COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

GAIL FARBER, Director

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IN REPLY PLEASE
REFER TO FILE: AS-0

March 3, 2009

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

REJECTION OF ALL PROPOSALS RECEIVED FOR ADVERTISING BUS STOP SHELTERS AND AMENITIES PROGRAM (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

SUBJECT

This action is to reject all proposals received for the Advertising Bus Stop Shelters and Amenities Program.

IT IS RECOMMENDED THAT YOUR BOARD:

Reject all proposals received on October 6, 2008, for the Advertising Bus Stop Shelters and Amenities Program, and authorize the Department of Public Works to refund all bid guaranties.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to enable the Department of Public Works (Public Works) to pursue a replacement contract for the Advertising Bus Stop Shelters and Amenities Program at a future time when more favorable economic conditions prevail in the advertising business to support the program. In the interim, Clear Channel Outdoor, Inc. (Clear Channel), is able to maintain the existing advertising bus stop shelters and generate revenue in accordance with the terms of their current contract (Agreement No. 63885) through March 10, 2011.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Service Excellence (Goal 1), Fiscal Responsibility (Goal 4), and Community Services (Goal 6). The recommended action will allow Public Works to continue providing services that support these goals.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On May 1, 2008, Public Works issued a Request for Proposals (RFP) and received one proposal. The proposal was disqualified due to nonresponsiveness. On August 12, 2008, Agenda Item 31, your Board approved amending the existing agreement with Clear Channel to extend the contract terms on a month-to-month basis for 30 months from September 11, 2008, to March 10, 2011, in order to enable a smooth transition if a new contractor was selected.

On August 12, 2008, Public Works solicited proposals from 92 independent contractors and community business enterprises for the program. Also, a notice of the RFP was placed on the County's bid website (Attachment), and an advertisement was placed in the *Los Angeles Times*.

On October 6, 2008, one proposal was received from Clear Channel. Public Works staff evaluated the proposal and determined that it was responsive and that the proposer was responsible. However, on November 18, 2008, Clear Channel indicated that they were unable to carry out the terms of their proposal but would be able to continue performing the services under the current contract.

The Advertising Bus Stop Shelters and Amenities Program requires a significant capital investment to be made by the licensee, which is paid for by advertising revenue. The current state of the economy has negatively impacted the amount of advertising revenue generated. The RFP provides for the rejection of all proposals if such action is in the best interest of the County. Public Works has determined that it is in the best interest of the County to not award a contract at this time, to reject the proposal, and to maintain services under the current contract. Clear Channel will continue to share advertising revenue with the County until March 10, 2011, in accordance with the current contract (Agreement No. 63885).

Public Works will pursue a replacement contract for this service at a future time.

ENVIRONMENTAL DOCUMENTATION

In accordance with Section 15378(b)(4) of the California Environmental Quality Act (CEQA) Guidelines, approval of the recommended action does not constitute a project hence, is not subject to the requirements of CEQA.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no impact on current services. Clear Channel will continue to maintain the existing advertising bus stop shelters.

CONCLUSION

Please return an adopted copy of this letter to the Department of Public Works, Administrative Services Division.

Respectfully submitted,

Patrick V. DeChellis

GAIL FARBER
Director of Public Works

GF:GZ:cg

Attachment

c: Chief Executive Office (Lari Sheehan)
County Counsel

ATTACHMENT

Bid Detail Information

Bid Number : PW-ASD 732
Bid Title : Advertising Bus Stop Shelters and Amenities Program
Bid Type : Service
Department : Public Works
Commodity : SIGNAGE, ADVERTISING TYPE (INTERIOR AND EXTERIOR) - TRANSIT BUS
Open Date : 8/13/2008
Closing Date : 8/26/2008 9:00 AM
Bid Amount : $ N/A
Bid Download : Not Available
Bid Description : PLEASE TAKE NOTICE that Public Works requests proposals for the contract for Advertising Bus Stop Shelters and Amenities Program (2008-044),
a 15-year License Agreement with one 5-year renewal option, for the installation, maintenance, and operation of a minimum of 400 advertising bus stop shelters, additional bus stop amenities, and the display of advertising. The Request for Proposals (RFP) with contract specifications, forms, and instructions for preparing and submitting proposals may be accessed at http://dpw.lacounty.gov/asd/contracts or may be requested from Mr. Benjamin Sandoval at (626) 458 7334, Monday through Thursday, 7 a.m. to 5 p.m.

Minimum Requirement(s): Proposers must meet all minimum requirements set forth in the RFP document, including, but not limited to, Proposer or its managing employee must have at least five years of experience in providing advertising at bus stop shelters. Proposer, its managing employee, and/or subcontractor must have at least five years of experience in installing and maintaining bus stop shelters and amenities. Proposer, its employee, and/or subcontractor must have an active California Class A or B or C61 (D34) contractor's license and an active Waste Collector Permit issued by the County Department of Public Health at the time of proposal submission.

A Proposers' Conference will be held on Tuesday, August 26, 2008, at 9:00 a.m. at Public Works Headquarters, 900 South Fremont Avenue, Alhambra, California 91803, in Conference Room D. ATTENDANCE BY THE PROPOSER OR AN AUTHORIZED REPRESENTATIVE AT THE CONFERENCE IS MANDATORY. Public Works will reject proposals from those whose attendance at the conference cannot be verified. Attendees should be prepared to ask questions at that time about the specifications, proposal requirements, and contract terms. After the conference, it may be impossible to respond to further requests for information.

The deadline to submit proposals is Monday, October 6, 2008, at 5:30 p.m. Please direct your questions to Mr. Sandoval at the number above.

Contact Name : Benjamin Sandoval
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Contact Email : bsandoval@dpw.lacounty.gov
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