

51525

March 15, 2016

To: Board of Acquisition and Contract

From: Jay T. Pisco, P.E.  
Commissioner of Public Works and Transportation

Adam Rodriquez  
Director of Real Estate

Re: Authority to enter into a license agreement with Signal Outdoor Advertising, LLC  
for the operation and maintenance of Westchester County Bus Shelters  
(License Agreement No. DOTOP05-16)

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The County of Westchester, acting by and through the Westchester County Department of Public Works and Transportation (“WCDPW&T”), issued a Request for Proposals (“RFP”) on February 8, 2016 seeking a vendor to advertise on, operate and maintain all of Westchester County’s Bus Shelters. Ads for the RFP were posted on the County’s website as well as lohud.com and El Aquila. Ten (10) potential proposers were contacted directly. On March 7<sup>th</sup>, the proposal due date, two (2) responses were received. The services requested by the County are fairly specialized in nature in that they involve advertising, construction and maintenance.

The RFP consisted of two (2) options. Option 1 was for the licensee to enter into a five-year license agreement with a County option to renew for an additional five-year period to operate and maintain the Bee-Line transit shelters. Option 2 was for the licensee to enter into a five-year license agreement with a County option to renew for an additional five-year period to operate and maintain the Bee-Line transit shelters and also include the replacing of fifty existing shelters designated by WCDPW&T with new shelters at ten per year, install five new shelters per year, and paint all existing steel shelters in years three and four of the license agreement. Option years shall include all the requirements of the first five-year period.

- WCDPW&T received two proposals and they were: AR James Media, 2 North Main Street Allentown, New Jersey
- Signal Outdoor Advertising, LLC, 200 Mansell Court East, Suite 430, Roswell, Georgia

A selection committee comprised of First Deputy Commissioner Joseph J. Nicoletti, Jr., Naomi Klein and Robert Essick reviewed the proposals.

WCDPW&T thoroughly reviewed both proposals and options and unanimously selected Signal Outdoor Advertising, LLC’s Option 2. Therefore, the selection committee recommends that Signal Outdoor Advertising, LLC be awarded the license. The proposal submitted by Signal Outdoor Advertising, LLC is commercially

reasonable and will provide the County with bus shelter upgrades which are needed as well as provide revenue to the County.

APPROVED BOARD OF ACQUISITION & CONTRACT - 04/14/2016 - LISA MRIJAJ, SECRETARY

The proposed agreement will have a term of five (5) years from July 1, 2016 through June 30, 2021, with the County having the option to renew for an additional five (5) year term. Signal Outdoor Advertising, LLC will sell advertising on the shelters and will pay to the County a license fee of \$700,000.00 in the first year of the agreement. This fee will increase each year by \$25,000.00, resulting in a fee of \$800,000.00 in the fifth year of the agreement. Should the County choose to renew the agreement, the license fee will be \$1,100,000.00 for each year of the five (5) year renewal term. In addition, Signal Outdoor Advertising, LLC will replace fifty (50) existing steel shelters designated by the County at the rate of ten (10) per year and will install twenty five (25) new shelters at the rate of five (5) per year during both the initial contract term and the renewal term. All existing steel shelters shall be painted in the third and fourth year of the agreement. All requirements of the first five (5) years are to be included in the Option years.

As part of the license agreement, Signal Outdoor Advertising, LLC will be required to deposit with the County a performance and payment bond, letter of credit, or the equivalent, in the amount of the contract to be awarded annually in a form acceptable to the Office of the County Attorney. In addition, Signal Outdoor Advertising, LLC will pay the sum of \$25,000.00 to the County to be deposited into a maintenance and security fund to be maintained by the County to assure the proper maintenance of bus shelters.

Signal Outdoor Advertising, LLC will be utilizing MetroClean Express located at 53-01 Vernon Boulevard, Long Island City, New York 11101, as a subcontractor for the renovation, installation and maintenance of the bus shelters. WCDPW&T has investigated and approves MetroClean Express as a subcontractor.

The objective of this agreement is to operate and maintain the County's bus shelters during the term of this license. This agreement is in the public's best interest because it will provide revenue to the County and provide bus shelter upgrades.

Approval of the attached Resolution by your Honorable Board is requested.

# RESOLUTION

Upon a communication from the Commissioner of Public Works and Transportation and the Director of Real Estate, be it hereby

RESOLVED, that the County of Westchester (the "County") is authorized to enter into a license agreement with Signal Outdoor Advertising, LLC ("Signal") for the operation and maintenance of Westchester County Bus Shelters for a term of five (5) years from July 1, 2016 through June 30, 2021 (the "Agreement"), with the County having the option to renew for an additional five (5) year term, at the rates indicated below upon ninety (90) days prior written notice to Signal; and be it further

RESOLVED, that Signal will pay to the County a license fee of \$700,000.00 in the first year of the agreement. This fee will increase each year by \$25,000.00, resulting in a fee of \$800,000.00 in the fifth year of the agreement. In addition, Signal will replace fifty (50) existing steel shelters designated by the County at the rate of ten (10) per year and will install twenty five (25) new shelters at the rate of five (5) per year during the initial contract term. All existing steel shelters will be painted in the third and fourth year of the initial contract term. Should the County choose to renew the Agreement, the license fee will be \$1,100,000.00 for each year of the five (5) year renewal term. In addition, Signal will replace fifty (50) existing steel shelters designated by the County at the rate of ten (10) per year, will install twenty five (25) new shelters at the rate of five (5) per year, as well as paint all existing steel shelters in the third and fourth year of the Agreement during the Option contract term; and be it further

RESOLVED, that the Agreement will require Signal to deposit with the County a performance and payment bond, letter of credit, or the equivalent, in the amount of the contract to be awarded annually in a form acceptable to the Office of the County Attorney. In addition, Signal will pay the sum of \$25,000.00 to the County to be deposited into a maintenance and security fund to be maintained by the County to assure the proper maintenance of bus shelters; and be it further

RESOLVED, that the County is authorized to consent to the use by Signal of MetroClean Express, 53-01 Vernon Boulevard, Long Island City, New York 11101, as a subcontractor for the renovation, installation and maintenance of the bus shelters; and be it further

RESOLVED, that the County Executive or his authorized designee is hereby authorized to execute all instruments necessary to implement this Resolution.

License Agreement No. DOTOP05-16

Account to be Charged/credited	Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub Object	Trust Account	Dollars
	161	44	2100	9289		\$350,000.00 (2016)
	161	44	2100	9289		\$712,500.00 (2017)
	161	44	2100	9289		\$737,500.00 (2018)
	161	44	2100	9289		\$762,500.00 (2019)
	161	44	2100	9289		\$787,500.00 (2020)
	161	44	2100	9289		\$400,000.00 (2021)

Budget Funding Year(s) 2016-2021 Start Date 07/01/2016 End Date 06/30/2021  
 (must match resolution)

Funding Source Tax Dollars \_\_\_\_\_  
 State Aid \_\_\_\_\_  
 Federal Aid \_\_\_\_\_

\$3,750,000.00  
 (must match resolution) Other \$3,750,000.00 – Revenue