

52627

**TO:** Board of Acquisition and Contract

**FROM:** Thomas J. Lauro, P.E.  
Acting Commissioner of Public Works and Transportation

**DATE:** August 23, 2016

**RE:** Authority to enter into a license agreement with HFT Management, Inc. d/b/a Gateway Outdoor Advertising for advertising on designated County of Westchester's Transit Vehicles for a five (5) year term commencing January 1, 2017 through December 31, 2021 with a County option to renew for an additional five (5) year period. (Agreement No. DOTOP11-16)

---

In July, 2016, the County of Westchester (the "County"), acting by and through the Department of Public Works and Transportation ("WCDPW&T") issued a Request for Proposals ("RFP") seeking a vendor to develop and implement a marketing and management program for advertising on the Bee-Line Bus System. The RFP was sent to ten (10) potential proposers, posted on the County's "Doing Business with the County" webpage, as well as advertised on lohud.com and in a Spanish publication, *El Aquila*. The due date for proposals was August 16, 2016. Despite these efforts, the County received only one (1) proposal in response to the RFP.

Following a review of the proposal with reference to the evaluation criteria contained in the RFP, and despite having received only one (1) proposal, it is recommended that awarding the contract to HFT Management, Inc. d/b/a Gateway Outdoor Advertising ("HFT") would be in the best interests of the County. Most notably, the license fee offered by HFT to the County is significantly higher than that offered by the current licensee. Moreover, the list of clients/advertisers that HFT has in other markets will engender a positive image for the County. Furthermore, HFT's market plan most clearly identifies a commitment to creating a successful sales program. Finally, all of the references listed in HFT's proposal expressed satisfaction with HFT's handling of their transit advertising.

Authorization is therefore requested for the County to enter into a license agreement with HFT to develop and implement their marketing and management program for advertising on the Bee-Line Bus System, both the interior and exterior, for an initial five (5) term commencing January 1, 2017 and terminating December 31, 2021 with a County option to renew the agreement for one additional five (5) year period upon the same terms and conditions and subject to the further approval of your Honorable Board. In consideration for the grant of license, HFT will pay the County an aggregate license fee of Five Million Four Hundred Thousand (\$5,400,000.00) Dollars over the initial five (5) year term payable pursuant to an approved budget. Should the County choose to renew the agreement with HFT for the option period, HFT has agreed to pay the County an additional aggregate license fee of Six Million Five Hundred Thousand (\$6,500,000.00) Dollars, payable pursuant to an approved budget.

A resolution for your consideration is annexed hereto.

# RESOLUTION

Upon communication from the Acting Commissioner of Public Works and Transportation, be it hereby

**RESOLVED**, that the County of Westchester (the "County") is authorized to enter into a license agreement with HFT Management, Inc. d/b/a Gateway Outdoor Advertising ("HFT") to develop and implement a marketing and management program for advertising on the Bee-Line Bus System, both the interior and exterior; and be it further

**RESOLVED**, that the agreement will have a term of five (5) years commencing January 1, 2017 through December 31, 2021 with the County having the option to renew for an additional five (5) year term, on the same terms and conditions as the initial term, subject to the further approval of the County Board of Acquisition and Contract; and be it further

**RESOLVED**, that in consideration for the grant of license, HFT will pay the County an aggregate license fee of Five Million Four Hundred Thousand (\$5,400,000.00) Dollars over the initial term of the agreement payable pursuant to the approved budget, and, should the County choose to exercise its option to renew the agreement for an additional five (5) years, the license fee paid to the County will be a total aggregate amount of Six Million Five Hundred Thousand (\$6,500,000.00) Dollars, payable pursuant to an approved budget; and be it further

**RESOLVED**, that the County Executive or his authorized designee is hereby authorized and empowered to execute and deliver all instruments and take all actions necessary or appropriate to effectuate the purposes of this Resolution.

Agreement No. DOTOP11-16

Account to be Charged/Credited

Fund	Dept.	Major Program, Program & Phase or Unit	Object/ Sub Object	Trust Account	Dollars
101	44	2100	9289		\$ 925,000.00 Year 2017
101	44	2100	9289		\$1,000,000.00 Year 2018
101	44	2100	9289		\$1,075,000.00 Year 2019
101	44	2100	9289		\$1,150,000.00 Year 2020
101	44	2100	9289		\$1,250,000.00 Year 2021

Budget Funding Year(s): 2017 - 2021 Start Date: January 1, 2017 End Date: December 31, 2021  
 (must match resolution)

Funding Source: Tax Dollars N/A

State Aid N/A

\$5,400,000.00  
 (must match resolution) Federal Aid N/A

Other Revenue