

PROCUREMENT SUMMARY

**METRO SYSTEM ADVERTISING - LICENSE TO SELL AND DISPLAY
ADVERTISING ON METRO BUS AND RAIL SYSTEMS/PS41099B and PS41099R**

1.	Contract Numbers: PS41099B & PS41099R	
2.	Recommended Vendors: A. Outfront Media Group, LLC. B. Intersection Parent, Inc.	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: April 27, 2017	
	B. Advertised/Publicized: April 20, 2017	
	C. Pre-Proposal Conference: May 11, 2017	
	D. Proposals Due: August 14, 2017	
	E. Pre-Qualification Completed: September 7, 2017	
	F. Conflict of Interest Form Submitted to Ethics: September 25, 2017	
	G. Protest Period End Date: November 20, 2017	
5.	Solicitations Picked up/Downloaded: 47	Bids/Proposals Received: 2
6.	Contract Administrator: James A. Nolan	Telephone Number: 213-922-7312
7.	Project Manager: Lan-Chi Lam	Telephone Number: 213-922-2349

A. Procurement Background

This Board Action is to approve ten-year Contracts Nos. PS41099B and PS41099R issued to provide a License to Sell and Display Advertising on Metro Bus and Rail Systems. The goal in the selection of firms was to maximize the value of the total revenue to Metro while ensuring compliance with Metro's advertising standards. Board approval of contract awards are subject to resolution of any properly submitted protest(s).

The Request for Proposals (RFP) was issued on April 27, 2017 as a competitive solicitation, in accordance with Metro's Acquisition Policy and the contract types are License Agreement Services Contract with Fixed Revenue Share Percentage with Minimum Annual Guarantee.

A Pre-Proposal Conference was held on May 11, 2017 with 16 attendees representing eight companies.

Four amendments were issued during the solicitation phase of this RFP;

- Amendment No. 1 issued May 31, 2017, extended the due date to July 12, 2017 and directed that all RFP questions/clarification requests be received by July 9, 2017.
- Amendment No. 2 issued July 5, 2017, extended the due date to July 31, 2017.

- Amendment No. 3 issued July 24, 2017, extended the due date to August 7, 2017 and provided revised RFP documents. Also provided Non-disclosure agreement for access to additional station diagrams.
- Amendment No. 4 was issued July 31, 2017 to extend the due date to August 14, 2017, and provided revised RFP documents and pricing forms.

Two proposals were received on August 14, 2017, as follows in alphabetical order:

1. Intersection Parent, Inc.
2. Outfront Media Group, LLC

Both proposals were deemed responsible and responsive to the requirements of the RFP.

B. Evaluation of Proposals

This solicitation was conducted in accordance, and complies with, Metro's Acquisition Policy for a competitive negotiated procurement as well as with Metro's revised Board approved System Advertising Policy. A Proposal Evaluation Team (PET) consisting of staff from Metro Marketing, Signage and Wayfinding, Systemwide Planning, Finance and Operations Department was convened and conducted a comprehensive technical evaluation of the proposals received. The proposals were first evaluated according to minimum qualifications required by the RFP.

The proposals were then evaluated based on the following evaluation criteria and weights:

- | | |
|----------------------------------|------------|
| • Revenue | 35 percent |
| • Qualifications of Firm | 30 percent |
| • Business Plan and Case Studies | 35 percent |

The evaluation criteria are appropriate and consistent with criteria developed for other, similar revenue procurements.

During the week(s) of August 17, through October 30, 2017 the PET met and evaluated the firms in accordance with the applicable evaluation criteria. The PET's recommendation is to award two contracts, one for bus and one for rail, to the highest rated firm(s) in each respective category as this method has been successful in the past and allows flexibility to award to the proposer best qualified in each distinct area.

The recommended firms are listed below:

Bus Advertising PS41099B
Outfront Media, LLC

Rail Advertising PS41099R
Intersection Parent, Inc.

1	BUS SYSTEM ADVERTISING	Average Score	Factor Weight	Weighted Average Score	Rank
2	Firm #1 Outfront Media, LLC				
3	Revenue	90.40	35.00%	31.64	
4	Qualifications of Firm	92.53	30.00%	27.76	
5	Business Plan and Case Studies	54.51	35.00%	19.08	
6	Total		100.00%	78.48	1
7	Firm # 2 Intersection Parent, Inc.				
8	Revenue	79.37	35.00%	27.78	
9	Qualifications of Firm	85.80	30.00%	25.74	
10	Business Plan and Case Studies	68.11	35.00%	23.84	
11	Total		100.00%	77.36	2

1	RAIL SYSTEM ADVERTISING	Average Score	Factor Weight	Weighted Average Score	Rank
2	Firm #1 Intersection Parent, Inc.				
3	Revenue	77.37	35.00%	27.08	
4	Qualifications of Firm	86.80	30.00%	26.04	
5	Business Plan and Case Studies	84.29	35.00%	29.50	
6	Total		100.00%	82.62	1
7	Firm # 2 Outfront Media, LLC				
8	Revenue	86.51	35.00%	30.28	
9	Qualifications of Firm	85.53	30.00%	25.66	
10	Business Plan and Case Studies	53.94	35.00%	18.88	
11	Total		100.00%	74.82	2

C. Revenue Fairness Analysis

The recommended Revenue Share/Minimum Annual Guarantee (MAG) has been determined to be fair and reasonable based upon adequate competition and in comparison with Metro's Revenue Estimates. Additionally, at the end of each year,

each firm shall pay to Metro the amount, if any, by which the revenue share for each contract year exceeds the MAG paid to Metro for that contract year.

D. Background on Recommended Contractor(s)

Intersection Parent, Inc., (Intersection) formerly Titan, located in New York City, NY, was established in 2016. Intersection employs over 600 people in ten offices around the United States. Intersection has provided advertising revenue services to SEPTA, DART, NJ Transit, NYMTA, BART and Chicago Transit Authority, among others.

Outfront Media Group, LLC (Outfront)

Outfront Media Group was established in 1968, and is located in New York City, NY. Outfront employs 2,181 people. In addition to Metro, Outfront provides similar services to NYMTA, Boston's MBTA, Washington DC's WMATA, Atlanta's MARTA, Miami-Dade Transit, Detroit, MI DOT, OCTA, and Long Beach Transit, as well as other agencies.