



Board Report

File #: 2020-0211, File Type: Contract

Agenda Number: 6.

PLANNING AND PROGRAMMING COMMITTEE APRIL 15, 2020

SUBJECT: EXTENSION TO REVENUE CONTRACT NO. PS097140250

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to approve the extension to revenue contract with All Vision, LLC, No. PS097140250 for an additional two years and three one-year options.

ISSUE

Metro has an existing contract with All Vision to provide strategic advisory services for outdoor advertising on Metro property. The contract will terminate on June 30, 2020 if Metro does not approve a work plan and budget for All Vision. Metro staff would like to further analyze options and therefore seeks a contract extension to allow more time to develop a thorough and well-vetted work plan and budget.

BACKGROUND

In June 2017, Metro staff executed a Board-authorized Amended and Restated Contract providing that, among other things, Metro staff would approve a work plan and budget for development of outdoor advertising on Metro property before June 30, 2020. All Vision would then have an additional three years to manage implementation, entitlement, construction and commencement and operations of outdoor advertising.

DISCUSSION

Real Estate, ITS, Communications and All Vision have been collaborating on the concept of a Metro Transportation Communication Network (TCN) that would create a connected communication system, using outdoor advertising infrastructure on Metro property. Among other things, the TCN is potentially capable of:

- a. Collecting live video and security feeds,
- b. Gathering vehicle location information,
- c. Obtaining traffic and event-related congestion data,
- d. Providing emergency messaging,

- e. Communicating transportation-related messages, and
- f. Providing 5G edge-computing communication relay points.

Although there is a revenue generating aspect of outdoor advertising, Metro staff want to ensure a full exploration of all the other benefits that can be achieved for our transportation system.

Due to the complexity of this program, many stakeholders must be engaged, the environmental process must be determined, and the program thoroughly defined and vetted to ensure success. That effort has been proceeding forward with good progress. However, given the dependencies on other stakeholders and the need to further define the TCN, Metro will not be able to approve a work plan and budget prior to June 30, 2020.

The extended agreement involves no out-of-pocket cost by Metro as it is revenue generating. All Vision has demonstrated a strong commitment to the TCN by investing substantial time and resources toward moving the program forward.

The proposed extension of the contract is for an additional two years (through June 30, 2022) and an additional three one-year options to obtain the approvals needed for a workplan and budget.

Equity Platform

The TCN network will benefit all users of the Metro system and enable better communication throughout all of Los Angeles County.

DETERMINATION OF SAFETY IMPACT

The extension will have no impact on the safety standards of Metro.

FINANCIAL IMPACT

This is a revenue services contract. The purpose of extending the contract is to analyze the financial and non-financial risks and benefits that could result from this program. Staff will return to the Board with a proposed financial plan prior to proceeding with any implementation. The three digital boards in Long Beach, Downey and Carson have generated approximately \$250,000/year in new general fund revenue through December 31, 2019.

Impact to Budget

There is no impact to the budget.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The TCN will yield enhanced communication and support.

Goal 1: High quality mobility options for all - This will allow better communications on availability of services.

Goal 3: Enhancing communities and lives - The pylons will serve as LG 5 WIFI antennae sites.

ALTERNATIVES CONSIDERED

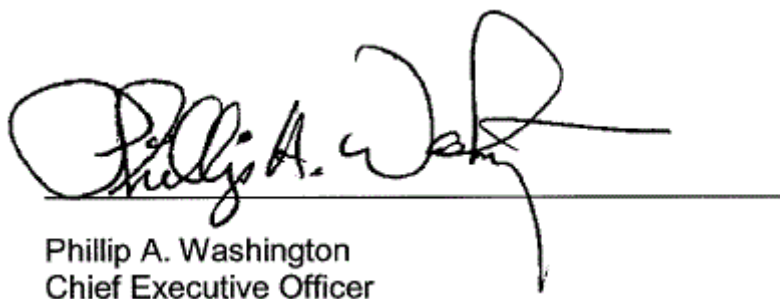
The Board could choose not to extend the contract. This is not recommended because All Vision and Metro staff have expended a considerable amount of time on developing a potential TCN. Not approving this extension would set the program back significantly. If the decision to perform additional analysis on a potential TCN hadn't been made, the milestone would have been met and the contract would have proceeded forward.

NEXT STEPS

If approved, Metro Real Estate will work with All Vision to develop a workplan and budget that will come back to the Board for approval prior to proceeding.

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