

THIS AGREEMENT, ("Agreement") made and entered into this 29th day of June, 2017 by and between the **Livermore Amador Valley Transit Authority** (Authority), and **Lamar Transit LLC** (Contractor).

WITNESSETH

WHEREAS, Authority desires to obtain **Exterior Advertising Services** (Project) and has issued a Request for Proposals dated May 9, 2017 (which is attached hereto and incorporated as Attachment 1); and

WHEREAS, Contractor is qualified and willing to provide said Exterior Advertising Services and has submitted a proposal dated May 26, 2017 (which is attached hereto and incorporated as Attachment 2).

NOW, THEREFORE, Authority and Contractor agree as follows:

1. RENDITION OF SERVICES

The Contractor agrees to perform services to Authority in accordance with the terms and conditions of this Agreement.

2. SCOPE OF SERVICES

Subject to the terms and conditions set forth in this Agreement, Contractor shall provide the services described in Attachment 1 and modified by the attached Modification to Scope of Work, dated June 20, 2017, as supplemented by Attachment 2, except when inconsistent with Attachment 1.

3. TIME PERIOD

The term of this agreement shall be from July 1, 2017 to June 30, 2020, inclusive, with an option to extend for up to two additional one-year terms, exercisable by mutual agreement. Each party must notify the other of their interest in pursuing the option terms, in writing, at least ninety (90) days prior to the end of the base term or first option term, as applicable.

It is further understood that the base term of the Agreement or any option term(s) granted thereto are subject to the LAVTA's right to terminate the Agreement in accordance with Section 12 of this Agreement.

4. COMPENSATION AND METHOD OF PAYMENT

Contractor shall compensate LAVTA in accordance to payment provisions as outlined in Section II- Scope of Work of Attachment 1, applying the Revenue Share and Minimum Annual Guarantee stated in Appendix A of Attachment 2, Fleet Availability Option C.

Payments shall be made to Authority as follows:
Accounts Receivable
Livermore/Amador Valley Transit Authority

Suite 100
Livermore, CA 94551

Contractor represents that Contractor's taxpayer identification number (TIN) is as evidenced by a completed Federal Form W-9.

5. CONTRACTOR'S KEY PERSONNEL

It is understood and agreed by the parties that at all times during the term of this Agreement that Brad Staten shall serve as the primary staff person of Contractor to undertake, render, and oversee all of the services under this Agreement. Upon written notice by the Contractor and approval by the Authority, which will not be unreasonably withheld, the Contractor may substitute this person with another person, who may possess similar qualifications and experience for this position.

6 CHANGES

Authority may, at any time, by written order, make changes within the Scope of Work and services described in this Agreement. If such changes cause an increase in the budgeted cost of or the time required for performance of the agreed upon work, an equitable adjustment as mutually agreed shall be made in the limit on compensation as set forth in Section 3. In the event that the Contractor encounters any unanticipated conditions or contingencies that may affect the scope of work or services, schedule, or the amount of compensation specified herein, Contractor shall so advise Authority immediately upon notice of such condition or contingency. The written notice shall explain the circumstances giving rise to the unforeseen condition or contingency and shall set forth the proposed adjustment in schedule or compensation. This notice shall be given to the Authority prior to the time that Contractor performs work or services related to any proposed adjustment. The pertinent changes shall be expressed in a written supplement to this Agreement prior to implementation of such changes.

7. CONTRACTOR'S STATUS

Contractor is an independent contractor and not an employee or agent of Authority and has no authority to contract or enter into any other agreement in the name of Authority. Contractor has, and hereby retains, full control over the employment, direction, compensation and discharge of all persons employed by Contractor who are assisting in the performance of services under this Agreement. Contractor shall be fully responsible for all matters relating to the payment of its employees, including compliance with social security, withholding tax and all other laws and regulations governing such matters. Contractor shall be responsible for its own acts and those of its agents and employees during the term of this Agreement.

8. INDEMNIFICATION

To the maximum extent permitted by law, Contractor shall defend, indemnify and hold harmless Authority, its directors, officers, agents and employees from all claims, demands, suits, loss, damages, injury and liability, direct or indirect (including any and all costs and expenses in connection therewith) (collectively

"Liability"), that arise out of, pertain to, or relate to the negligence, recklessness, or intentional misconduct of Contractor, its officers, agents, employees and subcontractors/subcontractors or any of them. This obligation shall not apply to Liability that arising from the sole negligence or willful misconduct of Authority. Except as provided above, Contractor will indemnify and defend Authority notwithstanding any alleged or actual passive negligence of Authority which may have contributed to the Liability. In the event any aspect of the foregoing provision is found to be void or unenforceable, a court shall interpret this provision to give the maximum protection available to the Authority under applicable law. This provision will survive termination or expiration of the Agreement.

9. MAINTENANCE, AUDIT, AND INSPECTION OF RECORDS

All Contractor and subcontractors costs incurred in the performance of this Contract will be subject to audit. Contractor and its subcontractors shall permit LAVTA, or its authorized representatives to inspect, examine, make excerpts from, transcribe, and copy Contractor's books, work, documents, papers, materials, payrolls records, accounts, and any and all data relevant to the Agreement at any reasonable time, and to audit and verify statements, invoices, or bills submitted by the Contractor pursuant to this Agreement. The Contractor shall also provide such assistance as may be required in the course of such audit. Contractor shall retain these records and make them available for inspection hereunder for a period of four (4) years after expiration or termination of the Agreement.

If, as a result of the audit, it is determined by LAVTA's auditor or staff that reimbursement of any costs including profit or fee under this Contract was in excess of that represented and relied upon during price negotiations or represented as a basis for payment, the Contractor agrees to reimburse LAVTA for those costs within sixty (60) days of written notification by LAVTA.

10. DATA TO BE FURNISHED BY AUTHORITY--CONFIDENTIALITY

All data, reports, surveys, studies, drawings and any other documents and materials made available to Contractor by Authority for use by Contractor in the performance of its services under this Agreement shall be made available for information only and shall be returned to Authority at the completion or termination of this Agreement.

Any LAVTA materials to which the Contractor has access or materials prepared by the Contractor during the course of this Agreement ("confidential information") shall be held in confidence by the Contractor, who shall exercise all reasonable precautions to prevent the disclosure of confidential information to anyone except the officers, employees and agents of the Contractor as necessary to accomplish the rendition of services required by this Agreement.

Contractor shall not release any reports, information or promotional materials prepared in connection with this Agreement, whether deemed confidential or not, to any third party without the approval of the LAVTA.

11. **OWNERSHIP OF WORK**

- A. All communications and records originated, prepared, and in the process of being prepared, for the services to be performed by Contractor under this Agreement, including, but not limited to, findings, analyses, submittals, conclusions, opinions, engineering drawings, specifications, standards, process sheets, photographs, videos, manuals, technical reports and recommendations with respect to the subject matter of this Agreement and raw and underlying data of such materials, regardless of format or media, including software, reports and other documentation (all of the foregoing, collectively, the "Work Product"), shall be delivered to and become the property of LAVTA. LAVTA shall be entitled to access and to copy the Work Product during the progress of the Work. Any Work Product remaining in the hands of Contractor or in the hands of any subcontractor/subcontractor upon completion or termination of the work shall be immediately delivered to LAVTA and not later than within two (2) weeks of completion or termination of the Work. If any materials are lost, damaged, or destroyed before final delivery to LAVTA, Contractor shall replace them at its own expense, and Contractor assumes all risk of loss, damage, or destruction of or to such materials.
- B. Any specific knowledge of LAVTA proprietary information gained as a result of this Agreement shall be used exclusively to accomplish the Scope of Work outlined above and for no other purpose.
- C. Any and all rights of copyright to Work Product prepared under this Agreement are hereby assigned to LAVTA. Contractor agrees to execute any additional documents that may be necessary to evidence such assignment. Contractor agrees not to assert any rights at common law or equity and not to establish any claim to statutory copyright in such Work Product. Except for its own internal use, Contractor shall not publish or reproduce such Work Product in whole or in part, or in any manner or form, nor authorize others to do so, without the written consent of LAVTA
- D. Notwithstanding anything herein to the contrary, LAVTA acknowledges that as part of Contractor's provision of work hereunder, Contractor may utilize proprietary works of authorship including, without limitation, software, methodologies, tools, specifications, drawings, sketches, models, samples, records and documentation, as well as copyrights, trademarks, service marks, ideas, concepts, know-how, techniques, knowledge or data, that have been originated or developed by Contractor or by third parties under Agreement to, or which have been purchased by, Contractor (all of the foregoing, collectively, "Contractor's Information"). LAVTA agrees that Contractor's Information is and shall remain the sole property of Contractor or such third party. Contractor agrees that LAVTA shall be entitled to use Contractor's Information in connection with this Agreement, and shall grant to LAVTA a perpetual, royalty-free, irrevocable, worldwide, non-exclusive license to use all Contractor's Information and to create and use derivative works of Contractor's Information in connection with this Agreement.
- E. Contractor represents and warrants that it has or will have all appropriate licenses, agreements, and/or ownership pertaining to all intellectual

property, including but not limited to patents and copyrights, used in connection with the performance of its obligations under this Agreement. Contractor further represents and warrants that it will have all necessary rights to patentable and copyrightable materials, equipment, devices or processes not furnished by LAVTA used on or incorporated in the work and assumes all risks arising from the use of such patentable and copyrightable materials, equipment, devices, or processes.

- F. Contractor shall indemnify, defend and hold harmless LAVTA, its directors, officers, agents and employees to the maximum extent permitted by law from and against any and all claims, liabilities, losses, damages or expenses (including attorneys' fees and related costs, whether or not litigation has commenced), whether direct or indirect, arising out of, relating to, or in connection with the ownership, possession or use of any materials, equipment, devices, or processes that are protected by intellectual property rights, including patent, copyright and trade secret. In case such materials, equipment, devices or processes are held to constitute an infringement and their use enjoined, Contractor, at Contractor's sole cost and expense, shall: (a) secure for LAVTA the right to continue using the materials, equipment, devices or processes by suspension of the injunction or by procuring a royalty-free license or licenses, or (b) replace such materials, equipment, devices, or processes with non-infringing materials, equipment, devices or processes that perform the same functions as the infringing item, or (c) modify them so that they become non-infringing or remove the enjoined materials, equipment, devices or processes and refund the sums paid therefore, without prejudice to any other rights of LAVTA. If the amount of time necessary to proceed with one of these options is deemed excessive by LAVTA, LAVTA may direct Contractor to select another option or risk default.

12. TERMINATION

LAVTA shall have the right to suspend or terminate this Agreement at any time by giving written notice to the Contractor. Upon receipt of such notice, the Contractor shall not commit itself to any further expenditure of time or resources.

If the Agreement is suspended or terminated for any reason other than a default by Contractor, LAVTA shall pay to Contractor all sums actually due and owing from LAVTA for all services performed and all expenses incurred up to the day written notice of effective date of suspension or termination is given, plus any costs LAVTA determines are reasonably and necessarily incurred by Contractor to effect such suspension or termination. If the Agreement is terminated for default, LAVTA shall remit final payment to Contractor in an amount to cover only those services performed and expenses incurred in full accordance with the terms and conditions of this Agreement up to the effective date of termination.

actions to ensure that applicants are employed, and that employees are treated during their employment, without regard to their race, religion, color, sex, disability, gender identify, or national origin. Such actions 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. Contractor further agrees to insert a similar provision in all subcontracts, except subcontracts for standard commercial supplies or raw materials.

18. LAWS AND REGULATIONS

Contractor shall comply with its standard of care with regard to any and all laws, statutes, ordinances, rules, regulations and procedural requirements of any national, state or local government and of any agency of such government, including Authority, which relate to or in any manner affect the performance of this Agreement. This Agreement and any related documents supplied hereunder are subject to the California Public Records Act.

19. CHOICE OF LAW

All questions pertaining to the validity and interpretation of this Agreement shall be determined in accordance with the laws of California applicable to agreements made and to be performed within the state.

20. FORCE MAJEURE

It is expressly agreed that if the Contractor shall be delayed or interrupted in the performance or completion of its work hereunder by any act, neglect or default of the Authority, or of any employee of the owner, or of any other contractor employed by the Authority, or by an embargo, war, fire, flood, earthquake, epidemic or other calamity, act of God or of the public enemy, governmental act (including, but not restricted to, any government priority, preference, requisition, allocation, interference, restraint or seizure, or the necessity of complying with any governmental order, directive, ruling or request) or by any strike or labor dispute involving the Authority, or any manufacturer, supplier or carrier of the machinery, materials or supplies required hereunder, then the time of completion specified herein shall be extended for a period equivalent to the time lost as a result thereof.

21. ENTIRE AGREEMENT

This Agreement is the entire agreement of the parties. Contractor represents that in entering into this Agreement, it has not relied on any previous representations, inducements or understandings of any kind or nature.

22. SEVERABILITY

If any provision, or any portion of any provision, of any contract resulting from this proposal shall be held invalid, illegal or unenforceable, the remaining provisions or portions of any provisions shall be valid and enforceable to the extent possible.

23. BENEFIT OF AGREEMENT

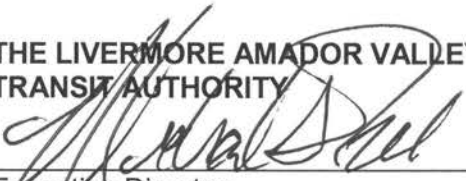
This Agreement shall bind and benefit the parties hereto and their heirs, successors and permitted assigns.

24. ATTORNEY'S FEES AND OTHER FEES

Should either party institute any action to enforce this Agreement, or any provision hereof, the prevailing party in any such action or proceeding shall be entitled to receive from the other party all costs and expenses, including reasonable attorney's fees.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto as of the day and year first written above.

**THE LIVERMORE AMADOR VALLEY
TRANSIT AUTHORITY**



Executive Director

Date: 02/20/2017

LAMAR TRANSIT, LLC



By*

Casey Sexton, VP

Title

By*

Title

Date: _____

APPROVED AS TO FORM:

By:  _____
Attorney for the Authority

*If Contractor is a corporation, two corporate officers must sign on behalf of the corporation as follows: (1) Chairman of the Board, President, or Vice President; and (2) Secretary, Assistant Secretary, Chief Financial Officer, or Assistant Financial Officer. In the alternative, this Contract may be executed by a single officer or a person other than an officer provided that evidence satisfactory to LAVTA is provided, demonstrating that such individual is authorized to bind the corporation (e.g., a copy of a certified resolution from the corporation's board or a copy of the corporation's by laws).

Compensation Proposal Form Exterior Advertising Services Request for Proposal #2017-14

Enter below the proposed compensation for the functions listed as described in Section II Scope of Work. Please be as specific as possible.

Exterior Advertising Services Compensation Proposal – LAVTA Base (Fiscal Years – July 1 – June 30) Fleet Availability Option C					
	Year 1	Year 2	Year 3	Option Year 1	Option Year 2
	FY 2017 - 18	FY 2018 - 19	FY 2019 - 20	FY 2020 - 21	FY 2021 - 22
Minimum Annual Guarantee	\$ 95,000	\$ 95,000	\$ 95,000	\$ 95,000	\$ 95,000
Revenue Share	50%	50%	50%	50%	50%
Added Value	\$ 2,500 <small>capacity incentive</small>	\$ 2,500 <small>capacity incentive</small>	\$ 2,500 <small>capacity incentive</small>	\$ 2,500 <small>capacity incentive</small>	\$ 2,500 <small>capacity incentive</small>

SIGNED: The undersigned certify that we sign this Price Proposal Form with full and proper authorization to do so.

Lamar Transit LLC

 Company Name
 Brad Staten, Vice President & General Manager

 Signature, Printed Name, and Title

 Signature, Printed Name, and Title

If Contractor is a corporation, two corporate officers must sign on behalf of the corporation as follows: (1) Chairman of the Board, President, or Vice President, and (2) Secretary, Assistant Secretary, Chief Financial Officer, or Assistant Financial Officer. In the alternative, this Contract may be executed by a single officer or a person other than an officer provided that evidence satisfactory to LAVTA is provided, demonstrating that such individual is authorized to bind the corporation (e.g., a copy of a certified resolution from the corporation's board or a copy of the corporation's by-laws).

Lamar proposes a Capacity Incentive to be paid when gross advertising revenue in each specific contract year exceeds \$120,000. Lamar proposes that the definition of gross advertising revenue clearly define that art production and installation fees are excluded from the sum upon which revenue share is calculated. This is consistent with the existing agreement between Lamar and LAVTA.

PRODUCTION CREDIT: Lamar will also provide a \$5,000 per year production credit incentive. This is redeemable by LAVTA for transit advertising produced by Lamar only. The annual production credit cannot be combined with any other year's credit.

SECTION II

SCOPE OF WORK

SCOPE OF WORK

EXTERIOR ADVERTISING SERVICES

1. INTRODUCTION

1.1. Request for Proposals

It is the intent of this Request for Proposal (RFP) to solicit proposals for the provision of revenue-generating Exterior Advertising Management and Sales for Transit Vehicles from an independent firm. This advertising consists of exterior spaces on LAVTA (WHEELS) vehicles used in revenue service. LAVTA expects the successful Proposer to administer all approved forms of advertising as well as all aspects of development, manufacturing, and installation of advertisements.

This proposal will allow LAVTA to receive revenues that will assist the agency to offset costs associated with the provision of public transit services. The successful Proposer will have a demonstrated record of creating new and maintaining existing transit advertising clients through an effective sales model.

LAVTA will utilize the “Best Value” method of procurement, in conformance with applicable procurement guidelines. Respondents to this RFP should demonstrate an understanding of the work to be performed.

1.2. Scope of Work

Background

LAVTA is seeking the services of an individual or firm to manage an Exterior Bus Side Advertising Program on its fleet of vehicles for an initial three (3) year base term with two one-year options, exercisable by LAVTA in its sole discretion. Should LAVTA determine to exercise an option, LAVTA will notify the Contractor of its determination, in writing, at least ninety (90) days prior to the end of the base term or first option term, as applicable.

The LAVTA service area (referred to as the Tri-Valley) is situated in the eastern portion of Alameda County of the San Francisco Bay Area and includes the cities of Dublin, Livermore, and Pleasanton, and unincorporated areas of Alameda County. The area covers forty (40) square miles and is home to 200,000 residents. The Tri-Valley is known for its appeal as an employment center, its relatively high affluence level, and its general quality of life.

LAVTA projects operating the following in fiscal year 2017:

- 2.1 million total fixed route miles
- 1.65 million fixed route passengers
- 49 vehicles operating in peak service

LAVTA’s operates local transit bus service operating in and around the cities of Livermore, Dublin, and Pleasanton and provides connections with BART, CCCTA (County Connection), and the ACE Train. Service operates on local streets with occasional freeway/interstate use. In 2016, LAVTA launched a rebranding effort to consider a change to the Wheels name and/or logo. Accordingly, the Agency desires to only allow advertising on half of the fleet so that the new “Wheels” brand, when developed, would have high visibility in the service area, but will permit proposers to submit revenue options for three possible combinations of vehicle availability shown below and in Exhibit 2. The Agency also determined that any ads would need to be below the window (i.e. no headlines, full/side wraps, etc.).

In summer 2016, Wi-Fi was installed on the Rapid and Express buses (28 buses total). In addition to exterior bus advertising, Wi-Fi sponsorship opportunities are available on select vehicles as shown in Exhibit 2.

In spring 2017, LAVTA, in partnership with Air Quality Management District, will be fully wrapping seven (7) buses with Spare-the-Air advertising for three years. These seven buses are not available for advertising for the first three years of this contract; those buses may become available for advertising in 2020.

In summer 2017, LAVTA will be retiring a twenty-five buses and will be replacing them with a total of twenty (29’ or 40’) hybrid buses.

The composition of the existing and future fleet that is available for advertising, along with specific advertising types permitted by vehicle, is detailed in Exhibit 2. Proposers are asked to submit revenue proposals for three possible options of fleet availability, shown in Exhibit 2 as Options A, B and C. The fleet availability by vehicle type under each option is shown in the table below.

Bus Type	Total Vehicles	Option A	Option B	Option C
40’ Commuter	7	3	5	7
40’ Rapid	10	10	10	10
40’ Wheels	11	11	11	11
35’ Rapid	7	4	7	7
35” Wheels	3	2	3	3
29’ Rapid	4	0	2	4
29’ Wheels	11	0	4	11
TOTAL	53	30	42	53

Current Contract

LAVTA's current exterior advertising contract is with Lamar Advertising Company. Lamar provides a full service advertising program as described in this RFP. In addition to the services described in the RFP, the current contractor provides a specified amount per year to design, produce, and install exterior advertising for LAVTA's promotional use and funds the Authority's community art bus shelter program.

The figures below show the Minimum Annual Guarantee, Net Sales, and Total Revenue to LAVTA for the term of the current contract.

Minimum Annual Guarantee

FY13-\$125,000

FY14-\$125,000

FY15-\$115,000

FY16- \$95,000

FY17- No Minimum Annual Guarantee: straight 50% revenue split

Net Sales

FY13- \$352,452

FY14- \$414,698

FY15- \$516,136

FY16- \$343,310

FY17 YTD - \$225,029 (as of January 31, 2017)

Payments to LAVTA

FY13- \$178,726

FY14- \$209,849

FY15-\$260,568

FY16- \$174,155

FY17 YTD – \$112,514 (As of January 31, 2017)

General Information/Responsibility

The Contractor will have exclusive rights and manage the sales and placement of advertising promotions on LAVTA's fixed route fleet of transit buses subject to the terms and conditions set forth in this RFP.

Responsibilities include management of a comprehensive sales & marketing process, encompassing client sales contracts, coordinating production of printing services, posting and removing signage, billing and collecting revenues from clients and other customary business practices.

Payments to Authority

In consideration of the grants and privileges herein made and given to the Contractor by the Authority, the Contractor agrees to pay LAVTA a minimum guaranteed amount (the "Minimum Annual Guarantee") and a percentage of sales over the Minimum Annual Guarantee.

LAVTA reserves the right to use any other portion of the buses for its exclusive use for any advertising or promotion or purpose it deems to be in the interests of LAVTA. LAVTA also reserves the right to use any unsold exterior bus side advertising space for its exclusive use as mentioned above.

Contractor shall supply LAVTA a current rate card on an annual basis to allow the agency to utilize unsold exterior space for LAVTA announcements, marketing promotions, and related needs. Contractor shall administer all aspects of LAVTA's advertisements in accordance with the terms and conditions as outlined in this solicitation.

Space availability for advertising on LAVTA vehicles may change during the period of this Agreement for reasons including, but not limited to, the acquisition of new vehicles, the retiring of old vehicles or new bus designs or configurations which do not allow for exterior advertising capability.

The Contractor shall employ its best efforts to develop and make sales of advertising space and shall operate an office facility and work force capable of ensuring proper installation, maintenance, and removal of advertising displays.

Contractor shall provide an emergency phone number for LAVTA to reach Contractor in the case of an emergency situation. Contractor shall respond to the emergency situation within 24 hours of initial contact by LAVTA.

In addition to complying with LAVTA's Advertising Policy set forth in this RFP, the Contractor shall comply with generally accepted industry principles with respect to good taste and all applicable laws and regulations including but not limited to truth in advertising, copyrights, and trademarks. Additionally, the Contractor shall:

- Remove unapproved, damaged or defaced advertisements within 72 hours of notice given by the LAVTA.
- Remove all dated advertising materials within five (5) calendar days from its expiration date. Dated materials refer to advertising materials that are relevant to a specific time period or relevant to an event that has been completed.

Specific Requirements

- Location for Advertisements.** Advertising will be permitted on the exterior left, right, and rear sides of buses. At the contract initiation, and prior to the initial installation of vinyl advertisements, Contractor shall provide LAVTA with schematics detailing the exact location for placement of an advertisement, on non-permanent adhesive vinyl material, on each type of bus in LAVTA's fleet. Once approved by LAVTA, these locations will become the standard locations for placement of ads on buses within each sub-fleet through the term of the agreement. The ads shall not cover any Agency logos or contact information (phone, website, etc.). Wi-Fi sponsorship placement details are included in Section L, below.
- Material and Appearance of Advertisements.** The Contractor shall use only display materials that conform to current industry standards and are acceptable to LAVTA. Transit vehicle exterior display materials must be for exterior use,

pressure sensitive removable vinyl posters, which have been specifically designed for direct application. Display must have either a UV over laminate or a protective clear-coat. Additionally, each ad:

- a. shall be free from wrinkles, blisters or similar defects
 - b. shall be "squared" to the vehicle contour lines
 - c. shall present a sharp and clear appearance
 - d. shall not be faded
- c. **Dimensions of Advertisements.** LAVTA plans to adhere to the industry standards for advertisement dimensions as a baseline for this solicitation. All ads will be placed below the window on both the driver and curbsides. No full wraps or partial wraps will be available for advertising. Ad size will vary depending on vehicle type (low floor versus high floor) and size (29 foot versus 35 foot or 40 foot). A complete list of vehicles available for advertising is listed in Exhibit 2. Interested proposers may schedule an appointment to inspect the fleet during normal business hours. If a proposer wishes to propose alternate dimensions, those dimensions and diagrams should be provided in their proposal. LAVTA desires to limit the type of advertising due to an upcoming rebranding of the bus system in 2016.

d. **Standard Dimensions**

<i>Driver/Street Side</i>	
Traditional King	30" x 144"
Traditional Super King	30" x 216"
Driver Side Kong	42" x 228"
<i>Curbside</i>	
Traditional Queen	30" x 88"
Empress	42" x 114"
<i>Rear</i>	
Supertail	34" x 84"
Traditional Tail	21" x 70"

No front of bus advertising is available.

- e. **Continuous Advertisement.** Once a vinyl is applied to the side of a vehicle, a vinyl advertisement in good repair of the same size must always be displayed in the same location. No "layering" of vinyl advertisements is permitted; the previous vinyl must be removed before application of a new vinyl. Under no circumstances shall Contractor allow any one exterior ad to remain adhered to any vehicle in excess of one (1) year.
- f. **Restoration of Bus Side.** Upon removal of a vinyl advertisement, Contractor will be responsible for the cost of restoring the exterior surface of the bus covered by the vinyl advertisements to the condition of the surrounding exterior surface of the

bus. The adhesive used to apply the vinyl type advertisement shall not cause damage to LAVTA's vehicles, their paint schemes, existing decals, or exterior surface. The Contractor will be notified of any such damage and LAVTA will not proceed with repair for 48 hours after notification to the Contractor to enable the Contractor time to inspect the damage if so desired. The Contractor shall be required to reimburse LAVTA for the full dollar cost to repair any damage to LAVTA's vehicles and/or property resulting from application or removal of the vinyl advertisement or any other activities of the Contractor.

- g. **Fleet Size of Buses.** Sole discretion for assignment of buses shall remain with LAVTA. Any reference in this document to any particular number or count of buses (e.g. the available fleet size) shall not be construed to carry any guarantee, express or implied, that any certain count of vehicles or of fleet size shall be available to the Contractor for advertising displays at any given time. LAVTA shall be the sole judge of such matters of safety, convenience, appearance, and the number and location of vinyls on any vehicles.
- h. **No Route Specific Advertisements.** Under no circumstances should advertisements be route specific, and the Contractor shall not represent to potential advertisers that advertising can be route specific.
- i. **Self Promotion.** The Contractor will not be allowed to engage in unpaid self promotion without prior written approval from LAVTA.
- j. **Maintenance of Advertisements.** The Contractor shall be solely responsible to keep and maintain all the vinyl's placed on LAVTA buses in good condition, and will bear the full cost of any and all maintenance and repair of the vinyls. In the event the Contractor fails to satisfy the requirements of subsections below, LAVTA may elect to repair, alter, or remove the vinyl and to charge the Contractor for all labor and material costs for all such work. The Contractor agrees to pay LAVTA the cost of performing such work provided LAVTA gives the Contractor verbal notice, followed by an email notice, of the intent to repair, alter or remove the vinyl advertisement prior to actually undertaking such activity.
- k. **Placement of Advertisements.**
- No vinyl will be allowed to interfere with any safety devices, lights, signals, licensing, website addresses, phone numbers or distinctive logos, or decals on LAVTA vehicles. This includes, but is not limited to: reflective materials, side directional lights, side reflectors and other features. In addition, vinyls cannot interfere with the normal utilization of fuel doors, vents, glazing, and other equipment installed in the various vehicles that may require regular preventive maintenance.
 - Vinyls shall not be placed over any body moldings. Vinyl applied over body panel seams shall be sliced and tucked into those seams.
 - Vinyl's smaller than the allocated area shall be centered in the allocated area.
 - Vinyl shall not be placed within one (1) inch of LAVTA's name or any of its logos.
- l. **Wi-Fi Sponsorship** LAVTA is making available sponsorship opportunities to fund the ongoing cost of operating the Wi-Fi service on Rapid and Express buses. The

Wi-Fi Sponsorship Package, including suggested sponsors and rates, as well as the placement and language of the sponsorship ads on the exterior of the buses is included in Exhibit 3.

Defaced or Damaged Advertisements

The Contractor shall develop and implement a fully staffed maintenance, cleaning, repair or replacement program plus a Quality Control Program that ensures that the advertising material installed on LAVTA vehicles is in good condition at all times. More particularly, the Contractor will be required to remove immediately, but no later than 24 hours from notice given by LAVTA, any graffiti on the vinyls not removed during LAVTA's regular, daily cleaning of the vehicles (generally vehicles are run through an automatic bus washer daily), and to make other repairs as necessary to vinyl's that are otherwise damaged or defaced.

Any vehicle bearing a vinyl that is damaged, defaced or marked with graffiti that is not repaired, corrected or removed by the Contractor as required above, shall be considered unsuitable for revenue service and the Contractor will be assessed per conditions set within this solicitation.

Limitations and Review of Advertisements

- a. **Limitations of Advertisements.** Contractor shall not display or maintain any advertisement that include one or more of the following categories:
- **False, Misleading, or Deceptive Commercial Speech.** The advertisement proposes a commercial transaction, and the advertisement or information contained in the advertisement is false, misleading, or deceptive.
 - **Libelous Speech, Copyright Infringement, etc.** The advertisement, or any material contained in it, is libelous or an infringement of copyright, or is otherwise unlawful or illegal or likely to subject LAVTA to litigation.
 - **Unlawful Goods or Services.** The advertisement or material contained in it, promotes unlawful or illegal goods, services, or activities.
 - **Endorsement.** The advertisement or any material contained in it, implies or declares an endorsement by LAVTA, its Directors, management, or employees of any service, product, or point of view without prior written authorization from LAVTA.
 - **Prurient Interest.** The advertisement contains material that describes, depicts, or represents sexual activities, or aspects of the human anatomy in a way that the average adult, applying contemporary community standards, would find appeals to the prurient interest of minors or adults. For purposes of these guidelines, the term "minor" shall have the meaning contained in California Penal Code Section 313.
 - **"Adult" – Oriented Goods or Services.** The advertisement promotes or encourages or appears to promote or encourage, a transaction related to, or uses brand names, trademarks, slogans or other materials which are identifiable with, films rated "X" or "NC – 17," adult book stores, adult video stores, nude dance clubs, and other adult entertainment establishments, adult telephone services, adult internet sides, and escort services.

- **Obscenity or Nudity.** The advertisement contains obscene materials or images of nudity. For purposes of these Guidelines, the term “obscene matter” shall have the meaning set forth in the California Penal Code Section 311.
 - **Unlawful and Detrimental Conduct.** The advertisement, or any material contained in it, promotes or encourages, or appears to promote or encourage, unlawful or illegal behavior or activities, and promotes behavior or activities which are detrimental to the maintenance and safe operations of LAVTA.
 - **Demeaning or Disparaging.** The advertisement contains images or information that demeans or disparages an individual or group of individuals on account of race, color, religion, national origin, ancestry, gender, age disability or sexual orientation.
 - **Violence.** The advertisement either (a) contains images or descriptions of graphic violence, including, but not limited to, the depiction of weapons or other implements or devices used in the advertisement in an act or acts of violence or harm on a person or animal; or (b) the advertisement, or any material contained in it, incites or encourages, or appears to incite or encourage violence or violent behavior.
 - **Firearms.** The advertisement either (a) contains an image of a firearm in the foreground of the main visual, or (b) contains image(s) of firearms that occupy 15% or more of the overall advertisement.
 - **Profanity.** The advertisement contains words recognized by the community as vulgar indecent or profane for display in a public setting that includes minors.
 - **Alcohol/Tobacco.** The advertisement promotes the use of alcohol and/or tobacco products.
 - **Graffiti.** The advertisement contains graphics or language that promotes, resembles, or otherwise encourages graffiti or vandalism.
 - **Inappropriate Graphics.** The advertisement contains graphics recognized by the community as inappropriate, including, but not limited to, the depiction of human or animal bodies or body parts, or fetuses, in states of mutilation, dismemberment, decomposition, or disfigurement.
 - **Political Information.** The advertisement contains political information or local or national controversial subject or subjects not in accordance with the statutes, ordinances, and court decisions pertaining to the LAVTA service area.
- b. **Review of Advertisements.** Contractor shall review each advertisement submitted for installation, display and maintenance on LAVTA properties to determine whether the advertisement conforms with one or more of the categories set forth in the Limitations on Advertising section of these Standards:
- Contractor shall promptly notify LAVTA, through the designated Contract Administrator, of its determination and the reason(s) for its designation. The Contract Administrator shall immediately notify the Executive Director.
 - Upon receipt of notification, LAVTA shall advise the Contractor whether LAVTA concurs with the Contractor’s determination.
 - In the event LAVTA concurs in the determination of the Contractor, the Executive Director will, in consultation with the advertiser, allow one or more revisions to the advertisement, in order to bring the advertisement into conformity with the Standards. The advertiser shall then have the option of submitting a revised advertisement for review in accordance with these procedures.

- In the event the Contractor and the Advertiser do not reach agreement with regard to a revision of the advertisement, or in the event the Contractor determines that no appropriate revision would bring the advertisement into conformity with the Standards, the advertiser may request that the Contractor obtain a formal determination from the LAVTA Executive Director. In reaching a formal determination, the LAVTA Executive Director may consider any materials submitted by the advertiser, and may consult with the Contractor, and/or with the LAVTA Legal Counsel.
- The LAVTA Executive Director shall promptly provide the Contractor with a written notice of the formal determination, and the Contractor shall relay the formal determination to the advertiser. LAVTA's formal determination shall be final.
- Contractor may appeal LAVTA Executive Director's formal decision in writing to the LAVTA Board of Directors. The determination of the LAVTA Board of Directors shall be final.

Liquidated Damages for Delay

It is agreed by the parties that TIME IS OF THE ESSENCE, and in the event of a delay in completion of the work or the delivery of the supplies, materials, or equipment beyond the date set forth in the solicitation documents, or authorized extensions, damage will be sustained by the Authority, and that it is or will be impracticable to determine the actual amount of the damage by reason of such delay. It is, therefore, agreed that the contractor will pay the Authority \$100 per day per bus for each day that the contractor does not complete the work in compliance with the solicitation documents and beyond the dates set forth in the solicitation documents as liquidated damages.

Locations of Bus Facilities

LAVTA currently operates vehicles from its Maintenance, Operations, and Administration Facility at 1362 Rutan Court, Livermore California and may be operating vehicles from the Bus Fuel and Wash Facility at 875 Atlantis Court, Livermore at some point in the future.

Contractor Ingress and Egress

Contractor shall check-in before entering and check-out upon leaving LAVTA premises or leased property with the appropriate personnel and on-duty maintenance supervisor.

Contractor shall provide reflective safety vests and company identification badges for its employees to be worn at all times while on LAVTA property.

Contractor shall use a clearly identifiable vehicle for purposes of entering LAVTA property.

All vehicles used to install, remove or maintain the advertisement on LAVTA buses while on LAVTA or LAVTA leased property shall display a business sign on the outside of each front door, both left and right sides, signifying the name of the company authorized to perform work on LAVTA buses. The sign may be of the magnetized type.

No private vehicle will be allowed on LAVTA or LAVTA leased property unless it displays the proper signage.

Contractor shall conduct all of its work on LAVTA buses between 9:00 p.m. and 4:00 a.m. on weekdays when LAVTA's transit vehicles are not in revenue service, or between 8:00 a.m. and 5:00 p.m. on weekends, unless prior arrangements are made. Contractor shall not interfere with LAVTA operations when installing, removing or maintaining ads.

Contractor's Work on LAVTA Property

- Contractor will provide all necessary parts, equipment, materials and/or tools required to perform the required work and will not store any parts, equipment materials, and/or tools on LAVTA property.
- LAVTA shall make every attempt to provide sufficient room between bus rows so as to allow for installation or removal of ads while buses are parked, at each applicable site. Indoor workspace is not available. LAVTA and Contractor shall agree on how best to resolve any problems arising regarding the location of buses at each applicable site. The Contractor shall perform the work in such a manner as to eliminate unnecessary noise, obstruction, hazardous conditions, or other disturbances to LAVTA's operation or its personnel. During the performance of the work, the Contractor shall bear full responsibility for the protection and safety of the public, LAVTA personnel and LAVTA equipment and facilities. Any damage arising from the Contractor's performance of the work shall be repaired or remedied immediately at the Contractor's sole expense.
- Contractor shall make available the necessary number of employees to conduct the Quality Control Program.

During the performance of the work under this Contract, the Contractor shall keep the working area in a neat and safe condition. The Contractor shall make arrangements to dispose of any waste generated by its performance or activities off of LAVTA property.

Conduct of Employees

Contractor shall ensure that its officers, agents, or employees while on LAVTA property or using equipment will conduct themselves in a safe and proper manner and if a complaint is made by LAVTA personnel, the Contractor will take such corrective measures as are necessary. If the Contractor does not take such corrective measure, LAVTA may deem the Contractor in breach of its obligations under the Agreement. Contractor further covenants and agrees that in the exercise of the rights and privileges granted hereunder its employees or representatives will not deface or damage the property of LAVTA or deposit or scatter any rubbish, debris, waste, litter or other material in or about said premises. The Contractor agrees to assume full liability and responsibility for actions on the part of its employees and agents, and shall pay for any clean up required to restore the property to its condition prior to entry by Contractor or as otherwise determined to be necessary by LAVTA.

Extra Services

While not required by the RFP, the scoring criteria will take into account services proposed that are above and beyond the RFP requirements. The Authority's current

contractor provides advertising space, design, and installation services for Authority use and also funds the community art shelter program. The Authority is interested in preserving these programs.

Changes in Scope of Work

LAVTA, without invalidating the contract, may order additions to or deletions from the work to be performed. If justified, the contract charges will be adjusted accordingly. Any alteration(s) made in the provisions that are a part of the contract shall not operate to release any surety or sureties from liability or any bond(s) attached thereto and made a part thereof. New provisions must be mutually agreeable to LAVTA and the Contractor. Contract Modifications must be authorized by the LAVTA Executive Director and must be completed as an Amendment to the Agreement.

LAVTA shall have the right to make changes in vehicles, vehicle configurations, vehicle types and related elements of work not involving extra cost and not inconsistent with the work to be performed.

1.3 Contract Period

The start date for the project will commence on July 1, 2017 and continue for an initial three (3) year base term with two one-year options, exercisable by LAVTA in its sole discretion. Should LAVTA determine to exercise an option, LAVTA will notify the Contractor of its determination, in writing, at least ninety (90) days prior to the end of the base term or first option term, as applicable. The contract completion date for this RFP will be no later than June 30, 2022.

1.4 Payment Instructions

Contractor shall make monthly payments to LAVTA. Said monthly payments shall be made by the 10th working day of each month. Payment shall be for all amounts due to LAVTA for the preceding month and shall be based on the compensation structure set forth in Agreement. Said monthly payments shall be accompanied by a schedule which shows the advertisements which were displayed, the gross revenue earned for the advertisement, the amount and description of any deductions permitted by Section III, Subsection 1.6, and the amount of revenues to earned in the future under existing contracts.

Effective the first month of the Agreement, and each month thereafter, the Contractor shall remit by the 10th working day of each month an amount equal to one-twelfth of the annual guaranteed minimum for that year or a percentage of the Contractor's specified net advertising revenue, whichever is greater.

All payments, regardless of their nature, shall be submitted in a timely manner. Late payments shall be subject to a 5% penalty and 1-1/2% interest per month.

A. Minimum Types and Scope of Insurance

1.) Workers' Compensation and Employers' Liability Insurance

- a. Workers' Compensation with Statutory Limits, as required by Section 3700 et seq of the California Labor Code, or any subsequent amendments or successor acts thereto governing the liability of employers to their employees.
- b. Employers' Liability coverage with minimum limits of \$1 million.
- c. Such insurance shall include the following endorsement as further detailed in the Endorsements Section below:
 - Waiver of Subrogation.

2.) Commercial General Liability Insurance

Commercial General Liability insurance for bodily injury and property damage coverage with a combined single limit for bodily injury and property damage of at least \$1 million per occurrence or claim and a general aggregate limit of at least \$2 million. Such insurance shall cover all of Consultant's operations both at and away from the project site.

- a. This insurance shall include coverage for, but not be limited to:
 - Premises and operations.
 - Products and completed operations.
 - Contractual liability.
 - Personal injury.
 - Advertising injury.
 - Explosion, collapse, and underground coverage (xcu).
 - Broad form property damage.
- b. Such insurance shall include the following endorsements as further detailed in the Endorsements Section below:
 - Additional Insured.
 - Cross Liability or Severability of Interests Clause.
 - Primary and Non-Contributory wording.
 - Waiver of Subrogation.

Products and completed operations insurance shall be maintained for three (3) years following termination of this Agreement.

3.) Business Automobile Liability Insurance

Business Automobile Liability insurance providing bodily injury and property damage with a combined single limit of at least \$1 million per occurrence.

- a. This insurance shall include coverage for, but not be limited to:
 - All Owned vehicles.
 - Non-owned vehicles.
 - Hired or rental vehicles.

- b. Such insurance shall include the following endorsements as further detailed in the Endorsements Section below:
 - Additional Insured.
 - Primary and Non-Contributory wording.
 - Waiver of Subrogation.

4.) Professional Liability Insurance

The Consultant, at its own cost and expense, shall maintain professional liability insurance for the period covered by the Agreement, and two years following completion of the contract in an amount not less than \$1,000,000 covering errors and omissions in the services of the Consultant performs under the Agreement. The policy limits of this professional liability insurance policy shall apply separately to the Agreement.

B. ENDORSEMENTS

1.) Additional Insured

The referenced policies and any Excess or Umbrella policies shall include as Additional Insureds the Livermore Amador Valley Transit Authority and its directors, officers, employees, volunteers and agents while acting in such capacity, and their successors or assignees, as they now, or as they may hereafter be constituted, singly, jointly or severally.

2.) Waiver of Subrogation

The referenced policies and any Excess or Umbrella policies shall contain a waiver of subrogation in favor of the Livermore Amador Valley Transit Authority and its officers, directors, employees, volunteers and agents while acting in such capacity, and their successors and assignees, as they now, or as they may hereafter be constituted, singly, jointly or severally.

3.) Primary Insurance

The referenced policies and any Excess and Umbrella policies shall indicate that they are primary to any other insurance and the insurance company(ies) providing such policy(ies) shall be liable thereunder for the full amount of any loss or claim, up to and including the total limit of liability, without right of contribution from any of the insurance effected or which may be effected by the Livermore Amador Valley Transit Authority.

4.) Severability of Interests or Cross Liability

The referenced policies and any Excess or Umbrella policies shall contain either a Cross Liability endorsement or Severability of Interests Clause and stipulate that inclusion of the Livermore Amador Valley Transit Authority as an Additional Insured shall not in any way affect Authority's rights either as respects any claim, demand, suit or judgment made, brought or recovered against the Consultant. Said policy shall protect Consultant and the Livermore Amador Valley Transit Authority in the same manner as though a separate policy had been issued to each, but nothing in said policy shall operate to increase the insurance company's liability as set forth in its policy beyond the amount or amounts shown or to which the insurance company would have been liable if only one interest had been named as an insured.

C. EVIDENCE OF INSURANCE

All Coverages

Prior to commencing work or entering onto the Property, Consultant shall provide the Director, Contracts, and Procurement of the Authority with a certificate evidencing coverage, and upon request, a certified duplicate original of the policy. The certificate shall also show that the Consultant's policy(ies) will not be cancelled or coverage altered without 30 days prior written notice to the Authority's Executive Director.

D. GENERAL PROVISIONS

1.) Notice of Cancellation

The policies shall provide that the Consultant's policies will not be cancelled or have limits reduced or coverage altered without 30 days prior written notice to the Authority's Executive Director.

2.) Acceptable Insurers

All policies will be issued by insurers acceptable to the Authority (generally with a Best's Rating of A- 10 or better).

3.) Self-insurance

Upon evidence of financial capacity satisfactory to the Authority and Consultant's agreement to waive subrogation against the Authority respecting any and all claims that may arise, Consultant's obligation hereunder may be satisfied in whole or in part by adequately funded self-insurance.

4.) Failure to Maintain Insurance

All insurance specified above shall remain in force until all work to be performed is satisfactorily completed, all of Consultant's personnel and equipment have been removed from the Authority property, and the work has been formally accepted. The failure to procure or maintain required insurance and/or an adequately funded self-insurance program will constitute a material breach of this Agreement.

5.) Claims Made Coverage

If any insurance specified above shall be provided on a claim-made

basis, then in addition to coverage requirements above, such policy shall provide that:

- a. Policy retroactive date coincides with or precedes the Consultant's start of work (including subsequent policies purchased as renewals or replacements).
- b. Consultant shall make every effort to maintain similar insurance for at least three (3) years following project completion, including the requirement of adding all named insureds.
- c. If insurance is terminated for any reason, Consultant agrees to purchase an extended reporting provision of at least three (3) years to report claims arising from work performed in connection with this Agreement.
- d. Policy allows for reporting of circumstances or incidents that might give rise to future claims.

6.) Deductibles and Retentions

Consultant shall be responsible for payment of any deductible or retention on Consultant's policies without right of contribution from the Authority.

In the event that the policy of the Consultant or any subcontractor contains a deductible or self-insured retention, and in the event that LAVTA seeks coverage under such policy as an additional insured, Consultant shall satisfy such deductible or self-insured retention to the extent of loss covered by such policy for a lawsuit arising from or connected with any alleged act or omission of Consultant, subcontractor, or any of their officers, directors, employees, agents, or suppliers, even if Consultant or subcontractor is not a named defendant in the lawsuit.

2.2 Confidentiality

The California Public Records Act (California Government Code Sections 6250 et seq.) mandates public access to government records. Therefore, unless the information is exempt from disclosure by law, the content of any request for explanation, exception, or substitution, response to these specifications, protest or any other written communication between Authority and the proposer shall be available to the public.

If the proposer believes any communication contains trade secrets or other proprietary information that the proposer believes would cause substantial injury to the proposer's competitive position if disclosed, the proposer shall request that Authority withhold from disclosure the proprietary information by marking each page containing such proprietary information as confidential. The proposer may not designate its entire proposal or bid as confidential. Additionally, proposer may not designate its cost proposal or any required bid forms or certifications as confidential.

If proposer requests that Authority withhold from disclosure information identified as confidential, and Authority complies with the proposer's request, proposer shall assume all responsibility for any challenges resulting from the non-disclosure, indemnify and hold harmless Authority from and against all damages (including but not limited to attorneys' fees that may be awarded to the party requesting the proposer information), and pay any and all costs and expenses related to the withholding of proposer information.

Proposer shall not make a claim, sue or maintain any legal action against Authority or its directors, officers, employees or agents in connection with the withholding from disclosure of proposer information.

If proposer does not request that Authority withhold from disclosure information identified as confidential, Authority shall have no obligation to withhold the information from disclosure and may release the information sought without any liability to Authority.

2.3 Conflict of Interest

Proposer represents and warrants that it presently has no interest and agrees that it will not acquire any interest which would present a conflict of interest under California Government Code §§ 1090 et seq. or §§ 87100 et seq. during the performance of services under the Agreement. Proposer shall promptly disclose any actual or potential conflict of interest to Authority as soon as proposer becomes aware of such conflict. Proposer further covenants that it will not knowingly employ any person having such an interest in the performance of the Agreement. Violation of this provision may result in the Agreement being deemed void and unenforceable.

No member, officer, or employee of the Authority or of any of its member jurisdictions during his/her tenure of office, or for one year thereafter, shall have any interest, direct or indirect, in this contract or the proceeds therefrom.

2.4 Performance Security

Upon execution of the Contract, the Proposer shall furnish, at its own expense, Performance Securities in a form satisfactory to LAVTA as a guarantee of good faith on behalf of the Proposer that the terms of this Contract shall be complied with in every particular. This Performance Security shall be in the amount of \$50,000 issued by an admitted surety insurer authorized to transact surety business within the State of California. Alternatively, the Proposer may deposit with LAVTA a Certified or Cashier's Check upon some solvent bank or Irrevocably Standby Letters of Credit for the amount, for the faithful performance of the Contract. The sample Irrevocable Standby Letter of Credit can be found in Appendix A. The Performance Securities shall remain in full force and effect for the entire term of the contract, including option terms if exercised. LAVTA must give its written consent to any substitution of surety and maintains the right to reject a proposed substitution.

MODIFICATION TO

SCOPE OF WORK

Exterior Advertising Sales – RFP #2017-14

June 20, 2017

MODIFICATION TO

SCOPE OF WORK

Exterior Advertising Sales – RFP #2017-14

On June 1, 2017, the Livermore Amador Valley Transit Authority (LAVTA) Board of Directors authorized the Executive Director to execute a contract with Lamar Transit, LLC for Exterior Advertising Sales. The Board's action included modifications to several sections of the original Scope of Work. Those modifications are detailed below and supersede the language in the original Scope of Work.

1.1. Scope of Work

Background

LAVTA is seeking the services of an individual or firm to manage an Exterior Bus Side Advertising Program on its fleet of vehicles for an initial three (3) year base term with two one-year options, exercisable by LAVTA in its sole discretion. Should LAVTA determine to exercise an option, LAVTA will notify the Contractor of its determination, in writing, at least ninety (90) days prior to the end of the base term or first option term, as applicable.

The LAVTA service area (referred to as the Tri-Valley) is situated in the eastern portion of Alameda County of the San Francisco Bay Area and includes the cities of Dublin, Livermore, and Pleasanton, and unincorporated areas of Alameda County. The area covers forty (40) square miles and is home to 200,000 residents. The Tri-Valley is known for its appeal as an employment center, its relatively high affluence level, and its general quality of life.

LAVTA projects operating the following in fiscal year 2017:

- 2.1 million total fixed route miles
- 1.65 million fixed route passengers
- 49 vehicles operating in peak service

LAVTA's operates local transit bus service operating in and around the cities of Livermore, Dublin, and Pleasanton and provides connections with BART, CCCTA (County Connection), and the ACE Train. Service operates on local streets with occasional freeway/interstate use.

In summer 2016, Wi-Fi was installed on the Rapid and Express buses (28 buses total). In addition to exterior bus advertising, Wi-Fi sponsorship opportunities are available on select vehicles as shown in Exhibit 2.

In 2017, LAVTA, in partnership with Air Quality Management District, will be fully wrapping seven (7) buses with Spare-the-Air advertising for three years. These seven

buses are not available for advertising for the first three years of this contract; those buses may become available for advertising in 2020.

In summer/fall 2017, LAVTA will be retiring a twenty-five buses and will be replacing them with a total of twenty (29' or 40') hybrid buses.

The composition of the existing and future fleet that is available for advertising, along with specific advertising types permitted by vehicle, is detailed in Exhibit 2. Proposers are asked to submit revenue proposals for three possible options of fleet availability, shown in Exhibit 2 as Options A, B and C. The fleet availability by vehicle type under each option is shown in the table below.

Bus Type	Total Vehicles	Option A	Option B	Option C
40' Commuter	7	3	5	7
40' Rapid	10	10	10	10
40' Wheels	11	11	11	11
35' Rapid	7	4	7	7
35" Wheels	3	2	3	3
29' Rapid	4	0	2	4
29' Wheels	11	0	4	11
TOTAL	53	30	42	53

There are no changes to the “Current Contract”, “General Information” or “Payments to Authority” sections.

Specific Requirements

Sections a. and b. remain unchanged.

- c. **Dimensions of Advertisements.** LAVTA plans to adhere to the industry standards for advertisement dimensions as a baseline for this solicitation. Ad size will vary depending on vehicle type (low floor versus high floor) and size (29 foot versus 35 foot or 40 foot). A complete list of vehicles available for advertising is listed in Exhibit 2. Interested proposers may schedule an appointment to inspect the fleet during normal business hours. If a proposer wishes to propose alternate dimensions, those dimensions and diagrams should be provided in their proposal.

d. **Permitted Advertising Products**

The following is a list of advertising products that may be sold along with approximate dimensions, subject to adjustment in accordance with the required schematics in subpart "a" of this section "Location of Advertisements".

- King (30" x 144")
- Super King (30" x 216")
- Queen (30" x 88")
- Tail (21" x 70")
- Super Tail (2'6" x 7')
- Full Back (9' x 7')
- Empress (42" x 114")
- Super Square (9' x 12')
- Kong (3'6" x 19')
- King Kong (9' x 19')
- Full Side (varies)
- Full Wrap (varies)
- Headliner (varies)

There are no additional changes to the remainder of the Scope of Work as a result of the LAVTA Board action on June 1, 2017.

In their proposal, Lamar Transit requested consideration of five clarifications and considerations. The requests and LAVTA's responses are summarized below.

Performance Security Section 1.8 – Lamar has requested that in lieu of the requirement for a performance security, it be permitted to prepay the applicable Minimum Annual Guarantee within 30 days of the start of each applicable contract year. This is acceptable to LAVTA.

Contract Period Section 1.3 – Lamar has requested that the two, one-year options be exercised upon mutual agreement between LAVTA and Lamar. This is acceptable to LAVTA and has been incorporated into the language in the Agreement.

Compensation Proposal Section 1.6 – Lamar requested confirmation of the buses available for advertising. A revised version of Exhibit 2 of the RFP is attached and identifies the buses currently available for advertising. Lamar also requested clarification of the section of the RFP that noted that in the event that the number of buses available for placement of advertising changes by more than 10%, the minimum annual guarantee may be adjusted by a proportionate amount, asking if this refers to the number of buses available for the placement of advertising. It does.

Scope of Work 2.1 Insurance - Lamar requested a conversation between LAVTA and their insurance broker to discuss further details. This is acceptable to LAVTA.

Transition Language - Lamar requested transition language be incorporated in the final agreement. Transition language is already contained in the RFP Scope of Work in Section 1.5.

LAVTA Fleet in FY2018

Bus #	Make	Size	Rapid Bus?	Wi-Fi?	Advertising Permitted
1	0903 Gillig hybrid	40	yes	yes	Any
2	0904 Gillig hybrid	40	yes	yes	Any
3	0905 Gillig hybrid	40	yes	yes	Any
4	0906 Gillig hybrid	40	yes	yes	Any
5	0907 Gillig hybrid	40	yes	yes	Any
6	0908 Gillig hybrid	40	yes	yes	Any
7	0909 Gillig hybrid	40	yes	yes	SPARE THE AIR
8	0910 Gillig hybrid	40	yes	yes	Any
9	0911 Gillig hybrid	40	yes	yes	Any
10	0912 Gillig hybrid	40	yes	no	SPARE THE AIR
11	0913 Gillig hybrid	40	yes	yes	Any
12	0914 Gillig hybrid	40	yes	yes	Any
13	0912 Gillig	40	no	no	Any
14	0314 Gillig	40	no	no	Any
15	0315 Gillig	40	no	no	Any
16	0316 Gillig	40	no	no	Any
17	0318 Gillig	40	no	no	Any
18	0319 Gillig	40	no	no	Any
19	0320 Gillig	40	no	no	Any
20	0321 Gillig	40	no	no	Any
21	0322 Gillig	40	no	no	Any
22	0323 Gillig	40	no	no	Any
23	0324 Gillig	40	no	no	Any
24	0325 Gillig	40	no	no	Any
25	0327 Gillig	40	no	no	Any
26	0330 Gillig	40	no	no	Any
27	0331 Gillig	40	no	no	Any
28	0332 Gillig	40	no	no	Any
29	0334 Gillig	40	no	no	Any
30	301 Gillig	29	no	no	Any
31	303 Gillig	29	no	no	Any
32	304 Gillig	29	no	no	Any
33	305 Gillig	29	no	no	Any
34	306 Gillig	29	no	no	Any
35	308 Gillig	29	no	no	Any
36	310 Gillig	29	no	no	Any
37	701 Gillig hybrid	29	no	no	Any
38	702 Gillig hybrid	29	no	no	SPARE THE AIR
39	0901 Gillig Hybrid	29	yes	yes	Any
40	0902 Gillig Hybrid	29	yes	yes	Any
41	1101 Gillig Hybrid	29	no	no	Any
42	1102 Gillig Hybrid	29	no	no	SPARE THE AIR
43	1103 Gillig Hybrid	29	yes	yes	Any
44	1104 Gillig Hybrid	29	yes	yes	Any
45	1601 Gillig	35	Yes	Yes	Any
46	1602 Gillig	35	Yes	Yes	Any
47	1603 Gillig	35	Yes	Yes	Any
48	1604 Gillig	35	Yes	Yes	Any
49	1605 Gillig	35	Yes	Yes	Any
50	1606 Gillig	35	Yes	Yes	Any
51	1607 Gillig	35	Yes	Yes	Any
52	1608 Gillig	35	no	no	Any
53	1609 Gillig	35	no	no	Any
54	1610 Gillig	35	no	no	Any
55	1611 Gillig	40	no	no	Freedom Bus
56	1612 Gillig	40	no	no	SPARE THE AIR
57	1613 Gillig	40	no	no	SPARE THE AIR
58	1614 Gillig	40	no	no	SPARE THE AIR
59	1615 Gillig	40	commuter w/ Wi-Fi	Yes	Any
60	1616 Gillig	40	commuter w/ Wi-Fi	Yes	Any
61	1617 Gillig	40	commuter w/ Wi-Fi	Yes	Any
62	1618 Gillig	40	commuter w/ Wi-Fi	Yes	Any
63	1619 Gillig	40	commuter w/ Wi-Fi	Yes	Any
64	1620 Gillig	40	commuter w/ Wi-Fi	Yes	Any

To be retired in September, 2017
 Spare the Air Wraps & Freedom Bus - no ads
 Advertising Available

2017 Bus order - In service as of September 2017

Bus #	Make	Size	Rapid Bus?	Wi-Fi?	Type of Advertising Permitted
1	1701 Gillig	40	no	no	Any
2	1702 Gillig	40	no	no	Any
3	1703 Gillig	40	no	no	Any
4	1704 Gillig	40	no	no	Any
5	1705 Gillig	40	no	no	Any
6	1706 Gillig	40	no	no	Any
7	1707 Gillig	40	no	no	Any
8	1708 Gillig	40	no	no	Any
9	1709 Gillig	40	no	no	Any
10	1710 Gillig	40	commuter w/ Wi-Fi	Yes	Any
11	1711 Gillig	40	no	no	Any
12	1712 Gillig	29	no	no	Any
13	1713 Gillig	29	no	no	Any
14	1714 Gillig	29	no	no	Any
15	1715 Gillig	29	no	no	Any
16	1716 Gillig	29	no	no	Any
17	1717 Gillig	29	no	no	Any
18	1718 Gillig	29	no	no	Any
19	1719 Gillig	29	no	no	Any
20	1720 Gillig	29	no	no	Any