



Request for Proposals
Exterior Bus Advertising Services

January 23, 2019

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REQUEST FOR PROPOSALS

Exterior Bus Advertising Services for the Lake Transit Authority Bus System

DESCRIPTION OF THE PROJECT

A. Area Profile

Lake Transit Authority (LTA) serves Lake County, which lies within the coastal range of mountains approximately 100 miles north of San Francisco and 35 miles east of the Pacific Ocean. LTA also provides interregional bus routes to Ukiah in Mendocino County to the west, and to Calistoga and St. Helena in Napa County to the south.

The County's most prominent geographical feature is Clear Lake, which covers approximately five percent of the County's land area, and offers a variety of recreational opportunities.

The largest income producing industries are agriculture, including extensive vineyards and wineries, tourism, and geothermal development. Lake County is a popular weekend destination for Bay Area visitors to enjoy wine tasting, water sports, and concerts.

The United States Census Bureau population estimate for Lake County as 2010 is 64,665. Clearlake, population 15,250, is the larger of two incorporated cities. Lakeport, the county seat, has a population estimated at 4,753.

B. Lake Transit Authority

Lake Transit Authority (LTA), a joint powers public agency, was established in February 1996 to administer public transit services for the Lake County area. Its members include the City of Clearlake, City of Lakeport and County of Lake. The LTA finances transit services through a combination of passenger fare revenue, Transportation Development Act (sales tax) funding and Federal Transit Administration funds.

Since its inception, LTA has contracted with the private sector to provide for all of its administrative, planning, management and operational needs. Davey-Bates Consulting provides administrative and general management services to LTA. Paratransit Services, Inc. provides operations and maintenance services.

C. Lake Transit Authority Services

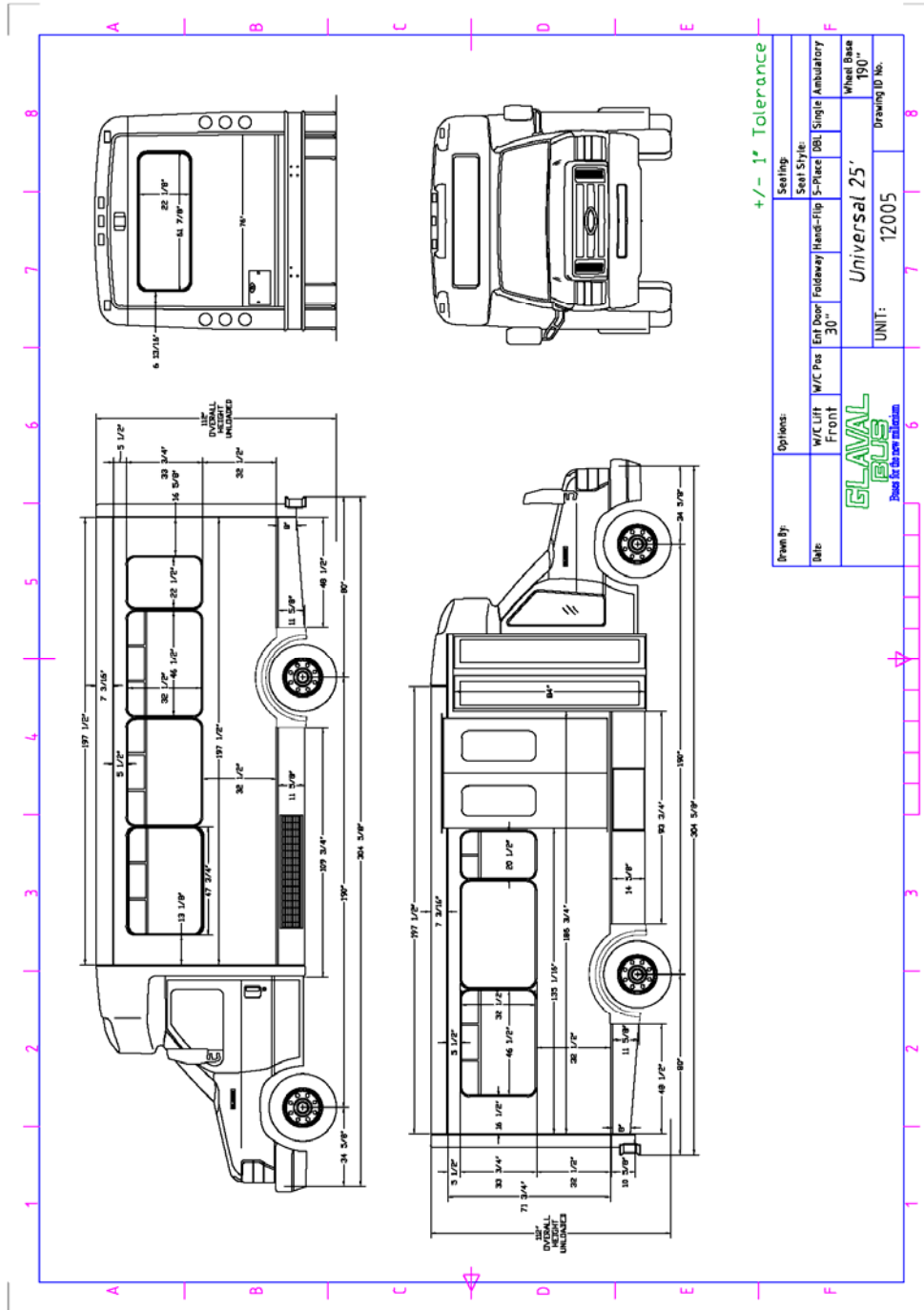
Lake Transit Authority services operate an estimated 39,430 vehicle revenue hours annually. These popular services carry about 319,000 passengers annually. The bus routes and schedules are detailed on the LTA website at www.laketransit.org. The services are summarized as follows:

- **Lakeport Dial-A-Ride** is a general public dial-a-ride that typically operates two to three small vehicles between 7:00 a.m. and 6:00 p.m. Monday-Saturday in Lakeport and North Lakeport. Lakeport Dial-A-Ride service operates approximately 2,120 vehicle revenue hours annually.
- **Clearlake Dial-A-Ride** is a general public dial-a-ride that operates typically operates two to three small vehicles between 7:00 a.m. and 6:00 p.m. Monday-Saturday in Clearlake and the adjacent community of Lower Lake. Clearlake Dial-A-Ride operates approximately 2,320 vehicle revenue hours annually.
- **Local Fixed Routes** (see website for schedules)
 - **Route 8** provides service within the Lakeport urban area including the City of Lakeport and the unincorporated area of North Lakeport.
 - **Routes 10, 11, and 12** are each loop routes operating on one-hour headways to cover the Clearlake, Clearlake Park, and Lower Lake area.
- **Regional Routes** provide service connecting the two cities and Lake County communities. (see website for schedules)
 - **Route 1** operates between Clearlake and Lakeport along the Highway 20 corridor along the north shore of Clear Lake.
 - **Route 2** operates along the Highway 175 corridor between Kit's Corner (intersection of Highway 29/281-Red Hills Road) and Middletown.
 - **Route 4** operates between Clearlake and Lakeport along Highway 53 and Highway 29.
 - **Route 4A** operates between Kit's Corner and Lakeport via Soda Bay Road. This route is interlined with Route 2 at certain times of the day, and requires timed transfers with Route 4 at other times.
- **Interregional Routes to Napa and Mendocino Counties**
 - **Route 3** operates between Clearlake, Middletown, Calistoga, St. Helena Hospital at Deer Park. It connects with Napa VINE service at Calistoga.
 - **Route 7** operates between Lakeport and Ukiah, providing connections with Amtrak, Greyhound, and Mendocino Transit Authority buses.

D. Transit Fleet

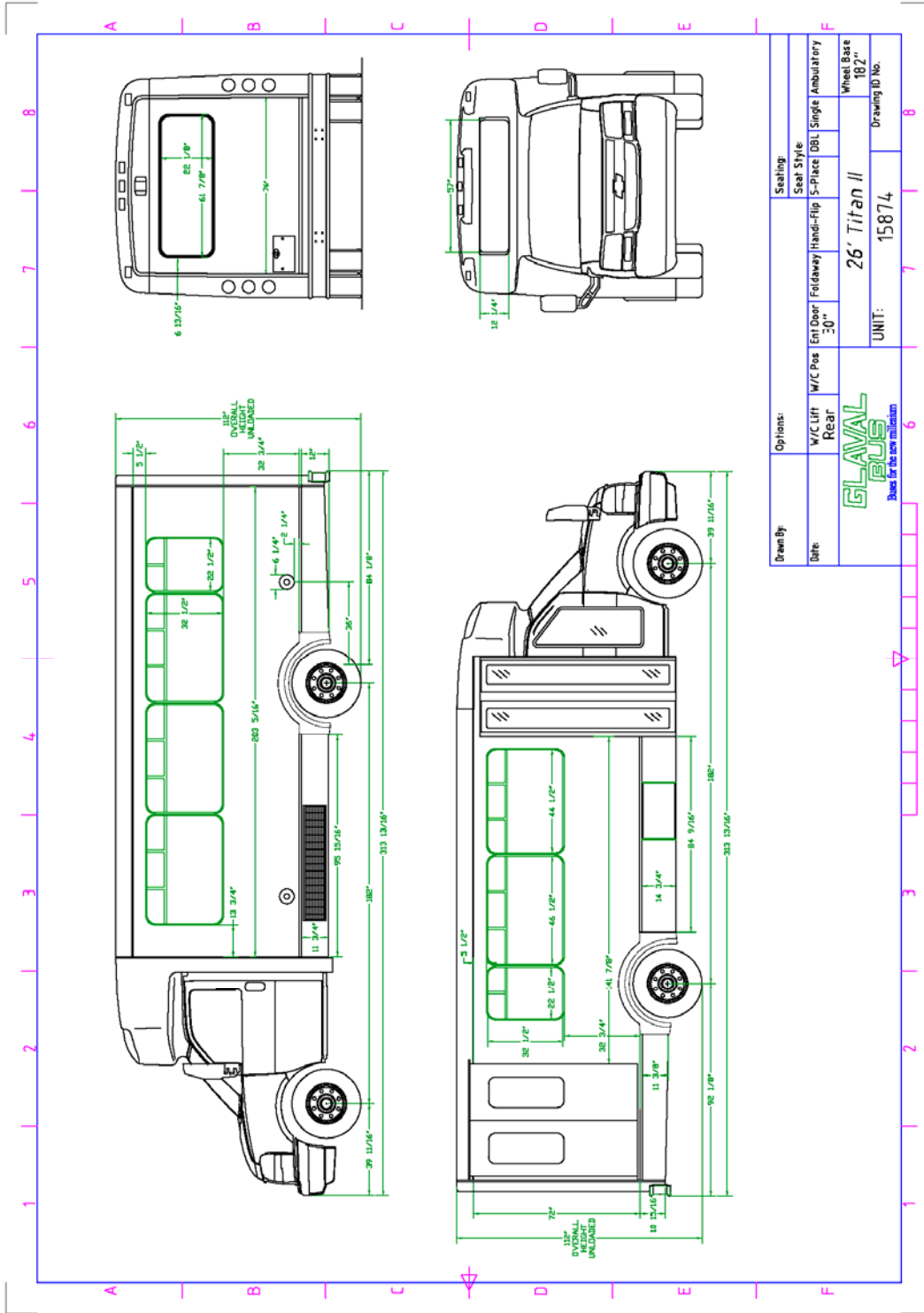
At the time of award, the LTA Fleet will be composed of 24 vehicles in three vehicle types. The following provides drawings and inventory of the three vehicle types:

FOUR (4) 2013 GLAVAL UNIVERSAL OR 2014 TITAN II MEDIUM CUTAWAYS. These vehicles are used for a variety of bus routes and dial-a-ride. The three (3) Universal and one (1) Titan II buses appear to use the same bodies except that the Titan II is six inches longer. The following is a drawing of the Universal.



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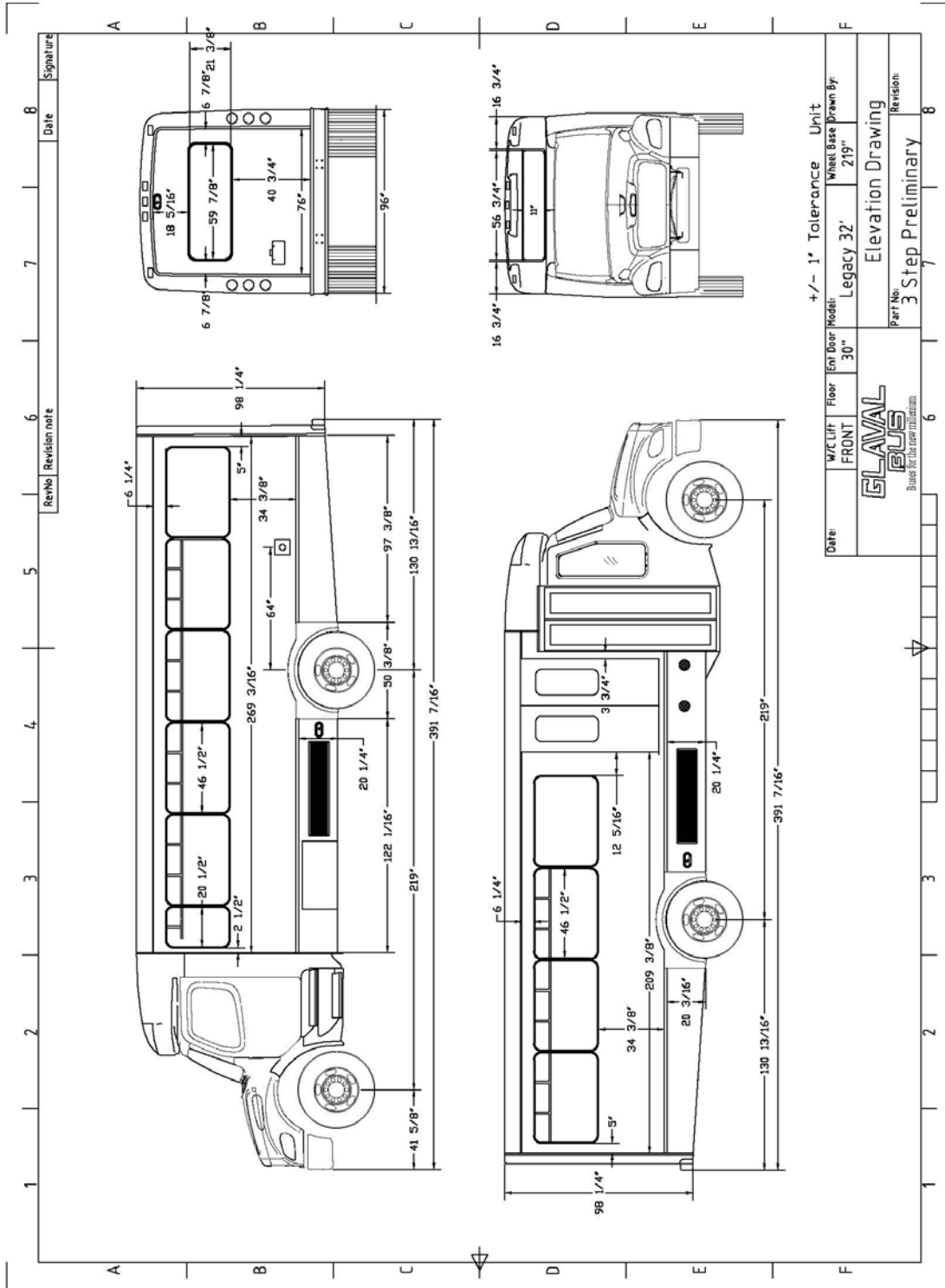
Titan II drawing:



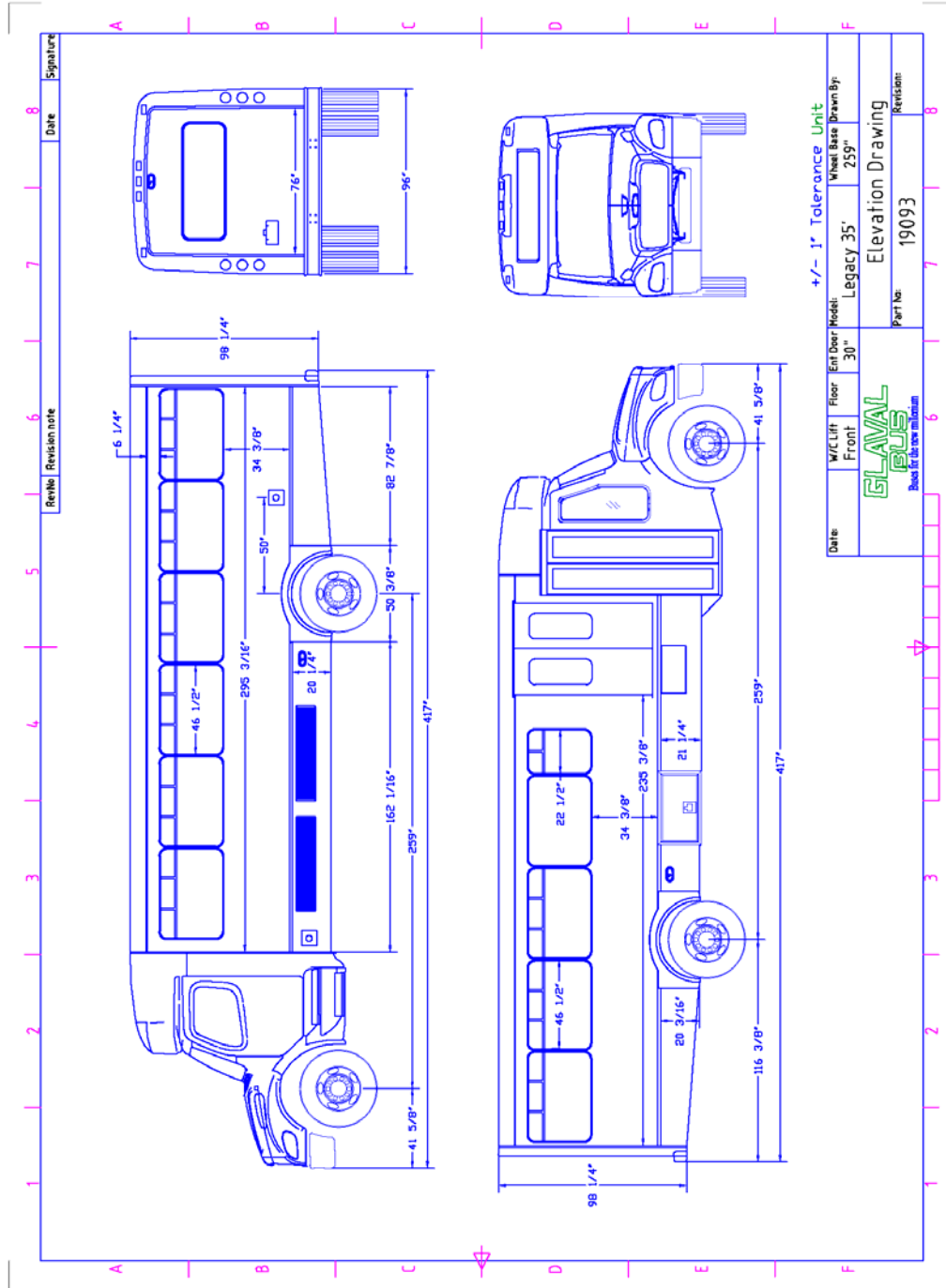
U:\Bus Fleet\Floor & Erow\Param Strip\ESB7.dwg, 07/25/16, 11:08:13 AM, tschlammner

TWELVE (13) 2013-17 GLAVAL LEGACY 32-37' CUTAWAYS. These vehicles are used only on bus routes. They share many body characteristics with other Glaval cutaways. There will be nine (10) of the 32' buses, two (2) 35' buses, and one (1) 37' bus.

Drawing of 32' Legacy.

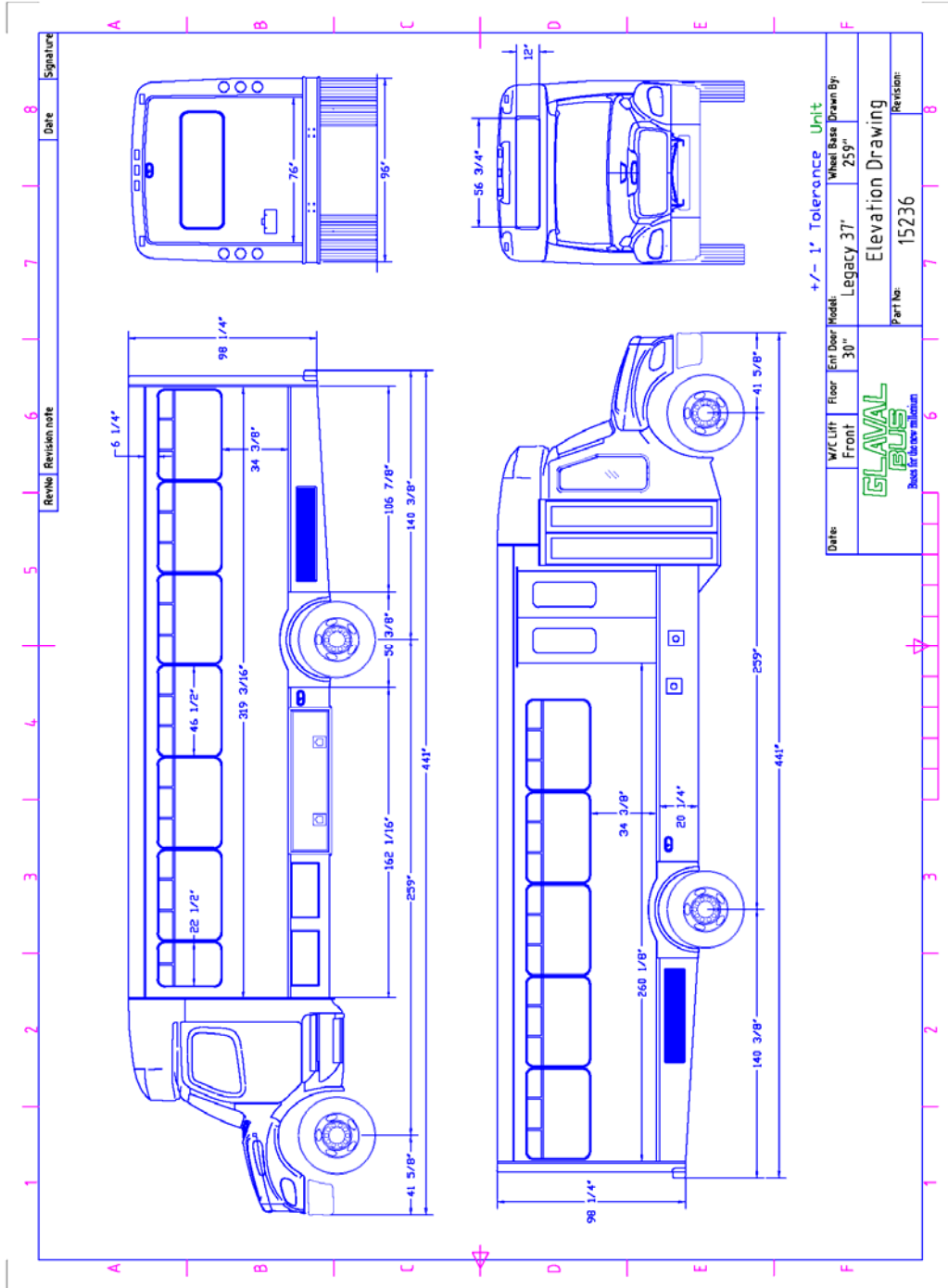


Drawing of 35' Legacy:



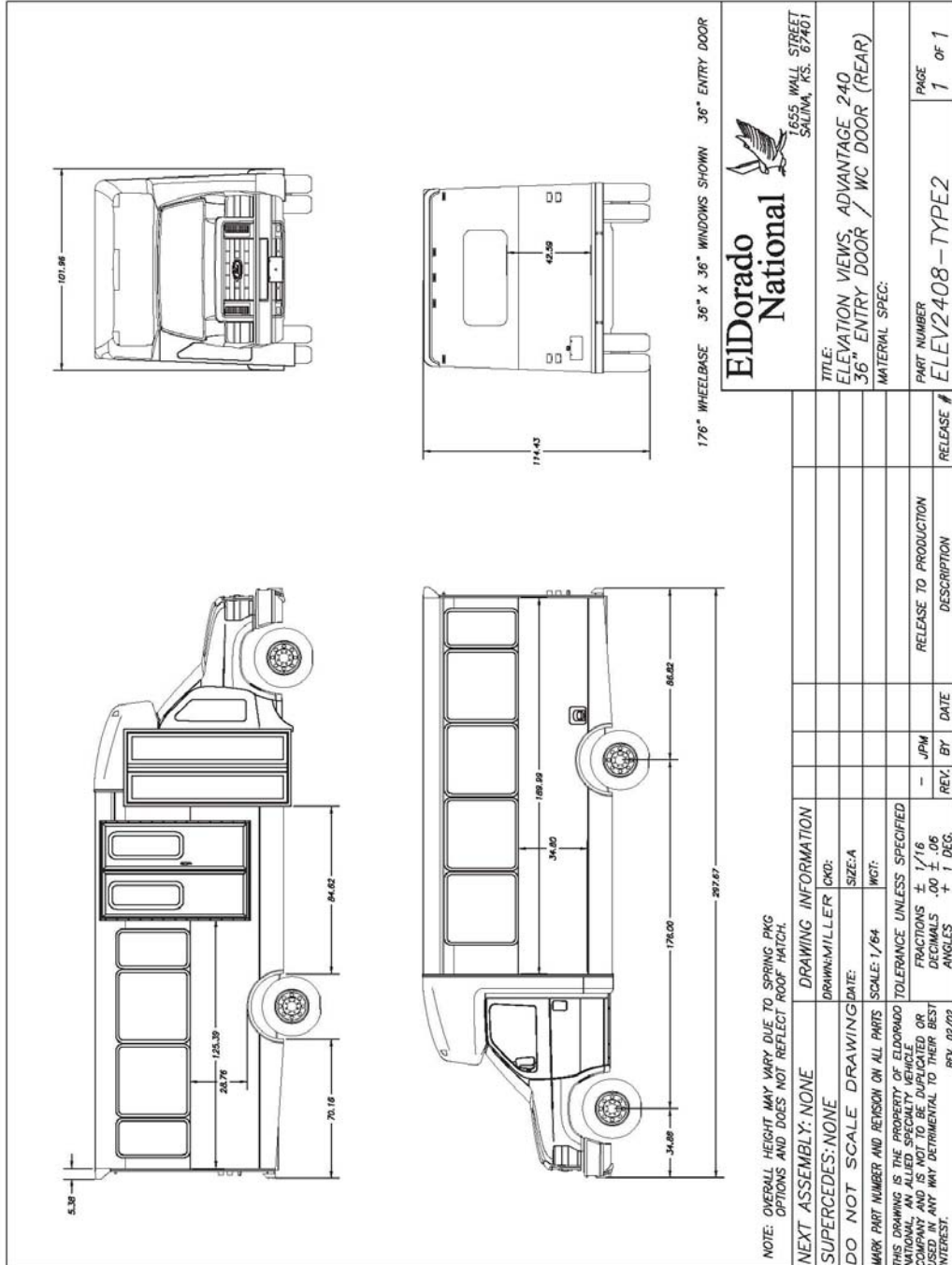
U:\Bus Fleet\Shop & Elev\Part Sheets\19093.dwg, 6/6/2016 1:49:47 PM, scklemmer

Drawing of 37' Legacy:



U:\Bus Files\Floor & Elev\Paint Stripes\15236.dwg, 6/7/2018 10:19 AM, ssc1hammer

EIGHT (8) 2017 GOSHEN COACH TYPE C BUSES.



E. Exterior Advertising Space

LTA is interested in generating revenue from the sale of advertising space on the rear, curb, and driver sides of the LAKE TRANSIT buses. Since there is also a desire to preserve LAKE TRANSIT system identity, LTA requires that OFFERORS consider ways to preserve existing logos, particularly on the sides of vehicles.

F. Operations and Maintenance Facility

LTA vehicles are maintained at the LTA's Lamkin-Sanchez Operations and Maintenance Facility located at 9240 Highway 53 in Lower Lake, CA. This facility is well lighted, fully paved, security fenced, and has adequate service and wash bay space to allow for sheltered installation of advertising materials. All but three of the vehicles are stored at the facility. The remaining three will be rotated in to the facility as needed.

II. INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS

The following shall be considered an essential part of this Request for Proposals (RFP).

A. General Information

Proposals are requested by the Lake Transit Authority, referred to as "LTA" herein, for "turnkey" Exterior Bus Advertising Services for its Lake Transit bus system. For purposes of this RFP, independent contractors interested in submitting proposals are referred to as "OFFEROR" or "CONTRACTOR".

Incorporated into this RFP is a DRAFT AGREEMENT that specifies the scope of work required. The successful OFFEROR to whom an award is made will be required to enter into an agreement with LTA substantially similar to the DRAFT AGREEMENT. The final AGREEMENT will incorporate changes or revisions necessitated by the RFP process and negotiations, and will be subject to review and approval of LTA Legal Counsel.

The selected OFFEROR will be responsible for meeting all requirements as specified in the DRAFT AGREEMENT, including, but not limited to, advertising policy compliance, installation and maintenance of advertising, recordkeeping, insurance coverage, and compliance with local, state, and federal laws and other legal requirements.

All proposals shall be for exterior bus advertising services for the LTA bus system, as specified and in all respects, so that the proposal contemplates and ensures a complete TURNKEY SYSTEM such that nothing remains to be purchased, provided or supplied by LTA, other than as noted within the provisions of this RFP. It is understood by each OFFEROR that this RFP requires, in all cases, all elements of a complete exterior bus advertising program for LTA.

B. Tentative Schedule

The tentative schedule and description of events for this procurement of services is given below:

| <u>Date:</u> | <u>Event:</u> |
|----------------------|---|
| Jan. 23, 2019 | LTA issues RFP |
| Feb. 6, 2019 | Deadline for submitting written questions & protests to LTA |
| Feb. 15, 2019 | <u>Proposals due.</u> Non-public opening is held. |
| Feb. 18 –22, 2019 | Review and ranking of proposals |
| Feb. 25 - 27, 2019 | Interviews (If necessary) |
| Mar. 1, 2019 | Best and Final Offers, if required, are due |
| Mar. 6, 2019 | Contractor selection & contract award |
| Mar. 11, 2019 | Notice to Proceed |

These tentative dates, including the service start up date, are subject to change at the sole discretion of LTA.

C. Questions and Comments

Questions and comments may be submitted in writing:

- By mail or delivery service to LTA Bus Advertising RFP, Attn: Lisa Davey-Bates, 367 North State Street, Suite 204, Ukiah, CA 95482; or,
- E-mail to laketransit@pacific.net

Written questions and comments must be submitted by 5:00 p.m. on February 6, 2019. A written response to all questions received will be posted to the LTA website, www.laketransit.org, as an addendum to this RFP

D. RFP Addenda

Any changes to the RFP requirements will be made by written addenda and shall be considered part of the RFP. Upon issuance, such addenda shall be incorporated into the agreement documents, and shall prevail over inconsistent provisions of earlier issued documentation. Addenda will be posted on the LTA website. All addenda shall be signed and attached to the PROPOSAL FORM. Failure to attach any addenda shall cause the proposal to be considered non-responsive. Such proposals will be rejected.

E. Verbal Agreement or Conversation

No prior, current, or post award verbal conversations or agreements with any officer, agent, or employee of LTA shall affect or modify any terms or obligations of this RFP, or any contract resulting from this procurement.

F. Protests

Protests regarding any aspect of this RFP must be submitted in writing to LTA Bus Advertising RFP, Attn: Lisa Davey-Bates, 367 North State Street, Suite 204, Ukiah, CA 95482 by 5:00 p.m. on February 6, 2019.

Under certain limited circumstances, and after the protester has exhausted all administrative remedies at LTA level, an interested party may protest to the California Department of Transportation (Caltrans) the award of a contract pursuant to an FTA Section 5311 grant.

Caltrans' review of any protest is limited to:

- 1) Violations of Federal or State law or regulations.
- 2) Violations of LTA's protest procedures.
- 3) Failure of LTA to review a complaint or protest.

The protest filed with Caltrans shall:

- 1) Include the name and address of the protester.
- 2) Identify LTA as the party responsible for the RFP process.
- 3) Contain a statement of the ground for protest and any supporting documentation.
- 4) Include a copy of the protest filed with LTA, and a copy of LTA decision, if any.
- 5) Indicate the desired relief from Caltrans.

Such protests should be sent to:

State of California
Department of Transportation
Mass Transportation Program
PO Box 942874
Sacramento, CA 94274-0001

A copy of such protests should also be sent to LTA. The deadline for submitting protests to Caltrans prior to proposal opening is February 13, 2019.

G. Required Submittal Information

Proposals must be received by LTA at the location stated in the "NOTICE OF REQUEST FOR PROPOSALS" prior to and **no later than 5:00 p.m., February 15, 2019. Proposals must be delivered to:**

**LTA Bus Advertising RFP
Attn: Lisa Davey-Bates
367 North State Street, Suite 204
Ukiah, CA 95482**

Delivery Telephone: (707) 263-7868

LTA will not be liable or responsible for any late delivery of proposals. Proposals received after the date and time specified will not be considered and will be returned to proposer unopened.

Each OFFEROR must submit one (1) original signed copy and a PDF copy of the complete proposal in sealed envelope(s) marked "LTA Bus Advertising RFP" and the name of the OFFEROR.

Proposals must be submitted on the PROPOSAL FORM provided and must include all required attachments. All prices and notations must be in ink or typewritten. Mistakes may be crossed out and corrections typed or written with ink adjacent thereto. The person signing the PROPOSAL FORM must initial all corrections in ink.

Unacceptable conditions, limitations, provisos, or failure to respond to specific instructions or information requested may result in rejection of the proposal.

If the proposal consists of a "prime" contractor and one or more subcontractors, the proposer shall identify the subcontractors in the areas of their responsibility; but LTA will enter into an agreement only with the prime contractor who shall be responsible for all services required by this RFP and the attached AGREEMENT.

By submitting a proposal, the OFFEROR certifies that his or her name (as well as the name of any proposed subcontractor) does not appear on the Comptroller General's List of Ineligible Contractors for federally assisted projects.

No proposal shall be withdrawn after the date and time set for opening thereof, and all proposals shall remain in effect for ninety (90) days after the final proposal submission date.

H. Public Records and Confidentiality

The proposals shall be held in confidence and shall not be available for public review (Government Code Section 6254 (h) and (k)) until all negotiations are complete and an LTA meeting agenda is released with a recommendation for award. Upon release of such agenda, all proposals shall be public records unless the information is exempt from disclosure by law.

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 LTA 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 LTA 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 LTA withhold from disclosure information identified as confidential, and LTA complies with the PROPOSER's request, PROPOSER shall assume all responsibility for any challenges resulting from the non-disclosure, indemnify and hold harmless LTA 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 LTA or its directors, officers, employees or agents in connection with the withholding from disclosure of PROPOSER information.

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

I. Screening, Selection and Award

Screening and selection will take place through the process described below. Contract award will be made to the OFFEROR which (a) meets REQUIRED QUALIFICATIONS OF CONTRACTOR specified in Part III of this RFP, and (b) submits the proposal considered most advantageous to LTA based on the EVALUATION CRITERIA set forth under Part IV of this RFP.

Negotiations may or may not be conducted with OFFERORS; hence, the proposal should include the OFFERORS' most favorable terms and conditions since selection may be made without discussion with any OFFEROR.

The Screening and selection process will be as follows:

Step 1: Sealed proposals will be opened and evaluated to determine compliance with REQUIRED QUALIFICATIONS OF CONTRACTOR. Proposals meeting specified requirements will be considered responsive and will be included in Step 2.

Step 2: Responsive proposals will be reviewed by an evaluation panel based on the EVALUATION CRITERIA of this RFP and the weighting assigned thereto. Weighted scores from all panel members will then be added and a percentage value will be calculated and assigned to each proposal. Following such evaluation, a decision will be made whether to recommend award of the contract without further discussion to the OFFEROR receiving the highest score, or to negotiate with OFFERORS within a competitive range.

If a decision is made to conduct negotiations, OFFERORS within a competitive range will be interviewed between February 18 and 22, 2019. The purpose of such interviews will be to obtain additional information or clarification of OFFERORS' proposals, and to discuss modifications of such proposals. A senior manager authorized to commit on behalf of the OFFEROR shall be present at interviews.

OFFERORS will then be given an opportunity to submit "best and final" offers. Such offers shall include any modifications made to the original proposals. "Best and final" offers must be received at the following address by no later than 5:00 p.m. on Friday, March 1, 2019.

BEST & FINAL TRANSMITTAL ADDRESS:

**LTA Bus Advertising RFP
Attn: Lisa Davey-Bates
367 North State Street, Suite 204
Ukiah, CA 95482**

Delivery Telephone: (707) 263-7868

Step 3: The evaluation panel will review "best and final" offers and then, using the same evaluation criteria and weighting system described earlier, provide scores based on the proposal, interviews, negotiations, and best and final offer. Weighted scores from all members will be added to determine which proposal has the highest score. The evaluation panel will then recommend one firm, based on the results of the final scoring, for LTA Board of Directors approval. Approval is expected by March 6, 2019.

LTA reserves the right to withdraw this RFP at any time without prior notice. Further, LTA reserves the right to modify the RFP schedule described above. LTA also makes no representations that any contract will be awarded to any OFFEROR responding to this RFP. LTA expressly reserves the right to reject any and all proposals without indicating any reasons for such rejection(s), to waive any irregularity or informality in any proposal or in the RFP procedure, and to be the sole judge of the responsibility and responsiveness of any OFFEROR and of the suitability of the materials and/or services to be rendered.

J. Attempt to Influence Officials

With the exception of contacting Lisa Davey-Bates at Lake Transit Authority to ask questions regarding this RFP, any party submitting a proposal shall not contact or lobby any LTA Board member, or any employee, or agent regarding the RFP. Any party attempting to influence the proposal, submittal and review process through ex parte contact of any LTA official shall have their proposal disqualified.

K. Exceptions

OFFERORS may not, after exhausting protest avenues, take exception or make alterations to any requirement of this RFP.

L. Alternatives

If an alternative proposal is submitted, it must be clearly identified as such. No such proposal shall be considered unless it satisfies all requirements of this RFP. LTA expressly reserves the right in its sole discretion to consider such alternate proposals and to award a contract based thereon if determined to be in LTA'S best interest.

M. OFFEROR'S Representations

In submitting a proposal, the OFFEROR affirms that he or she is familiar with all requirements of the RFP and has sufficiently informed himself or herself in all matters affecting the performance of the work or the furnishing of the labor, supplies, materials, equipment or facilities called for in this RFP; that he or she has checked the proposal for errors and omissions; that the prices stated are correct and as intended by the OFFEROR and are a complete statement of his or her prices for performing the work or furnishing the labor, supplies, materials, equipment or facilities required. The OFFEROR waives any claim for the return of his or her bidder's security, if on account of errors or omissions claimed to have been made by him or her in the proposal, or for any other reason, the OFFEROR should refuse or fail to execute a contract with LTA. The above provisions shall apply equally to any proposal modifications submitted by OFFEROR in a "best and final" offer.

N. Pre-Contractual Expenses

Pre-contractual expenses are defined as expenses incurred by OFFEROR in: (1) preparing the proposal in response to this RFP; (2) submitting the proposal to LTA; (3) negotiating with LTA any matter related to this RFP; (4) any other expenses incurred by the OFFEROR prior to the date of award, if any, of the proposed AGREEMENT.

LTA shall not, in any event, be liable for any pre-contractual expenses incurred by OFFEROR. OFFEROR shall not include any such expenses as a part of the price proposed in response to this RFP.

O. Compliance with Laws and Requirements

By submitting a proposal, OFFEROR certifies that he or she will comply with all local, state and federal laws and requirements including, but not limited to, Equal Employment Opportunity, Disadvantaged Business Enterprise, Labor Protection, Americans with Disabilities Act, and other laws and regulations applicable to contracts utilizing state and/or federal funds. In connection with this project, the OFFEROR shall not discriminate on the grounds of race, color, or national origin.

P. Disadvantaged Business Enterprise Utilization

Contractors are advised that, as required by federal law, the California Department of Transportation (Department) has established a statewide overall Disadvantaged Business Enterprise (DBE) Program goal. The Department is required to report to the Federal Transit Administration (FTA) on DBE participation for all FTA-assisted contracts each year so that attainment efforts may be evaluated. In order to ascertain whether the statewide overall DBE goal is being achieved, the Department is tracking DBE participation on all federally assisted contracts.

This project is subject to Title 49, Part 26 of the Code of Federal Regulations (49 CFR 26) entitled "Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs." In order to ensure the Department achieves its federally mandated statewide overall DBE goal, the Department encourages the participation of DBEs, as defined in 49 CFR 26, in the performance of contracts financed in whole or in part with federal funds. The Contractor shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of subcontracts.

The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out the applicable requirements of 49 CFR, Part 26 in the award and administration of U.S. Department of Transportation assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as recipient deems appropriate.

Q. Interpretation

The laws of the State of California shall govern all the rights and duties of the successful OFFEROR and LTA under the contract entered into pursuant to this RFP.

R. Execution of the Agreement

If the CONTRACTOR is an individual, he or she shall execute the AGREEMENT personally. If the CONTRACTOR is a partnership, the AGREEMENT shall be executed by all partners, or by a managing general partner lawfully empowered to bind the partnership. If the CONTRACTOR is a limited liability company, a person authorized by the limited liability company to execute written contracts on its behalf must execute the AGREEMENT. If the CONTRACTOR is a corporation, it must be executed by an officer of the corporation, or by a person authorized by the corporation to execute written contracts on its behalf, and the corporate seal affixed thereto. If the corporate seal is not affixed to the AGREEMENT, or if a person other than an officer executes it, there must be attached to the AGREEMENT a certified copy of a resolution of the corporation authorizing such officer or person to execute written agreements for and on behalf of the corporation. If the CONTRACTOR is a joint venture, the AGREEMENT must be executed on behalf of each participating firm by officers or other officials who have full and proper authorization to do so.

III. REQUIRED QUALIFICATIONS OF CONTRACTOR (Step 1)

Proposals for the management, operation, and maintenance of the exterior advertising services on LTA public transit system will be evaluated by LTA to determine whether or not they meet the following required minimum qualifications. ANY PROPOSAL WHICH FAILS ON ANY OF THESE ITEMS MAY BE CONSIDERED NONRESPONSIVE AND MAY BE REJECTED.

A. Conflict of Interest/Ineligibility

Any proposal, which indicates a conflict of interest or is on the Comptroller General's list of ineligible contractors for federally-assisted projects, will be considered non-responsive and will be rejected.

B. Experience and Capacity to Perform Contract Requirements

In order to be considered a responsive OFFEROR, the OFFEROR must have all of the following:

1. The firm or general partner of the firm must demonstrate extensive, recent experience (at least five years) in providing public transit advertising services, or in a closely related advertising business. The OFFEROR should demonstrate experience and familiarity with marketing and advertising concepts, advertising sales, client relations, production of advertising signs and graphic materials, application of advertising materials to vehicles, preparation of reports of financial and other matters pertaining to the proposed advertising services, and such other work as may be necessary to comply with the requirements contained in the contract specifications.
2. A statement of qualifications demonstrating the foregoing and listing the OFFEROR'S experience in the advertising field, together with the names, addresses and telephone numbers of other clients, including all other public transit system clients in California shall be furnished with the proposal.
3. The OFFEROR should submit a description of the firm's organizational structure, history, legal status (i.e., sole proprietor, partnership, corporation, etc.), list of owners and officers, capabilities and experience, and management philosophy.
4. The OFFEROR must have and identify a proposed manager who has performed well in similar jobs (include resume) and has at least three (3) years recent experience in managing advertising services. The OFFEROR shall describe how the proposed manager will have a local presence in Lake County.
5. The OFFEROR must prove to LTA'S satisfaction that the proposer possesses and will commit sufficient organizational/manpower resources dedicated to LTA to effectively provide LTA advertising services. The OFFEROR shall describe the personnel to be employed, the number of hours to be committed to the LTA project, and the qualifications of the key staff to be involved with the project, including a summary of similar work performed.
6. The OFFEROR must describe where the sales force, office personnel, and work force to install, maintain, and remove advertising displays will be located. The

- OFFEROR must describe how the sales, office, and work force will have a local presence in Lake County, as well the level of commitment these forces will have to the LTA project as opposed to other projects or activities.
7. The OFFEROR must have a satisfactory record of performance, including positive references from other recent clients.
 8. If subcontractors are to be used, the prospective contractor must submit a description of each person or firm and the work to be done by each subcontractor.
 9. The insurance and bonding requirements of this RFP, including the DRAFT AGREEMENT, will be considered minimum requirements and must be complied with in every respect.
 10. The OFFEROR should demonstrate adequate financial capacity. Ideally, the OFFEROR would submit audited financial reports for each of the past three years. All financial information submitted will be held in confidence if requested (please see item II-H).

C. Contract Options

To be considered responsive, OFFEROR must respond to the requested contract options, if any.

D. Business Plan

Each OFFEROR shall submit a business plan setting forth the proposed advertising locations to be used on each vehicle sub fleet, any phased approach to utilizing these locations, the sequence of activities and events required to establish the transit advertising program, and sales objectives through at least the first year under the new AGREEMENT.

IV. EVALUATION AND SELECTION CRITERIA (Steps 2 & 3)**A. Criteria to Determine Proposals within a Competitive Range (Step 2)**

Responsive proposals will be evaluated in accordance with the following four evaluation and selection criteria, listed in general order of relative importance (exact weighting of categories will not be revealed until after a contractor has been selected).

1. Responsiveness and Comprehensiveness of the Proposal**2. Qualifications of the Individual or Firm**

Professional ability of the firm to carryout the proposed project, including the capabilities of personnel, knowledge of the project requirements, financial capacity, and knowledge of applicable laws and potential legal issues.

3. Experience and Performance

Experience and performance in providing transit advertising or similar services.

4. Price/Cost

In evaluating the price/cost for the OFFEROR'S services, the evaluation panel will consider the viability of the proposed business plan to generate advertising revenue and the percentage of the net advertising revenue to be paid for Contractor services.

B. Final Selection (Step 3)

The above selection criteria, after conducting interviews, negotiations, and receiving best and final offers.

V. PROPOSAL FORM

This PROPOSAL FORM is to be used to submit the OFFEROR'S FIXED PERCENTAGE PAYMENT to be retained from NET ADVERTISING REVENUE as set out in Section 9 of the DRAFT AGREEMENT. The projected advertising revenue must be based on the OFFEROR'S proposed business plan.

| Projected Revenue & Retention | <u>Year 1</u> | <u>Year 2</u> | <u>Year 3</u> |
|--|----------------------|----------------------|----------------------|
| Projected Gross Advertising Revenue ¹ | \$ _____ | \$ _____ | \$ _____ |
| Deductions (agencies, taxes) ² | \$(_____) | \$(_____) | \$(_____) |
| Projected Net Advertising Revenue ³ | \$ _____ | \$ _____ | \$ _____ |
| Proposed Contractor Payment Retention ⁴ | _____ % | _____ % | _____ % |
| | \$ _____ | \$ _____ | \$ _____ |
| NET PROJECTED INCOME TO LTA⁵ | \$ _____ | \$ _____ | \$ _____ |

1. Projected Gross Advertising Revenue as defined in Section 9.1.1 of the DRAFT AGREEMENT and based on the business plan of OFFEROR'S proposal.
2. Deductions are those deductions allowed from the Gross Advertising Revenue in accordance with Section 9.2 of the DRAFT AGREEMENT to arrive at Net Advertising Revenue.
3. Projected Net Advertising Revenue as defined in Section 9.1.2 of the DRAFT AGREEMENT.
4. Proposed Contractor Payment Retention is the firm fixed percentage of Net Advertising Revenue that OFFEROR proposes as full payment for all services to be provided. It is to be entered as a percentage, and then calculated as a dollar amount based on the percentage retained from Net Advertising Revenue.
5. NET PROJECTED INCOME TO LTA: Please calculate the net projected income based on the proposal business plan and firm fixed percentage payment (retention) to Contractor.

VI. PROPOSAL FORM CHECKLIST

ATTACHED TO THIS PROPOSAL FORM ARE THE FOLLOWING ITEMS:

1. Any and all Addenda which may have been issued by LTA in connection with this RFP.
2. Statement of Qualifications
3. References
4. Organization Description
5. Description of Accounting and Reporting System
6. Description of Insurance (including statement of loss experience and pending claims)
7. Financial Statements or other evidence of financial capacity.
8. Business Plan for the Exterior Bus Advertising Program on Lake Transit.
9. Time Schedule for Start-Up

Offeror: _____

Phone: _____ **Fax:** _____

Address: _____

Signature: _____ **Date:** _____

Title: _____



Agreement

Exterior Bus Advertising Services

March 11, 2019 to June 30, 2023

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AGREEMENT
LAKE TRANSIT SYSTEM
EXTERIOR BUS ADVERTISING SERVICES

This AGREEMENT for management of the Exterior Bus Advertising on the Lake Transit System, hereinafter referred to as "LAKE TRANSIT" is made and entered into this _____ day of _____ 2019 by and between the Lake Transit Authority, hereinafter referred to as "LTA", and _____, hereinafter referred to as "CONTRACTOR".

WITNESSETH

WHEREAS, the LTA has determined that it requires management of Exterior Bus Advertising services for LAKE TRANSIT; and

WHEREAS, CONTRACTOR has represented that it has the necessary expertise and personnel and is qualified to perform such services;

NOW, THEREFORE, it is mutually understood and agreed as follows:

1. COMPLETE AGREEMENT

This AGREEMENT and the attachments and documents incorporated herein constitute the complete and exclusive statement of the terms of the AGREEMENT between the LTA and the CONTRACTOR and it supersedes all prior representations, understanding and communications. The invalidity in whole or in part of any provision of this AGREEMENT shall not affect the validity of other provisions. LTA's failure to insist in one or more instances upon the performance of any term or terms of this AGREEMENT shall not be construed as a waiver or relinquishment of LTA's right to such performance by CONTRACTOR.

2. LTA DESIGNEE

The EXECUTIVE DIRECTOR of LTA or his/her DESIGNEE, shall have the authority to act for and exercise any of the rights of LTA as set forth in the herein AGREEMENT, subsequent to the authorization by the Board of Directors of LTA.

3. EMPLOYMENT OF THE CONTRACTOR

LTA hereby engages the CONTRACTOR and the CONTRACTOR agrees to perform the services, hereinafter described in connection with management of exterior bus advertising services on LAKE TRANSIT.

4. INDEPENDENT CONTRACTOR

CONTRACTOR'S relationship to LTA in performance of this agreement is that of an independent contractor. The personnel performing services under this AGREEMENT shall at all times be under CONTRACTOR'S exclusive direction and control and shall be employees of CONTRACTOR and not employees of LTA. CONTRACTOR shall pay all wages, salaries and other amounts due its employees in connection with this AGREEMENT and shall be responsible for all reports and obligations respecting them, such as social security, income tax withholding, unemployment compensation, workers compensation insurance, and similar matters. CONTRACTOR shall notify its employees by written notice that any and all obligations in connection with their employment are those of the CONTRACTOR and not of the LTA.

5. SCOPE OF WORK

Subject only to the general policies and direction of the LTA with regard to exterior bus advertising on LAKE TRANSIT buses, and to the provisions and requirements of this AGREEMENT, CONTRACTOR shall, upon receiving LTA's notice to proceed, do all things necessary to promote, supervise, operate and maintain the LAKE TRANSIT

exterior bus advertising program, including but not limited to the following services: the placement of advertisements; executive and administrative management; installation, cleaning, repair and maintenance of advertisements; customer relations; preparation of reports of financial and other matters pertaining to the operation of service; and such other work as may be necessary to comply with the requirements contained in these specifications.

5.1 Compliance with LTA Advertising Policy and Industry Standards

The CONTRACTOR shall comply with LTA advertising policy as adopted by LTA Resolution No. 04-05-02, a copy of which is attached as Exhibit A and incorporated herein, and with any applicable laws, regulations, or industry standards.

5.2 LTA Use of Unsold Space

LTA reserves the right to use any unsold exterior bus advertising space for its exclusive use for any advertising or promotion or purpose it deems to be in the interests of LTA. Production of any advertising materials for this purpose is the responsibility of LTA.

In the event that CONTRACTOR has orders for space utilized by LTA, CONTRACTOR may show evidence of the order and LTA shall at its sole discretion authorize removal of LTA materials within 30 days, or Contractor may after 30 days include the value of the space based on approved rates in its monthly calculation of gross advertising revenue as described herein below.

5.3 Self Promotion

The CONTRACTOR is not allowed to engage in unpaid self-promotion without prior written approval from LTA.

5.4 Space Availability

Space availability for advertising on Lake Transit 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, the use of new bus designs or configurations which do not allow for, or which modify, the exterior advertising capability.

5.5 Fleet Size

The sole discretion for assignment of buses shall remain with LTA. 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, expressed or implied, that any certain count of vehicles or fleet size shall be available to the CONTRACTOR for advertising displays at any given time. Up to thirty-five percent (35%) of the available fleet may not be in service during peak service hours. The EXECUTIVE DIRECTOR or his/her DESIGNEE, shall be the sole judge of such matters of safety, convenience, appearance, the number of buses in operation, and the location of advertising materials on LAKE TRANSIT vehicles.

5.6 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.

5.7 Commitment of CONTRACTOR Resources

The CONTRACTOR shall employ its best efforts to develop and make sales of advertising space and shall operate with a full commitment of the work force and other resources described in its Proposal To Provide Exterior Bus Advertising Services, which is attached hereto as Exhibit B.

5.8 Policy Compliance Monitoring

The CONTRACTOR shall review each advertisement submitted for display on LTA properties to determine whether or not the advertisement conforms with LTA Advertising Policy as referenced in Section 5.1.1, herein above. In the event that the CONTRACTOR determines that an advertisement does not conform to LTA Policy, the CONTRACTOR

shall consult with the EXECUTIVE DIRECTOR or his/her DESIGNEE. If the EXECUTIVE DIRECTOR or his/her DESIGNEE concurs with the CONTRACTOR, then the CONTRACTOR may consult with the advertiser on potential revisions. If the CONTRACTOR and advertiser do not reach agreement on potential revisions, the advertiser shall be offered the opportunity to submit a written appeal to the EXECUTIVE DIRECTOR or his/her DESIGNEE. The EXECUTIVE DIRECTOR or his/her DESIGNEE will review the appeal and promptly provide a written notice of determination to the CONTRACTOR and advertiser. The EXECUTIVE DIRECTOR or his/her DESIGNEE determination shall be final.

5.9 Location for Advertisements

Advertising will be permitted on the exterior of buses as illustrated in Exhibit C, CONTRACTOR'S PROPOSAL, which is attached to and made a part of this Agreement. Prior to the initial installation of vinyl advertisements, the EXECUTIVE DIRECTOR or his/her DESIGNEE, will approve the exact location for placement of an advertisement, on non-permanent adhesive vinyl material, on each type of bus in the LTA fleet. These locations will become the standard locations for placement of ads on buses within each sub fleet through the term of the agreement,

5.10 Placement of Advertisements

No advertisement will be allowed to interfere with any safety devices, lights, signals, required plates or decals, or distinctive logos on LTA vehicles without written consent of the EXECUTIVE DIRECTOR or his/her DESIGNEE. This includes, but is not limited to, reflective materials, side directional lights, side reflectors and other features. In addition, advertising materials cannot interfere with the normal utilization of fuel or other access doors, vents, glazing, and other equipment installed in the various vehicles that may require regular preventive maintenance. Vinyl shall not be placed over any body moldings. Vinyl applied over body panel seams shall be sliced and tucked into those

seams. Advertisements that are smaller than the allocated area shall be centered in the allocated area unless the EXECUTIVE DIRECTOR or his/her DESIGNEE or his designee approves alternative placement. Advertising shall not be placed within one inch (1") of the Lake Transit name or logo.

5.11 Material and Appearance of Advertisements

All exterior advertising installed on the exterior of LTA vehicles under this Agreement shall be of the non-permanent adhesive vinyl type, "direct application." The Contractor shall assure that all exterior advertisements are manufactured, installed, and removed in accordance with current industry standards. Each advertisement shall be applied so as to: (1) be free from wrinkles, blisters or similar defects; (2) be "squared" to the vehicle contour lines; and (3) present a sharp and clear appearance.

5.12 Dimensions of Advertisement

In no case shall the dimensions of any exterior advertising material exceed those dimensions defined in Exhibit C.

5.13 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.

5.14 Maintenance of Advertisements

The CONTRACTOR shall be solely responsible to keep and maintain all of the advertising material placed on LTA buses in good condition, and will bear the full cost of any and all maintenance and repair of the materials. The CONTRACTOR shall remove immediately, no later than 48 hours from written notice given by LTA, any graffiti on the vinyls that is not removed during LTA's regular washing of the vehicles. CONTRACTOR shall promptly make other repairs as necessary to correct damage or defacement.

CONTRACTOR shall remove all dated advertising materials within five (5) calendar days from its expiration date. "Dated Advertising Materials" refers to advertising materials that are relevant to a specific time period or event that has been completed.

In the event the CONTRACTOR fails to maintain advertising materials in good condition, free of damage and defacement, LTA 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 LTA the cost of performing such work provided that the EXECUTIVE DIRECTOR or his/her DESIGNEE gives the CONTRACTOR at least five (5) days written notice of the intent to repair, alter or remove the vinyl advertisement prior to undertaking such activity.

5.15 Restoration of Bus Exterior Surface

Upon removal of 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 LTA vehicles, their paint schemes or exterior surface. The CONTRACTOR will be notified of any such damage and LTA will not proceed with repair for 72 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 LTA for the full dollar cost to repair any damage to LTA vehicles and/or property resulting from application or removal of the vinyl advertisement or any other activities of the CONTRACTOR.

5.16 Scheduling of Installation, Maintenance and Repair Work

CONTRACTOR must coordinate with the EXECUTIVE DIRECTOR or his/her DESIGNEE, to schedule work on all buses. LTA will make buses available to the CONTRACTOR as soon as is practicable based on daily pullout, scheduling, and maintenance requirements.

5.17 Location of Bus Storage and Maintenance Facilities

LTA currently stores and maintains most vehicles at the Lamkin-Sanchez Transit Operations Center located at 9240 Highway 53, Lower Lake, CA. All CONTRACTOR work shall be conducted at this facility unless the EXECUTIVE DIRECTOR or his/her DESIGNEE provides written approval to utilize an alternate location. Up to three (3) LTA vehicles are stored at the County Maintenance Yard in Lakeport, CA. These buses may be scheduled into the Lower Lake facility periodically to facilitate CONTRACTOR activities.

5.18 Contractor Ingress and Egress

CONTRACTOR shall check-in with the on-duty maintenance supervisor before entering and shall checkout upon leaving LTA premises. CONTRACTOR shall provide identification badges for its employees to be worn at all times while on LTA property. CONTRACTOR shall use a clearly identifiable vehicle displaying business signs on doors or other agreed upon identifying characteristics for purposes of entering the LTA vehicle storage or shop areas. Unless other times are arranged in advance, ingress and egress by CONTRACTOR personnel and vehicles shall be limited to 5:30 a.m. to 8:00 p.m. on Monday through Friday of each week, excluding LTA holidays.

5.19 Work on LTA Property

LTA shall make every attempt to provide sufficient room in bus parking areas for installation, removal, maintenance and repair of advertising materials. Indoor space will only be available at the discretion of the on-duty maintenance supervisor.

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 LTA property. CONTRACTOR shall be responsible to dispose of waste generated by its activities. CONTRACTOR shall perform work in such a manner as to eliminate unnecessary noise, obstruction, hazardous conditions or other disturbances to

LTA operations, LTA personnel, and the public. CONTRACTOR shall keep work areas in a neat and safe condition. Any damage arising from the CONTRACTOR'S performance of work shall be repaired or remedied immediately at CONTRACTOR'S sole expense.

5.20 Advertising Revenue and Price Rates

Advertising revenue is defined in Section 9.1.1, herein below. Advertising price rates for exterior bus advertising shall be established by CONTRACTOR subject to prior written approval by LTA. CONTRACTOR shall assure that advertisers pay appropriate rates on a timely basis. CONTRACTOR shall reconcile advertising payments to exterior bus advertising use, keep advertising revenue secure, and account for advertising revenue in accordance with procedures to be proposed by the CONTRACTOR and subject to LTA approval. All advertising revenue of any kind or character is the sole property of LTA.

5.21 Standard Advertising Sales Agreement

CONTRACTOR shall utilize a Standardized Advertising Sales Agreement which shall set out the complete terms of agreements between the CONTRACTOR and advertiser(s) for exterior bus advertising on LAKE TRANSIT. The Standardized Advertising Sales Agreement form shall be approved in writing by LTA prior to use, and shall be used for all advertising sales transactions related to exterior bus advertising on LAKE TRANSIT. Any deviation from the Standardized Advertising Sales Agreement must be approved by LTA prior to placement of advertising on LAKE TRANSIT.

5.22 Recordkeeping

CONTRACTOR shall maintain all books, records, documents, accounting ledgers, and similar materials relating to exterior bus advertising services performed for LTA under this Agreement on file for at least three (3) years following the date of final payment to LTA by CONTRACTOR.

CONTRACTOR shall collect record and report to the LTA on a quarterly basis all accounting data in accordance with generally accepted accounting principals. All worksheets and detail information used to prepare these reports shall be available upon request. Each quarterly accounting report shall be provided to LTA within one month after the close of the applicable quarter.

6. CHANGES IN SCOPE OF WORK

It is understood and agreed by LTA and CONTRACTOR that it may be necessary, from time to time during the term of this AGREEMENT, to modify its provisions or to revise the scope and/or extent of LAKE TRANSIT public transit system operations.

In each such instance, LTA and CONTRACTOR shall consult with each other and shall come to a mutually acceptable agreement as to the nature of the required modification or revision desired. Each modification or revision required shall be reduced to writing, and when appropriately executed by both parties, shall constitute an amendment to this AGREEMENT. Each amendment will be identified and sequentially numbered as "Amendment NO. 1" and so forth, shall be subject to all of the other applicable provisions of this AGREEMENT, and shall be attached to EXHIBIT "B", entitled "APPROVED AMENDMENTS - LTA AGREEMENT". Until an amendment has been approved in the foregoing manner, it shall have no force or effect.

7. INDEMNIFICATION

CONTRACTOR shall defend, indemnify and save harmless the LTA and all of its officers, agents, employees, volunteers and assigns, from any and all claims, demands, damages, costs, expenses, judgments, and liability, including attorneys fees and other costs of defense incurred by LTA, whether for damage to or loss of property, or injury to or death of person, including properties of LTA, and injury to or death of any LTA officers, employees, volunteers, agents and assigns, arising out of or alleging to arise out of, or

resulting from or in any way connected with this contract or attempted performance of the provisions hereof, unless such damage, loss, injury or death is caused solely by the negligence of LTA.

This indemnity and hold harmless provision, insofar as it may be adjudged to be against public policy, shall be void and unenforceable only to the minimum extent necessary so that the remaining terms of this indemnity and hold harmless provision may be within public policy and enforceable.

8. INSURANCE

8.1 Insurance

With respect to performance of work under this AGREEMENT, CONTRACTOR shall secure and maintain, and shall require all of its subcontractors to maintain, insurance as described below:

8.1.1 WORKER'S COMPENSATION INSURANCE with statutory limits, and EMPLOYER'S LIABILITY INSURANCE with limits of not less than one million dollars (\$1,000,000) per occurrence. CONTRACTOR certifies that it is aware of the provisions of the Labor Code of the State of California, which require every employer to be insured against Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and it certifies that it will comply with such provisions before commencing performance of the work of this Agreement.

8.1.2 COMPREHENSIVE GENERAL LIABILITY INSURANCE with a combined single limit of not less than one million dollars (\$1,000,000) per occurrence. Such insurance shall include products/completed operations liability, owner's and contractor's protective, blanket contractual liability, and broad form property damage coverage. Such insurance shall (1) name LTA and all of its appointed and elected officials, officers, employees, volunteers, agents and assigns as insureds; (2) be primary with respect

to any insurance or self-insurance programs maintained by the LTA; and (3) contain standard cross liability provisions.

8.1.3 COMMERCIAL AUTOMOBILE LIABILITY INSURANCE with a combined single limit of not less than \$1,000,000 (one million dollars) per occurrence. Such insurance shall (1) include coverage for owned, hired and non-owned automobiles; (2) include Uninsured Motorist and Personal Injury Protection with coverage limits as required by law, (3) include Medical Payments with coverage limits of at least \$5000 per occurrence, (2) name LTA and all of its elected and appointed officials, officers, employees, volunteers, agents and assigns as insureds; (3) be primary for all purposes; and, (4) contain standard cross liability provisions.

8.1.4 ALL INSURANCE shall contain the following provisions:

- A. Coverage shall be on an "occurrence" basis.
- B. If Commercial General Liability or another form with a general aggregate is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate amount shall be twice the required occurrence limit.
- C. The Liability policy must cover personal injury as well as bodily injury.
- D. The Liability policy shall include a cross-liability or severability of interest endorsement.
- E. Broad form property damage liability must be afforded.
- F. CONTRACTOR shall include all subcontractors as insureds under its policies or shall furnish separate certificates or endorsements for each subcontractor. All coverage for subcontractors shall be subject to all of the requirements stated herein.

- G. Insurance shall be placed with insurers with a current A.M. Best rating of no less than A: VII.
- H. Policies shall name LTA and all of its appointed and elected officials, officers, employees, volunteers, agents and assigns as insureds, and the policy shall stipulate that this insurance will operate as primary insurance and that no other insurance effected by insured will be called upon to contribute to a loss covered there under.

CONTRACTOR shall furnish properly executed Certificates of Insurance from insurance companies acceptable to LTA and signed copies of the specified endorsements for each policy prior to commencement of work under this AGREEMENT. Such documentation shall clearly evidence all coverages required above, including specific evidence of separate endorsements naming the LTA and shall provide that such insurance shall not be materially changed, terminated or allowed to expire except after 30 days written notice by certified mail, return receipt requested, has been given to LTA.

The LTA reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

Such insurance shall be maintained from the time work first commences until completion of the work under this AGREEMENT. CONTRACTOR shall replace such certificates for policies expiring prior to completion of work under this AGREEMENT.

If CONTRACTOR, for any reason, fails to maintain insurance coverage that is required pursuant to this AGREEMENT, the same shall be deemed a material breach of contract. LTA, at its sole option, may terminate this AGREEMENT and obtain damages from the CONTRACTOR resulting from said breach.

9. COMPENSATION STRUCTURE AND METHOD OF PAYMENT TO LTA

CONTRACTOR shall retain a percentage of net advertising revenue for exterior bus advertising space on LTA buses as payment for the exterior bus advertising services set out in this Agreement.

9.1 Definitions

9.1.1 "Gross advertising revenue" means all monies, remunerations, and considerations of every kind received from the sale of advertising space by the Contractor in its operations as permitted under this Agreement, including the value of advertising space which is traded or otherwise provided without monetary remuneration and which appears on the exterior bus advertising space provided by LTA. Gross advertising revenue shall be calculated on the accrual basis, i.e., amounts are prorated to the time periods during which the advertising is displayed.

9.1.2 "Net advertising revenue" shall mean "gross advertising revenue" less the following:

1. Deductions from gross sales of those commissions paid to advertising agencies or sales agents other than CONTRACTOR staff or subcontractors, if any, at a rate not exceeding fifteen percent (15%) of the applicable gross billing amount for the advertising space sold by the agent; and,

2. Deduction of the amount of any sales, use and similar taxes (but excluding income and property taxes) directly levied by any public agency on the sale or display of advertising under the terms of this AGREEMENT and paid by the CONTRACTOR.

Deductions from Gross Advertising Revenue to arrive at Net Advertising Revenue shall be amortized over the term of the advertising.

9.2 Compensation Structure and Payment

CONTRACTOR shall pay to LTA the net advertising revenue earned each month by the 10th day of the following month, less a CONTRACTOR retention of fifty percent (50%) as payment for CONTRACTOR services.

All payments to LTA shall be made in a timely manner. Late payments shall be subject to a five percent (5%) penalty and one and one-half percent (1.5%) interest per month.

10. TERM OF AGREEMENT

10.1 Base Term

This AGREEMENT shall become effective April 1, 2019 and shall continue in full force and effect through June 30, 2023 unless earlier terminated as herein provided.

10.2 Month-to-Month Extensions

Upon completion of the full term of this AGREEMENT, LTA at its sole discretion may extend the term of this AGREEMENT on a month-to-month basis up to a maximum of three (3) months. LTA shall notify CONTRACTOR of such extensions at least thirty (30) days prior to the termination date of this AGREEMENT. The compensation rates in effect during the last monthly period of the full term of this AGREEMENT shall remain in effect during any such extensions.

10.3 Option Term

In consideration of the herein AGREEMENT, CONTRACTOR hereby grants the below option, exercisable in writing at LTA's sole election, anytime on or before the date specified herein and as follows:

DESCRIPTION - LTA may extend the service provided by CONTRACTOR under this AGREEMENT for up to three option periods of two-years duration.

COMPENSATION RATE - The Net Revenue Percentage Rate and the Minimum Annual Guarantee Amount shall be the same during any option term as the rate set forth hereinabove.

OPTION EXERCISE DATES: On or before April 1, 2023 for the initial option term, and on or before April 1 of each subsequent year for the two remaining option terms.

It is mutually understood and agreed that all work performed and services provided under the exercised option shall be in strict compliance with all of the requirements of this AGREEMENT as such may be amended from time to time by mutual AGREEMENT.

It is mutually understood and agreed that LTA is under no obligation whatsoever to exercise this option and that no representations have been made by LTA committing it to such exercise of this option, and that LTA may procure any such option requirements elsewhere. Such option exercise may be by amendment hereto or by issuance of a new AGREEMENT.

11. TERMINATION

LTA or CONTRACTOR may terminate this AGREEMENT for one or several of the following reasons:

11.1 Basis for Termination:

FOR CONVENIENCE: LTA may terminate this AGREEMENT at any time in whole or in part for its convenience and any reason, by giving CONTRACTOR ninety (90) days written notice thereof.

FOR MATERIAL BREACH: LTA may terminate this AGREEMENT upon thirty (30) days (hereinafter "cure period") written notice by mail or by personal service of a material default or breach in performance of any of the terms and conditions of this AGREEMENT to be kept, done or performed by CONTRACTOR, and CONTRACTOR fails, neglects or refuses for the stated cure period to remedy said defaults or to initiate remedy of said

faults should the cure thereof require a period in excess of the cure period. Should the cure period expire without remedy of said defaults or initiation of such remedy by CONTRACTOR, the LTA may without further notice and without suit or other proceedings cancel this AGREEMENT.

FOR BANKRUPTCY: Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of CONTRACTOR or (b) a general assignment by CONTRACTOR for the benefit of creditors, or (c) any action taken by or suffered by CONTRACTOR under any insolvency or bankruptcy act shall constitute a breach of the AGREEMENT by CONTRACTOR and shall at the option of LTA terminate this AGREEMENT.

BY MUTUAL AGREEMENT: This AGREEMENT may also be terminated at any time upon mutual agreement of both parties.

11.2 Compensation upon Termination:

Should either party terminate this AGREEMENT, compensation to CONTRACTOR shall be limited to amounts accrued to the date of termination as specified under Paragraph 8.2 – Compensation Structure and Payment.

11.3 Transition to Future Contractor

For up to sixty (60) days prior to and following the effective date of the termination or expiration of this agreement, CONTRACTOR shall provide to either the LTA or any future CONTRACTOR selected by LTA, CONTRACTOR'S full cooperation in the transition to LTA or the successor CONTRACTOR.

12. ADMINISTRATION

12.1 Control

Contractor shall render all services under this Agreement in a manner consistent with the policies of the LTA. Modification of existing policies or adoption of new policies

during the term of this AGREEMENT, which affect CONTRACTOR'S performance of services, shall be treated as changes pursuant to Section 6 - Changes in Scope of Work herein.

Notwithstanding this provision, CONTRACTOR remains responsible for any consequences resulting from CONTRACTOR'S actions or inaction as provided in this agreement or otherwise provided by law.

12.2 Force Majeure:

Neither party shall be held responsible for losses, delays, failure to perform, or excess costs caused by events beyond the control of such party. Such events may include, but are not restricted to, the following: Acts of God, fire, epidemics, earthquake, flood or other natural disaster; strikes, war or civil disorder, road closures; unavailability of fuel.

13. GENERAL PROVISIONS

13.1 Conflict of Interest

The CONTRACTOR covenants that he/she presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of service required to be performed under this AGREEMENT. The CONTRACTOR further covenants that in the performance of this AGREEMENT, no person having such interest shall be employed.

13.2 Interest of Members of or Delegates to Congress

No member of or delegate to the Congress of the United States shall be admitted to any share or part of this AGREEMENT or to any benefit arising therefrom.

13.3 Anti-Lobbying

Byrd Anti-Lobbying Amendment, 31 U.S.C. 1352, as amended by the Lobbying Disclosure Act of 1995, P.L. 104-65 [to be codified at 2 U.S.C. § 1601, et seq.] - Contractors who apply or bid for an award of \$100,000 or more shall file the certification

required by 49 CFR part 20, "New Restrictions on Lobbying." Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on its behalf with non-Federal funds with respect to that Federal contract, grant or award covered by 31 U.S.C. 1352. Such disclosures are forwarded from tier to tier up to the recipient.

13.4 Audit; Retention of Records

CONTRACTOR shall allow the authorized representatives of LTA, the U.S. Department of Transportation, the Comptroller General of the United States, and the California State Controller's Office to inspect and audit all data and records of the CONTRACTOR relating to performance under this AGREEMENT. Such audit shall be allowed upon reasonable notice of any aforementioned agency. Further, CONTRACTOR shall maintain all required records for three years after final payment under this AGREEMENT and until all other pending matters are closed.

13.5 Federal Changes

CONTRACTOR shall at all times comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement between Purchaser and FTA, as they may be amended or promulgated from time to time during the term of this contract. Contractor's failure to so comply shall constitute a material breach of this contract.

13.6 No Obligation by the Federal Government to Third Parties

(1) The LTA and CONTRACTOR acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this contract and shall not be subject to any obligations or liabilities to the LTA, CONTRACTOR, or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying contract.

(2) The CONTRACTOR agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

13.7 Program Fraud and False or Fraudulent Statements or Related Acts

(1) The CONTRACTOR acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. § § 3801 et seq. and U.S. DOT regulations, "Program Fraud Civil Remedies," 49 C.F.R. Part 31, apply to its actions pertaining to this Project. Upon execution of the underlying contract, the CONTRACTOR certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying contract or the FTA assisted project for which this contract work is being performed. In addition to other penalties that may be applicable, the CONTRACTOR further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on the CONTRACTOR to the extent the Federal Government deems appropriate.

(2) The CONTRACTOR also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. § 5307, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307(n)(1) on the CONTRACTOR, to the extent the Federal Government deems appropriate.

(3) The CONTRACTOR agrees to include the above two clauses in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

13.8 Suspension and Debarment

This contract is a covered transaction for purposes of 49 CFR Part 29. As such, the CONTRACTOR is required to verify that none of the contractor, its principals, as defined at 49 CFR 29.995, or affiliates, as defined at 49 CFR 29.905, are excluded or disqualified as defined at 49 CFR 29.940 and 29.945.

CONTRACTOR is required to comply with 49 CFR 29, Subpart C and must include the requirement to comply with 49 CFR 29, Subpart C in any lower tier covered transaction it enters into.

By signing and submitting its proposal, which is attached hereto and made a part of this Agreement, the CONTRACTOR certifies as follows:

The certification in this clause is a material representation of fact relied upon by Lake Transit Authority. If it is later determined that the proposer knowingly rendered an erroneous certification, in addition to remedies available to Lake Transit Authority, the Federal Government may pursue available remedies, including but not limited to

suspension and/or debarment. The bidder or proposer agrees to comply with the requirements of 49 CFR 29, Subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

13.9 Federal Privacy Act Requirements

The following requirements apply to the Contractor and its employees that administer any system of records on behalf of the Federal Government under any contract:

(1) The Contractor agrees to comply with, and assures the compliance of its employees with, the information restrictions and other applicable requirements of the Privacy Act of 1974, 5 U.S.C. § 552a. Among other things, the Contractor agrees to obtain the express consent of the Federal Government before the Contractor or its employees operate a system of records on behalf of the Federal Government. The Contractor understands that the requirements of the Privacy Act, including the civil and criminal penalties for violation of that Act, apply to those individuals involved, and that failure to comply with the terms of the Privacy Act may result in termination of the underlying contract.

(2) The Contractor also agrees to include these requirements in each subcontract to administer any system of records on behalf of the Federal Government financed in whole or in part with Federal assistance provided by FTA.

13.10 Energy Conservation

The CONTRACTOR agrees to comply with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

13.11 Compliance with Environmental Standards

CONTRACTOR shall comply with the provisions of the Clean Air Act, as amended (42 U.S.C. 1857 et seq.), the Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et seq.), and implementing regulations, and all state laws and local ordinances with respect to transit operations and operation of the facilities involved in the AGREEMENT for which Federal assistance is given. CONTRACTOR shall report violations to the LTA, the Federal Transit Administration, and to the U. S. Environmental Protection Agency Assistant Administrator for Enforcement.

13.12 Civil Rights

During the performance of this contract, CONTRACTOR, for itself, its assignees and successors in interest (hereinafter referred to as the "CONTRACTOR") agrees as follows:

(1) Nondiscrimination - In accordance with Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, section 202 of the Americans with Disabilities Act of 1990, 42 U.S.C. § 12132, and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, or disability. In addition, the Contractor agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.

(2) Equal Employment Opportunity - The following equal employment opportunity requirements apply to the underlying contract:

(a) Race, Color, Creed, National Origin, Sex - In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal transit laws at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity,

Department of Labor," 41 C.F.R. Parts 60 et seq ., (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of the Project. 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, national origin, sex, or age. 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. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

(b) Age - In accordance with section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § § 623 and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

(c) Disabilities - In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 U.S.C. § 12112, the Contractor agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630, pertaining to employment of persons with disabilities. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

(3) The Contractor also agrees to include these requirements in each subcontract financed in whole or in part with Federal assistance provided by FTA, modified only if necessary to identify the affected parties.

13.13 Disadvantaged Business Enterprises (DBE)

The California Department of Transportation (Department) has established a statewide overall Disadvantaged Business Enterprise (DBE) Program goal. The Department is required to report to the Federal Transit Administration (FTA) on DBE participation for all FTA-assisted contracts each year so that attainment efforts may be evaluated. In order to ascertain whether the statewide overall DBE goal is being achieved, the Department is tracking DBE participation on all federally assisted contracts.

This project is subject to Title 49, Part 26 of the Code of Federal Regulations (49 CFR 26) entitled "Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs." In order to ensure the Department achieves its federally mandated statewide overall DBE goal, the Department encourages the participation of DBEs, as defined in 49 CFR 26, in the performance of contracts financed in whole or in part with federal funds. The Contractor shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of subcontracts.

The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out the applicable requirements of 49 CFR, Part 26 in the award and administration of U.S. Department of Transportation assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as recipient deems appropriate.

Any subcontract entered into as a result of the project shall contain all the provisions of this section.

13.14 Compliance with Laws, Rules, Regulations

All services performed by CONTRACTOR pursuant to this AGREEMENT shall be performed in accordance and full compliance with all applicable federal, state, or local statutes, and any rules or regulations promulgated there under, including but not limited to, those relative to Civil Rights, Equal Employment Opportunity, Disadvantaged Business Enterprise, and Labor Protection. CONTRACTOR is subject to the provisions of Section 13(c) of the Urban Mass Transportation Act of 1964, as amended, and specifically to any labor protection provisions incorporated into contract for Federal Transit Act, Section 18 federal assistance between LTA and the California Department of Transportation. These provisions require that the project “be carried out in such a manner and upon such terms and conditions as will not adversely affect employees in the mass transportation industry within the service area of the project”.

CONTRACTOR shall pay all taxes required to be paid by it by any applicable federal, state, or local statute. Further, CONTRACTOR shall secure, on its own behalf, or on behalf of LTA if requested, any and all licenses, permits, certificates and inspections required by law, including GPPV inspections. CONTRACTOR shall assure that all of its employees operating LTA vehicles possess a valid, current Class B California Driver License with appropriate endorsements.

13.15 Incorporation of Federal Transit Administration (FTA) Terms

The preceding provisions include, in part, certain Standard Terms and Conditions required by DOT, whether or not expressly set forth in the preceding contract provisions. All contractual provisions required by DOT, as set forth in FTA Circular 4220.1E are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Agreement. The CONTRACTOR shall not perform any act, fail to perform

any act, or refuse to comply with any (name of grantee) requests which would cause (name of grantee) to be in violation of the FTA terms and conditions.

13.16 Headings:

The headings or titles to sections of the AGREEMENT are not part of the AGREEMENT and shall have no effect upon the construction or interpretation of any part of the AGREEMENT.

13.17 Sale or Transfer

CONTRACTOR agrees that it will not sell, assign or transfer in whole or in part any right, title or interest it possesses by reason of this AGREEMENT to any other person or entity without first obtaining the written consent of the LTA to such sale, assignment, or transfer. In the event of any violation of this Section, LTA may immediately terminate this AGREEMENT.

13.18 Binding

This AGREEMENT shall be binding on the assigns, transferees, successors, heirs, trustees, executors and administrators of the parties hereto.

13.19 Recovered Materials

The contractor agrees to comply with all the requirements of Section 6002 of the Resource Conservation and Recovery Act (RCRA), as amended (42 U.S.C. 6962), including but not limited to the regulatory provisions of 40 CFR Part 247, and Executive Order 12873, as they apply to the procurement of the items designated in Subpart B of 40 CFR Part 247.

13.20 Notice

All notices hereunder and communications with respect to this AGREEMENT shall be affected upon the mailing thereof by registered or certified mail return receipt requested and addressed as follows:

LTA:

CONTRACTOR:

Lake Transit Authority
Attn: Lisa Davey-Bates
367 North State Street, Suite 204
Ukiah, CA 95482

IN WITNESS WHEREOF, the parties have caused this AGREEMENT to be executed
on the day and year first above written.

LAKE TRANSIT AUTHORITY

CONTRACTOR

By _____
Lisa Davey-Bates, Executive Director

By _____
Authorized Official

WITNESSED:

Title

Federal Tax I.D. Number

By: _____