



# City of Fountain Valley

Electronic submittal of Request for Proposal

RFP 21-024

## THE USE OF CITY-OWNED REAL PROPERTY TO DEVELOP, CONSTRUCT, OPERATE AND MAINTAIN ELECTRONIC MESSAGE CENTER BILLBOARD SIGNS

**Questions Deadline:**

4:00 p.m., PST, Wednesday, November 10, 2021

**Pre-Bid Meeting (Mandatory)**

10:00 a.m. PST, Wednesday, October 27, 2021  
Meet/Start at – 10955 Ellis Avenue, Fountain Valley, CA 92708

**Proposals Due Date:**

4:00 p.m., PST, Tuesday, November 30, 2021

**City Contact:**

Amanda McCall, Mgmt. Analyst / Purchasing Officer  
email: [purchasing@fountainvalley.org](mailto:purchasing@fountainvalley.org)  
Phone No. (714) 593-4413

CITY OF FOUNTAIN VALLEY'S ELECTRONIC BIDDING SITE, [PLANETBIDS](#)

**\*Read Upload Instructions\***  
**for important information on the best time to upload proposals**

(Issued October 15, 2021)

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**City of Fountain Valley Request for Proposal for  
the Use of City-Owned Real Property to Develop, Construct, Operate and Maintain  
Electronic Message Billboard Sign**

**SUMMARY**

The City of Fountain Valley is seeking submittals from qualified individuals, companies and/or entities (firms) to develop, construct and operate Electronic Message Center Billboard Signs (hereafter “EMCs” or “digital signs”) on city-owned real property located along state highways as a method to generate revenue.

The proposals submitted in response to this RFP must conform to the terms, conditions and specifications described hereafter. The City may approve an EMC at the City’s reservoir, 10955 Ellis Avenue, or no sign.

Proposals, prepared according to the following detailed instructions, must be received via PlanetBids no later than **4:00 p.m. Tuesday, November 30, 2021 Pacific Standard Time.** The City of Fountain Valley assumes no obligations of any kind for expenses incurred by any respondent to this solicitation.

It is the City of Fountain Valley’s policy to assure nondiscrimination in any contract entered into pursuant to this advertisement. Firms will not be discriminated against on the grounds of race, color, national origin, sex, or other protected class in consideration for an award as provided by Title VI of the Civil Rights Act of 1964.

The City of Fountain Valley is soliciting proposals for the use of city-owned real property to develop, construct, operate and maintain an EMC.

## **I. SUMMARY**

As part of the City's plan to attain fiscal sustainability, the City is exploring an EMC as a method to generate revenue. The EMC sign will generate new revenue for the City, promote the City's community events, and stimulate economic investment by attracting and supporting the local business community.

The city-owned real property at 10955 Ellis Avenue has an approved FEIR (approved in 2015) for a prior version of an EMC, which included Findings of Fact and Statement of Overriding Consideration and the Mitigation Monitoring Program. It is also within Caltrans non-landscape area and located along the 405 Freeway. The City is looking to establish an agreement with a qualified firm to construct and operate an EMC for fifteen (15) years with an option for three (3), five (5)-year extensions at the City's sole and absolute discretion.

## **II. ABOUT THE CITY**

### Background Information

The City of Fountain Valley was incorporated in 1957 and currently has over 55,000 residents that call Fountain Valley "A Nice Place to Live" and over 5,000 businesses call the City "A Nice Place to do Business." Since its incorporation, Fountain Valley has established itself both locally and nationally as a forward-looking community dedicated to improving the quality of life for its citizens. The City's General Fund is the primary operating fund of the City and supports fundamental services including Police, Fire, Building and Planning, Community Services and general administration. The proposed budget for FY 2021/22 for the General Fund is \$58 million in operating expenses and \$63.5 million in operating revenue, with an additional \$9.1 million for one-time capital projects. City Council continues to seek opportunities for new revenue to offset the ongoing rise in costs and ensure long-term fiscal sustainability.

## **III. PROJECT DESCRIPTION**

The City of Fountain Valley (hereinafter referred to as "City") is requesting submittals from qualified individuals, companies and/or entities (firms) to develop, construct and operate a two-sided EMC on city-owned real property located along the 405-Freeway as a method to generate revenue. The selected proposer will be solely responsible for all costs arising from planning, permitting, installing, operating, and maintaining the EMC.

## **IV. GENERAL SCOPE OF WORK**

The City of Fountain Valley seeks proposals from qualified individuals, companies and/or entities (firms) to:

- Develop, construct, operate and maintain an EMC on City-owned real property located along the 405 Freeway. The EMC must include the following:
  1. Remote diagnostic and maintenance capability
  2. "Amber Alert" capability

3. Automatic brightness adjustment to ambient lighting conditions
  4. UL and IEC approved
  5. Color calibration to ensure consistent image quality
  6. Remote shutdown capability
  7. Two-sided digital display area each measuring 14' X 48' within the billboard frame
  8. Top maximum of 65 feet tall with the supporting pole approximately six (6) feet in diameter and shrouded in a metal decorative cladding.
  9. Footing will be approximately 10'X10' and between 25 and 45 feet deep, depending on soil conditions.
- The proposals submitted in response to this RFP must conform to the terms, conditions and specifications described hereafter.
  - After receipt of responses to the RFP, review thereof, and selection of a firm as the owner/operator of the EMC, the City will negotiate and prepare an agreement with the proposed operator for the development, construction, operation and maintenance of the EMC on City property. Thereafter, the agreement will be presented to the Fountain Valley City Council for final approval.

Furthermore, the RFP is put forth with the following understanding:

- The proposal should clearly identify the City site, provide a description of the proposed construction and maintenance of the EMC, including any internal services access for safety and upgrades during the term of the agreement. The developer shall be solely responsible and shall bear all costs for the construction and installation of the EMC including any incidental modifications to existing City Facilities. The developer shall also be solely responsible for providing and paying for all preventative and ongoing maintenance of the EMC.
- The development, construction, operation and maintenance of the EMC proposed by the firm must identify requirements related to and in compliance with the California Environmental Quality Act (CEQA) as a condition to the approval of the agreement, which shall be at the sole cost and expense of the firm. In addition, the development, construction, operation and maintenance of the EMC must comply with all other applicable regulatory approvals (e.g. California Department of Transportation), which shall also be at the sole cost and expense of the firm.
- The operation of the EMC must provide direct revenue to the City and promote City sponsored events, support the local business community, disseminate public safety, and traffic messages (e.g. Amber Alerts) at no cost to the City.

*Proposals Must Include the Following :*

- a. Proposals must be based on a lease term of 15 years, with the option of 3 extensions of five years each, at City's sole and absolute discretion. City will provide amortization refunds as discussed below in the event City does not exercise any of its three options to extend.

- b. The proposed compensation to the City (e.g. upfront payments, annual payments, type of payment, percentage of gross revenue, including any definitions, other considerations).
- c. Type of advertising desired (e.g. digital) and advertising rates.
- d. Criteria for promoting community events, local businesses, disseminating public safety and traffic related messages.
- e. Successful Proposer(s) will be required to obtain insurance as specified in the sample lease attached hereto.

#### Amortization Refund

In the event City does not allow developer to operate for the 30-year period composed of the base term plus three extensions, City will provide an amortization refund based on the Direct Cost of construction of the billboard. Direct Cost means the amount actually paid by the firm for reasonable and necessary costs of planning, permitting, environmental review, and construction. Direct Cost does not include preparation of the firm's proposal, overhead, including home office overhead, interest, lost profits, lost bonding capacity, or "Eichleay" damages. The successful proposing firm (if any) must submit an estimate of Direct Costs to City for approval prior to beginning construction. Firm must submit a final list of Direct Costs to City prior to operating its digital displays. In the event City does not exercise its first option to extend, City will refund to the firm 40% of the approved Direct Costs. In the event City exercises its first option to extend but does not exercise its second, City will refund the firm 30% of approved Direct Costs. In the event City exercises the first two options but not the third, City will refund to the firm 20% of approved Direct Costs.

- The selected firm should have significant experience and a verifiable track record of accomplishment. Innovative proposals that maximize the return to the City are encouraged.
- A project development cost spreadsheet, which shall include specific line items costs (such as soft costs, hard costs, financing costs, contingency costs, etc.) in sufficient detail, a schedule as to when said costs are anticipated to occur, the development assumptions together with the rationale associated therewith, and the anticipated or project payments to the City. This development cost spreadsheet must be submitted in addition to the list of Direct Costs discussed above or may be submitted as one document.
- Proposals must allow the City or other designated authorities to preempt digital advertisements with emergency alerts or information at no cost.
- Proposal must include a description of any litigation against the proposing firm in any way associated with the development, construction or operation of a digital sign(s). If applicable, please provide the case name and number, the venue of the case, and the outcome.
- All City-owned property shall be offered in "as is" and "where is" condition, and the City does not make any representations and/or warranties as to the suitability of

any City-owned property for any proposed EMC. Each firm must attend a mandatory pre-bid meeting and perform its own feasibility analysis of any particular City site and the requisite regulatory approvals associated therewith for the use of said City site for an EMC.

- The firm will be required to defend, indemnify and hold the City harmless as shown in the attached sample lease.
- Proposals must include a development schedule, including timeframes required for obtaining permits, modifying restricted areas, and completing construction. Proposals must also specify the targeted date for when the City will begin receiving lease revenue.

#### V. **Pre-Bid Meeting**

The City has elected to schedule a **mandatory** pre-bid meeting for this project. This mandatory meeting is scheduled for **Wednesday, October 27, 2021, at 10:00 am sharp** at 10955 Ellis Avenue, Fountain Valley, CA 92708. All whom wish to propose on the project must attend the mandatory pre-bid meeting. The meeting will provide an opportunity for City staff to, per the advertised plans and specifications, describe the project and answer any questions. To attend please RSVP in Planetbids by end of day October 26, 2021.

#### VI. **PROPOSAL REQUIREMENTS**

##### A. **General Requirements**

Inquiries/Questions concerning this request for proposal should be made before 4:00 p.m., PST, on Wednesday, November 10, 2021.

If the Proposer is in doubt as to the meaning or finds discrepancies and/or omissions from any part of the RFP and Agreement Documents, the Proposer must submit a written request for clarification via PlanetBids.

All questions regarding this project shall be submitted electronically in PlanetBids up to the Question and Answer (QA) deadline. All project correspondence will be posted in PlanetBids. It is the responsibility of the Proposers to check the website regularly for information updates, clarifications, and addenda. At the City's discretion, Proposers requests for clarifications may or may not be responded to.

All revisions of the RFP by the City will be made in writing and will be posted on PlanetBids in accordance with the procurement schedule. Proposers shall electronically acknowledge receipt of all addenda at time of submittal and all addenda so issued shall become part of the RFP and the effects of all Addenda shall be considered in the proposal.

##### B. **Submission of Proposals**

Proposals must be received no later than **4:00 p.m., PST, Tuesday, November 30, 2021.**

Proposals shall be received in electronic format EXCLUSIVELY at the City of Fountain Valley's electronic bidding (ebidding) site, at: <https://pbsystem.planetbids.com/portal/25002/portal-home> and are due by the date, and time shown on this solicitation. See "upload instructions" document for details. Files are to be uploaded accordingly:

- Response File: Upload proposal separately from proposed financial (revenue) information.
- General Attachments: If City request forms, upload under specified file as shown on PlanetBids.
- Cost File (Compensation): In Lieu of the Cost submit the Compensation proposal to be uploaded electronically as a separate file and not attached to the response file.

The following instructions describe the form in which proposals must be presented. Proposal documents must be prepared simply, economically, and provide a straightforward, concise response to the requirements of the RFP. Completeness and clarity of content must be emphasized. The requirements stated do not preclude proposers from furnishing additional reports, functions, and costs as deemed appropriate.

### **C. Proposal Content Format**

Should contain no more than thirty (30) pages, including exhibits and resumes, single-sided, single column, portrait layout, 1" side margins and 1/2" top and bottom margins, font size no less than 12 pt., and single or double spaced.

- RFP Addenda. Proposers shall check the website for addenda prior to proposing and shall be required to electronically acknowledge receipt of all addenda at time of proposal submittal.

#### **1. Transmittal Letter**

The proposal transmittal letter shall be addressed to the Purchasing Officer for the City of Fountain Valley and shall contain the following:

- Name of individual, partnership, company, or corporation submitting proposal.
- Statement that indicates an understanding of the scope of work as presented in this specification and confirmation that all terms and conditions of the RFP are understood and acknowledged by the undersigned.
- Team organization including an organization diagram and time commitment shall be submitted showing all key team members and illustrating the relationship between the City, the manager, and key staff.
- Signature(s) of representative(s) legally authorized to bind the proposer.

#### **2. Company Experience**

- Provide a description of your company's experiences in performing similar work, addressing the elements listed above.

- Provide company's experience with a description of at least three (3) similar projects completed by the individuals, companies, and/or teams that comprise the firm, which clearly demonstrates the requisite expertise in the development, construction and operation of digital sign(s).
- Provide company's or sub-consultants' experience using relevant modeling programs in performing similar work.

### **3. Key Personnel/Past Performance**

- Identify and describe the relevant experience and qualifications of the pertinent individuals who would serve as key personnel for various City of Fountain Valley projects.
- Identify other staff members and/or sub-consultants that would contribute to the project, and their relevant experience.
- Identify availability of key personnel to work on each task described in "General Scope of Work".
- If sub-consultants are used, names of sub-consultants' key personnel for the project, their professional experience, qualifications, and training which are applicable to this project, and the scope of services that will be provided by each sub-consultant. Sub-consultants would include firms and/ or individuals responsible for design or construction of the EMC(s).
- Any changes to personnel assigned to this project shall be made in writing to City. City reserves the right to reject any proposal with modified personnel.
- The office location from which the consultant(s) shall operate.

### **4. Approach and Schedule**

- Discuss your company's ability to provide desired services, addressing the elements listed under "General Scope of Work".
- Describe how your company would ensure City requests are completed in a timely manner.
- Proposals should specify types of advertising material permitted and prohibited, types of advertising desired (e.g. digital) as well as current advertising rates.
- Clearly state the criteria for promoting community events, local businesses, disseminating public safety and traffic related messages.

### **5. References**

- Provide descriptions and references for three (3) comparable projects that your company has previously performed, with a minimum of one (1) reference in Southern California. Include a description of similar projects completed by the individuals, companies, and/or teams that comprise the firm, which clearly demonstrates the requisite expertise in the development, construction and operation of digital sign(s). Include contact names, company/agency and telephone numbers for each.
- Identify key personnel listed on this proposal who have worked on the reference projects.

**6. Revenue**

- Please discuss in detail the revenue to be provided to City, including the potential net revenue generated by the digital billboard; the expected monthly and yearly revenue and the percentage of monthly gross revenue that will be provided to the City; and the City’s potential short-term revenue and potential long-term revenue over the course of the contract. Please specify the City’s expected guaranteed minimum amount of revenue per year.
- Please discuss any one-time revenues to be paid to the City, if applicable.

**VII. GENERAL REQUIREMENTS**

**A. DISCLAIMER**

This RFP does not commit the City to award a contract, or to pay any costs incurred in the preparation of the proposal. The City reserves the right to extend the due date for the proposal, to accept or reject any or all proposals received as a result of this request, to negotiate with any qualified Contractor, or to cancel this RFP in part or in its entirety. The City may require the selected Contractor to participate in negotiations and to submit such technical, fee, or other revisions of their proposals as may result from Negotiations.

**VIII. TENTATIVE SCHEDULE OF EVENTS**

The following is the Schedule of events that the City plans to follow in conducting this solicitation:

<b>Event</b>	<b>Tentative Date</b>
Issuance of RFP	Thursday, October 21, 2021
<b>Mandatory</b> Pre-Bid Meeting (RSVP)	Wednesday, October 27, 2021
Clarification Questions Due by	Wednesday, November 10, 2021
Due Date for Proposals	Tuesday, November 30, 2021
Interviews of Finalists, <i>if applicable</i>	Week of December 6, 2021
Tentative Selection and City Council Award	January 2022
Begin Project - Tentatively	Friday, April 1, 2022

**IX. PROPOSAL EVALUATION, INTERVIEWS AND AWARD PROCESS**

**A. Evaluation Criteria**

Award will be based upon the amount of revenue to the City and overall proposed scope of work on City property.

- i. Compensation to City is the most heavily weighted factor in City's review and decision to award a lease. Compensation review will include such factors as reasonableness of revenue; competitiveness with other offers received; adequacy of data in support of figures quoted. Compensation proposed should consider the entire term of the agreement and include market-based adjustments either annually, or as needed to ensure the City's revenue increases with the market and/or inflation. The proposed compensation to the City, e.g. upfront payments, annual payments, type of payment (percentage of gross revenue, including any definitions, other considerations) should be clearly identified.
- ii. Scope of work: to meet the requirements of the specified City Objectives described in the RFP.

## **B. Interviews**

If interviews are needed, a few days' notice will be sent via email to the proposer. An interview may not be required or needed to award a contract.

## **C. Evaluation Procedure**

An evaluation committee will be appointed to review all proposals received for this RFP. The committee is chaired by the Purchasing Officer, comprised of City staff and may include outside personnel. The committee members will evaluate the written proposals using the evaluation criteria identified. A list of top ranked proposals, firms within a competitive range, will be developed based upon the totals of each committee members' score for each proposal. During the evaluation period, the City may interview some or all of the proposing firms. The City has established **the week of December 6, 2021** as the date(s) to conduct interviews. All prospective Proposers are asked to keep these dates available. No other interview dates will be provided, therefore, if a Proposer is unable to attend the interview on the selected date(s), its proposal may be eliminated from further discussion. The interview may consist of a short presentation by the Proposer after which the evaluation committee will ask questions related to the firm's proposal and qualifications. At the conclusion of this interview process, the evaluation committee will provide a recommendation for award and the proposer being recommended will receive a notice of intent to award pending successful negotiations and contract preparation. Upon successful completion of this process, a recommendation will be made to the City Council, based on the agreement, for their review and consent and unsuccessful firms will be notified.

## **D. Notification of Awards**

The successful proposer, if one is chosen, will be required to execute a Contract agreement, **See "Draft Lease"**, with the City, which is subject to formal approval by the Fountain Valley City Council. The proposer will also be required to obtain a building permit, all other necessary government permits, and purchase a City Business License annually during the duration of the contract. The successful proposer must also provide proof of insurance as required by the Draft Lease attached hereto.

## **ATTACHMENTS**

1. Location Map (Exhibit 1)
2. Draft Lease Agreement