



City of Raleigh

RFP #: 274-BusAd-2024

Title: Management Services for GoRaleigh Bus Advertising Program

Submittal Due Date and Time: *September 27, 2024 5 p.m. EST*

ADDENDUM NO. 1

Issue Date: September 11, 2024

Issuing Department: Transportation – Transit Division

Direct all inquiries concerning this RFP to:

Andrea Epstein

Title: Community Relations Manager

Email: Andrea.epstein@raleighnc.gov

Issue Date: September 11, 2024

To: All Proposers

This Addendum, containing the following additions, clarifications, and/or changes, is issued prior to receipt of qualification packages and does hereby become part of the original RFP documents and supersedes the original RFP documents in case of conflict.

Receipt of this addendum must be acknowledged by signing in the area indicated below. Please make the follow additions, clarifications, and/or changes to the RFP as listed below and **sign and return this addendum with your submittal package.**

Q&A for GoRaleigh RFP: 274-BusAd-2024

1. Section 3 – Scope of Service – Share of Revenue
 - a. Is GoRaleigh requiring a percentage of gross revenue paid in addition to the minimum guarantee each month? Answer: Yes
2. Does contractor have right to establish rates and pricing structure? Answer: Yes
3. Would contractor be responsible to work with Luminator to troubleshoot issues that arise with their software, connectivity or hardware with the screens? Answer: No
4. Does the Luminator software allow for selecting specific buses or routes for ads to be displayed or does it only allow for full fleet display? Answer: I believe displaying certain ads for geo-located areas or routes is technically feasible. Someone who is well versed with all features of Luminator iCenter may know how to do this, but we have not had the training to implement this feature.
5. Does the Luminator software track how many times a specific ad is displayed over a given period of time so that are able to fulfill the reporting requirement on digital screens to GoRaleigh? Answer: I do not believe the Luminator software provides any tracking or feedback on display data, other than if the presentation has loaded/installed (per bus).
6. Can you please provide a list of advertisers currently advertising on GoRaleigh fixed route fleet that will be transferred to new vendor? Please include monthly rate advertiser is paying, quantity and type of advertisement and contract expiration date. Answer:

FY 2025 Bus Advertising							
Date	Agency	Client	Type/Length	Contract Amount	Comments	FY25 Paid	To Be Collected
23-Jan	Blanton's Air, Plumbing & Electric LLC (Jenna Foret LMBA)	Blanton's HVAC, comfort is in your forecast	10 Kongs, 1 year	\$176,400	(12/19/22 - 12/31/24) contract #2818 Amend 2		\$45,000
24-Mar	Morgan & Morgan PLLC (Tricia Barr)	Injury Law Firm	20 Kongs, 1 year	\$120,000	(3/18/24 - 3/16/25) contract #4490		\$60,000
24-Mar	Friends of the NC Museum of Natural Sciences (Ricky Velez)	Dueling Dinosaurs exhibit	1 Kong, 1 year	\$6,000	(4/8/24 - 4/6/25) contract #4513		\$3,000
24-Aug	Weller Media Services LLC (Amanda Osness/Catherine Romans)	Whitley Law Firm	7 Kongs, 1 year	\$42,000	(8/1/24 - 7/28/25) contract #4811		\$35,000

7. Does GoRaleigh anticipate receiving new buses during the contract period? Answer:

	FY25	FY26	FY27
Expansion	3	3	2
Replacement	9	11	0

8. Will all new buses be available for advertising? Answer: Yes

9. What is the anticipated start date for the agreement? Answer: January 1

10. 1-Cover page shows due date: September 13 but page 4 shows September 27. Please confirm if Due Date is September 27. Answer: Due Date is September 27

11. 2-Page 17 of the RFP shows revenues for several years. Is this the amount GoRaleigh received of Guarantee/% or the amount billed to advertisers by the Contractor? Answer: We do not have a contract we currently do everything internally. This is the revenue generated each FY.

12. 3-Page 15 & 16 explains the Method of Payment. We understand this to mean the Guarantee will be paid 1/12 monthly and the end of the year the % share will be computed and if the % is greater than the Guarantee paid, the overage will be paid.

The industry standard is to pay the % sharing monthly or the 1/12th of the Guarantee, not both. If both are paid monthly, is there a reconciliation at the end of each

Year to determine if the % is greater some months and less than the guarantee other months that a refund may be owed for overpayments made?

Answer: The request is for both a guaranteed annual amount and a percentage of sales.

13. 4-Please provide a copy of the current active agreement with the current contractor showing guarantees by year and % sharing formula. Answer: We do not have a contractor

14. Some clients use their advertising partner for special projects that are not paid for by an external client, so lets say the City wanted to put some Christmas wraps on some buses, would this be separately quoted for or pass through this contract.
Answer: GoRaleigh reserves the right to use, without charge, 10 king advertising spaces, such time that space is available with a maximum of 90 days for any single campaign for GoRaleigh or the City of Raleigh. GoRaleigh or the City of Raleigh will be responsible for the production costs of any advertising signs or materials; however, Contractor will install and remove advertising materials upon request in accordance with current schedule.
GoRaleigh (City) would pay for print and materials, the space would be free to GoRaleigh (City). The vendor would install and remove at no cost to GoRaleigh (City).
15. Could you please clarify if illustrated/fully wrapped buses are allowed on GoRaleigh buses? Answer: No they are not. Advertising space available on fixed route buses include Kong 227" X 44" (Street Side), King 144" X 30" (Street Side), Queen 120" X 30" (Curb Side) and Tail 45" X 22" (Rear).
16. Can you please elaborate on why you're transitioning the advertising program away from internal sales to third party sales org? Answer: Staff time, we do not have a dedicated person for selling or for contracts needed for this program. The hope is to have this streamlined a bit more.
17. Would it be possible to break out revenue by static advertising v. digital screen advertising? Answer: We have not sold digital inhouse. We worked with a company as a pilot program that sold for eight months, they generated \$32K.
18. Can you please confirm if you are looking for both a minimum payment and revenue share, as opposed to the more traditional financial model of one or the other depending on which is larger? Answer: Yes, we are looking for both.
19. Are you open to other types of advertising formats – i.e. Full Wraps, Ultra Super Kings, Back Wraps – or are the formats listed on the RFP (pg 13) all that are allowed? Answer: Currently these are the only ads allowed on our buses.
20. Can you please outline all contracts and total revenues that will be turned over to the new sales organization? Answer:

FY 2025 Bus Advertising							
Date	Agency	Client	Type/Length	Contract Amount	Comments	FY25 Paid	To Be Collected
23-Jan	Blanton's Air, Plumbing & Electric LLC (Jenna Foret LMBA)	Blanton's HVAC, comfort is in your forecast	10 Kongs, 1 year	\$176,400	(12/19/22 - 12/31/24) contract #2818 Amend 2		\$45,000
24-Mar	Morgan & Morgan PLLC (Tricia Barr)	Injury Law Firm	20 Kongs, 1 year	\$120,000	(3/18/24 - 3/16/25) contract #4490		\$60,000
24-Mar	Friends of the NC Museum of Natural Sciences (Ricky Velez)	Dueling Dinosaurs exhibit	1 Kong, 1 year	\$6,000	(4/8/24 - 4/6/25) contract #4513		\$3,000
24-Aug	Weller Media Services LLC (Amanda Osness/Catherine Romans)	Whitley Law Firm	7 Kongs, 1 year	\$42,000	(8/1/24 - 7/28/25) contract #4811		\$35,000

21. Can you please provide an overview of when installers are allowed in the garage for installs and removals? Answer: All day & night Saturday and Sunday.

22. Total # of Buses Available for Advertising: May we ask GoRaleigh to confirm the total # of buses available for advertising? Page 3 states 86 buses are operated by GoRaleigh; page 13 states 122 (86 peak). Answer: 86 – you cannot advertise on all of our buses such as the articulated buses.

23. Submission Items: Referencing pages 5, Item 1.6 C & page 10, Tab 6. Cost May we ask GoRaleigh to confirm the submission items and total amounts of each item?

Answer:

- A. *qpg**3-#uk pgf "qtk kpcr#"*
- B. *qpg**3-#grgetqple"xgtulqp"qh'y g"uk pgf "r tqr qucr#"*
- C. *hxg**7-#WUD"f tkgu"y kj "hpcrr tqr qucr#cpf ="*
- D. *qpg**3-#r cr gt"eqr { "qh'y g"uk pgf "r tqr qucr#"*
- E. *kp"c"ugr ctcvg"ugcrqf "gpxgrqr g"r tqxkf g"c"o kpo wo "qh'hxg**7-#eqo r rvg"eqr lgu"qh' equv'uej gf wq0"J qwtq "tcvgu"uj cni'dg"hwq "dwtf gpgf "v"lperwf g"cn'equu."cni' cr r hccdrq"qxgtj gcf "cpf "r tqtkw"lperwf lpi "rpf i lpi ."o gcnu."cpf "tcur qtcvkqp+0' Cwcej "cp{ "cf f kqpcrr tl'epi "f gvcku0*

24. Inventory Breakdown: pages 42 -48 Some of the font got jumbled; May we ask for corrections to the header of the page and of the headers of each column? Answer:

Revenue Fleet	Bus Number					2024 Status
---------------	------------	--	--	--	--	-------------

25. Can the City provide more detailed historical data on the revenue generated from digital advertising specifically (as opposed to vinyl or other forms of advertising)? This would help in estimating a more accurate revenue split and minimum guarantee. Answer: Answer: We have not sold digital inhouse. We worked with a company as a pilot program that sold for eight months, they generated \$32K.

26. How flexible is the City on the proposed percentage split and minimum guarantee? Are there any specific benchmarks or expectations the City has in mind? Answer: we are set on this structure. No.

27. Are all 188 digital monitors currently operational? If not, what percentage are functional, and are there plans for repair or replacement before the contract start date? Answer: all are operational.
28. Can the contractor expect the installation of additional monitors during the contract term? If so, how many, and what will be the timeline for these installations? Answer: All new buses come with monitors.
29. What is the expected turnaround time for the City to review and approve digital content submissions? Answer: 48 hours.
30. Will there be a dedicated City contact or team responsible for content approvals, and what is the process if there are disagreements on content suitability? Answer: Yes. The City Attorney will be the final decision maker if there is a disagreement.
31. Could the City clarify the frequency requirement for City informational ads (e.g., "once within every loop of an ad campaign or every five minutes")? How is a "loop" defined in this context? Answer: A loop is define as one run through of each ad.
32. How will the City track and verify the proper display of City ads, and what reporting will be required from LUUT LLC to demonstrate compliance? Answer: images should be provided to the City of City ad installs.
33. What specific format does the City require for the monthly revenue remittance report? Can LUUT LLC propose a format that aligns with its current reporting tools? Answer: Yes
34. Will the City require access to live dashboards or real-time data, or will monthly reports suffice? Answer: Monthly reports are fine
35. Does the City have any restrictions or preferences regarding the use of subcontractors for content production or installation services? Answer: No
36. In the event of early contract termination, what is the process for transitioning existing advertising contracts back to the City? How will the City handle ongoing ad campaigns at the time of transition? Answer: The City would expect the revenue for the ads and issue a new contract.

37. What are the City's expectations regarding the transfer of digital content, software licenses, or other intellectual property at the end of the contract term? Answer: None
38. Can the City provide any specific examples of past ads that were rejected, and the reasons for their rejection? This would help in understanding the boundaries of acceptable content.
- Are there any anticipated updates or changes to the City's advertising policy that might affect the contract during its term? Answer: Gambling ads alcohol ads for example are not excepted. There will be no update to the current guidelines.
39. What specific technical requirements must we meet for the software used to manage digital ads (e.g., Luminator's iCENTER suite)? Are there any anticipated changes to this technology? Answer: No
40. If the City transitions to new digital display technology or software, how will the transition be managed, and what costs will be covered by the City versus the contractor? Answer: The City would pay for new equipment.
41. What level of marketing support or promotional activities can we expect from the City to help drive interest in the digital advertising spaces? Answer: none
42. How will the City support the contractor in addressing any operational issues that may arise, particularly those that could impact ad display or revenue generation? Answer: the only two days the buses do not operator and Christmas Day and Thanksgiving Day.
43. Will the City provide a summary or recording of the pre-proposal meeting for those unable to attend? Answer: No all questions have been answered in this document.
44. RE: References May I ask GoRaleigh to please confirm when Questionnaire Forms are received? Answer: No
45. Also, on the same note, will GoRaleigh accept a personally drafted signed reference letter (on agency letterhead) in place of the questionnaire? Answer: No
46. RE: Current advertisements posted on the buses. Will any secured billing from existing advertising clientele be transferred and managed by the selected vendor? Answer: GoRaleigh will assign to the successful contractor all current active advertising Contracts, including prepaid Contracts, with an expiration date that has

not expired prior to an agreement between the City of Raleigh (GoRaleigh) and the successful contractor. The successful contractor will be entitled to a negotiated percentage of the remaining value as earned on all prepaid Contracts assumed as of the effective date of an agreement. The revenues earned by the successful contractor from these current active and prepaid Contracts after the agreement date shall be applied to the gross revenue and the calculations of amounts due to GoRaleigh as provided herein.

47. No window or headliner coverage? Answer: Correct
48. Is there any appetite for advertising at transit centers? Answer: No
49. Is the contract between Raleigh and the potential advertiser? Question about the sample contract Answer: this is an example of a sample contract the City had with advertisers.
50. How do current ridership, active fleet, and revenue miles compare to 2019 and 2022? Answer: we are at 90 – 95% per Covid ridership. More revenue miles added annually due to the half-cent sales tax.
51. Is GoRaleigh planning any significant changes to routes, stops, and trip frequency during the contract period? Answer: Growth
52. The RFP mentions the requirement to have the client and art approved three times in a row. It states that GoRaleigh must approve the proof and advertiser while the CITY must authorize the proof. Answer: The City (GoRaleigh) approves all artwork. This takes no longer than 48 hours.
53. Will the Transit Authority provide bus number-level data to produce the reach/frequency report? Answer: Yes, monthly reports such as above can be found on BoardDocs.
54. Whether the vehicles are housed in one garage. Answer: Yes
55. If we are granted storage space or can receive materials shipped to the garage, Answer: No
56. Who is responsible for the cost of reprinting ads damaged in accidents or need to be moved to another bus because of long-term maintenance? Answer: The parties acknowledge that the CITY cleans its buses daily in an automatic bus wash. The parties also acknowledge that buses are involved in traffic accidents that produce damage to their exterior. The CITY is not responsible for the deterioration of or

damage to signs due to bus washing, weather, routine bus maintenance, and/or any accidents which may occur, whether or not the accident was caused by the negligence of the bus driver or a CITY or GoRaleigh employee. The CITY cannot guarantee the condition of the wrap after its application or removal. The City of Raleigh will assist the ADVERTISER in processing its claim against a third party for damage to its vinyl wrap [(Ad Size) bus advertising]. However, it needs to be understood that the ADVERTISER cannot make any claims or recovery against City of Raleigh insurance covering it, GoRaleigh, or any employee of GoRaleigh.

57. "In addition to regular written reports, communication must be made to GoRaleigh through regular meetings to be held on-site at GoRaleigh Operations Facility. The purpose of these meetings will be to review contract performance and revenue results, and future opportunities. "How often are these on-site meetings, and who is expected to attend them? Answer: There should be a monthly check In that could be held virtually.

58. Would GoRaleigh consider an electronic submission method instead of hard copies? Answer:

Proposals must be enclosed in an envelope or package and clearly marked with the name of the submitting company, the RFP number and the RFP Title.

Proposers must submit:

- A. one (1) signed original;
- B. one (1) electronic version of the signed proposal;
- C. five (5) USB drives with final proposal and;
- D. one (1) paper copy of the signed proposal.

59. Please clarify Option 3 in Tab 3 Financial Information; should a proposer choose Option 3, are they still required to also provide consolidated financial statements with the CPA statement? Answer: Yes

60. Could GoRaleigh please provide a sample reach and frequency report, as mentioned in 4. Scope of Services/2. Proposer Requirements/1. Proposer Responsibilities/i. The successful contractor...Answer:

- Advertising on a GoRaleigh bus gives your product or service the ability to travel throughout the City of Raleigh. The population for Raleigh, North Carolina is over 460,000.
- Your ads are not only seen by the 21,000 passenger boardings daily on GoRaleigh, but also by the tens of thousands of residents and visitors who see GoRaleigh buses in their everyday lives.
- A GoRaleigh bus generates 19,900 to 21,700 daily impressions, 139,300 to 151,900 weekly impressions, and 557,200 to 607,600 monthly impressions.

- At an average speed of 10.5mph, it will take a GoRaleigh bus approximately 2.7 days to circulate through the entire system, generating an estimated 54,100 to 58,700 marketing impressions. X GoRaleigh buses drive through major employment areas, downtown shopping districts, suburban malls, shopping centers, housing developments, university campuses and apartment complexes, reaching a diverse population.
- GoRaleigh buses rotate throughout all GoRaleigh routes. This ensures widespread exposure of your message to all areas of the city. *Ads cannot be targeted to a specific route.

61. There seems to be contradictory language in 3. Share of Revenue/Minimum Guarantee; could GoRaleigh please clarify if they are expecting to receive BOTH minimum annual guarantee and revenue share payments each month? Answer: Both

62. Related, as mentioned in section 5. Method Payment of City of Raleigh (GoRaleigh); would the City consider revenue share settlement on an annual basis, which is in line with industry standards, as opposed to monthly payments? Answer: No

Andrea Epstein
Title: Community Relations Manager

Sign below and return this addendum with your submittal response.

Proposer Name & Company: _____ **Date:** _____

Signature: _____ **Title:** _____