attorneys' fees, arising out of any infringement or claims of infringement of any letters, patent, trade name,

trademark, copyright or trade secret by reason of the sale or use of any goods purchased under the Contract. The ITP shall promptly notify the Contractor of any such claim. The ITP makes no warranty that the production, sale or use of goods under this Contract will not give rise to any such claim and the ITP shall not be liable to the Contractor for any such claim brought against the Contractor.

## 6.5 INDEMNIFICATION

The Contractor agrees to indemnify and hold the ITP, its officers, agents, employees and/or trustees, harmless from and against any and all claims or causes of action brought against the ITP and from any and all damages, losses, expenses, attorneys' fees, costs and liabilities sustained by the ITP arising out of any claimed defect in the goods and services supplied by the Contractor and any claimed improper manufacture, design, design drawings, specifications, materials or repairs provided by the Contractor pursuant to the Contract. The Contractor's obligation under this paragraph shall include the obligation to indemnify and hold the ITP harmless for negligence, whether active, passive or concurrent, in the performance of the ITP's duties and obligations pursuant to the Contract.

## 6.6 COVENANT AGAINST GRATUITIES

The Contractor warrants that he or she has not offered or given gratuities (in the form of entertainment, gifts, or otherwise) to any official or employee of the ITP with a view toward securing favorable treatment in the awarding, amending, or evaluating performance of Contract.

## 6.7 ASSIGNABILITY

The terms and provisions of the Contract documents shall be binding upon the ITP and the Contractor and their respective partners, successors, heirs, executors, administrators, assigns and legal representatives. The rights and obligations of the Contractor under the Contract may not be transferred, assigned, sublet, mortgaged, pledged or otherwise disposed of or encumbered in any way without the ITP's prior written consent. The Contractor may subcontract a portion of its obligations to other firms or parties but only after having first obtained the written approval by the ITP of the subcontractor.

The ITP may assign its rights and obligations under the Contract to any successor to the rights and functions of the ITP or to any governmental agency to the extent required by applicable laws or governmental

regulations or to the extent ITP deems necessary or advisable under the circumstances.

## 6.8 CONTRACTOR'S LIABILITY INSURANCE

The Contractor shall maintain such insurance as will protect it from claims under Workers' Compensation Acts and other employee benefit acts; from claims for damages because of bodily injury, including death, to its employees and all others and from claims for damages to property; any or all of which may arise out of or result from the Contractor's operations under the Contract, or from any subcontractor or anyone directly or indirectly employed by either of them. This insurance shall be written for not less than the limits specified below. The ITP shall be named as additionally insured in respect to all liability insurance policies. All policies shall contain an endorsement that written notice shall be given to the ITP prior to termination, cancellation or reduction in coverage in the policy. Certificates of such insurance shall be filed with the ITP prior to the start of the Contract.

- 1) Worker's compensation insurance shall be in the amount and coverage required by the State of Michigan to protect it from claims under the Worker's Compensation Act and other employee benefit acts.
- 2) General comprehensive liability insurance, including bodily injury and death, and property damage insurance in the minimum amount of \$1,000,000 per occurrence.
- 3) Automobile liability and garage keepers liability, including bodily injury and property damage, insurance in the minimum amount of \$2,000,000 per occurrence.

## 6.9 TERMINATION

This agreement may be terminated for reasons of convenience or default.

- a) Termination for Convenience: ITP may terminate this Agreement, in whole or in part, at any time by written notice to the Contractor. The Contractor shall be paid its costs, including Contract closeout costs and profit on work performed up to the time of termination. The Contractor shall promptly submit its termination claim to be paid the Contractor. If the Contractor has any property in its possession belonging to or paid for by ITP, the Contractor will account for same, and dispose of it in the

manner ITP directs.

- b) Termination for Default: If the Contractor does not deliver the complete Project in accordance with this Agreement or if the Contractor fails to comply with any other provisions of the Agreement, ITP may terminate, revoke or rescind this Agreement for default. Termination, revocation or rescission shall be effected by serving notice on the Contractor setting forth the manner in which the Contractor is in default. The Contractor will only be paid the Contract price for the portions of the Project furnished, accepted, and found in compliance with the terms and conditions of this Agreement.

If it is later determined by ITP that the Contractor has an excusable reason for not performing, such as a strike, fire or flood, events which are not the fault of, or are beyond the control of the Contractor, ITP, after setting up a new delivery or performance schedule, may allow the Contractor to continue work, or treat the termination as a termination for convenience.

Termination, revocation or rescission of this Agreement for default shall not affect or impair any rights or claims of ITP to damages for breach of any covenants of this Agreement by the Contractor. Further, should the Contractor fail to comply with the conditions of the Agreement or fail to complete the specified work or furnish the specified services as stipulated in the Agreement, ITP reserves the right to purchase on the open market, or to complete the required work at the expense of the Contractor and to pursue all other recoveries available to ITP under Michigan law.

In the event of a dispute under this Agreement, ITP and the Contractor agree that proper venue for purposes of litigation shall be Kent County, Michigan.

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## 6.10 AUDIT AND INSPECTION

For contract awards not based on competitive bidding procedures as defined by the Secretary Of Transportation, the Contractor agrees to permit the Secretary Of Transportation and the Comptroller General of the United States, or their duly authorized representative, to inspect all work, materials, payrolls, and other data and records involving that contract, and to audit the books, records, and accounts involving that contract as it affects the Project.

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## 6.11 EQUAL EMPLOYMENT OPPORTUNITY

In implementing the Project, the Contractor may not discriminate against any employee or applicant for employment because of race, color, creed, sex, disability, age, or national origin. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, sex, disability, age, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor shall insert the foregoing provision (modified only to show the particular contractual relationship) in all its third party contracts for Project implementation, except contracts for standard commercial supplies or raw materials and construction contracts, and shall require all such contractors to insert a similar provision in all subcontracts, except subcontracts for standard commercial supplies or raw materials.

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## 6.12 THE MICHIGAN IRAN ECONOMIC SANCTIONS ACT, 2012 P.A. 517

Pursuant to the Michigan Iran Economic Sanctions Act, 2012 P.A. 517, by submitting a bid, proposal or response, Respondent certifies, under civil penalty for false certification, that it is fully eligible to do so under law and that is not an "Iran linked business" as that term is defined in the Act.