



ADDENDUM #2

To: All Companies Interested in Submitting a Proposal
From: Diane Muench, CPPB, Purchasing Agent
Proposal: Bus Advertising Program, RFP #PUR0616-224
Subject: Addendum #2 (2 pages)
Date: August 15, 2016

Please note the following specification changes/additions/clarifications relative to the above Request for Proposal.

- 1) **Question:** What is revenue by month for the past 3 years, detailing advertiser name for each month.
Answer: The City received the following advertising revenues over the past three years:
FY14 - \$42,447
FY15 - \$55,180
FY16 - \$73,335
The month by month breakout by advertiser name is not available.
- 2) **Question:** What future commitments are still under contract? Name/contact info for each customer, when will they expire, what is the value of each contract?
Answer: The City does not have any advertising commitments under contract.
- 3) **Question:** What are the percentages of 2016 and 2015 years total sales that have been created with:
 - a) National companies/advertisers
 - b) Statewide companies
 - c) Corridor/local companies**Answer:** Unknown.
- 4) **Question:** What percentage of available advertising space has paid for/under contract over:
 - a) The first 2 quarters of 2016
 - b) Same percentage of numbers broken down in 2014 and 2015**Answer:** Unknown.
- 5) **Question:** Why are full wraps no longer allowed? Is this a future requirement or open for discussion?
Answer: We want our buses to be clearly branded and identifiable as CR Transit buses so we plan to eliminate fully-wrapped buses, but will grandfather in existing buses. This will be a future requirement that may be open for discussion.
- 6) **Question:** If there is damage of any kind to an existing piece of advertising material or hardware after it is installed on the vehicle, who covers the replacement costs?
Answer: The advertising vendor.
- 7) **Question:** If a new bus is purchased, how are costs of removing existing graphics covered?
Answer: By the advertising vendor. This issue should be avoidable for programmed vehicle replacements if the vendor keeps in contact with the City regarding this issue.
- 8) **Question:** If a new bus is purchased, how are costs for new materials and installation of the materials on the new vehicle covered (see Items 4.2.1, 4.2.5 and 4.2.6).

Answer: By the advertising vendor. This issue should be avoidable for programmed vehicle replacements if the vendor keeps in contact with the City regarding this issue.

- 9) **Question:** Are there existing warranties in place and, if so, what are they; specifically warranties between either the City and Vendor or Vendor and Advertisers.

Answer: Unknown.

- 10) **Question:** If a bus is out of service due to mechanical or other circumstances beyond the service provider's control, how will the billing of, or credit of, advertising be applied? Is this accounted for in the City's payment expectations?

Answer: We cannot guarantee that mechanical or other issues beyond our control will keep a bus in service. Buses are repaired and put back into service as soon as possible. The vendor will have to take that into consideration if they are willing to guarantee an annual amount of revenue to the City.

- 11) **Question:** How will the service provider be informed of advertisers not getting their advertising time if the bus is out of service for more than 1-2 days?

Answer: Fleet services provides a daily fleet status and projected return to service update that can be provided to the vendor.

- 12) **Question:** What provisions are made for moving an advertiser's investment to a new vehicle without loss of revenue being imposed on the vendor or incurred new costs for the advertiser?

Answer: This issue should be avoidable for programmed vehicle replacements if the vendor keeps in contact with the City regarding this issue.

- 13) **Question:** Will existing mounting hardware on the buses remain if the contract is awarded to a new provider?

Answer: The ad frames are already on the buses and are owned by the City so they will remain.

- 14) **Question:** Are frames or other mounting hardware for signage installed by, and removed by, the service provider or City transportation employees? If it is City employees, what is the turnaround time on requests for installations and removals.

Answer: New buses come with the ad frames already mounted on the buses. City staff is able to remove and reinstall ad frames when needed and do so within 1 to 2 days of request.

- 15) **Question:** Can the hardware be removed from the vehicle or added to a vehicle if advertising sales warrant its placement or removal (i.e., if hardware needed to be removed to make room for a wrap, etc.).

Answer: The ad frames are already on the buses and are owned by the City so they will remain.

- 16) **Question:** What is the expected turnaround time on advertising proof approvals from the City Transit Manager after submitted by the vendor?

Answer: Usually within one week.

- 17) **Question:** Is there a contract in place with any parties that impact the scope of the contract (i.e., designers, advertising agencies, installation companies)?

Answer: There is no contract in place at this time.

All addenda that you receive shall become a part of the contract documents and shall be acknowledged and dated on the bottom of the Signature Page (Attachment B). The deadline for sealed proposals is Friday, August 26, 2016, before 3:00 pm CDT at the Office of the City Clerk, 101 First Street SE, Cedar Rapids, IA 52401.