



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
January 18, 2022

TOPIC: Bus Stops/Shelters and Kiosks

AGENDA TITLE

Approve an Agreement with Focus Media Group Focus Media Group, Inc. to Install, Repair, and Maintain Bus Stops/Shelters and Kiosks throughout the City, for a Ten-Year Term

RECOMMENDED ACTION

Authorize the City Manager to execute an agreement with Focus Media Group, Inc. to install, repair, and maintain bus stops/shelters and kiosks throughout the City, and to share advertising revenue from bus stops/shelters and kiosks, for a ten-year period beginning no later than February 17, 2022, and ending February 16, 2032, with an option to extend for a period of five years, subject to non-substantive changes approved by the City Manager and City Attorney.

DISCUSSION

Since 2001, the City's bus shelter advertising and maintenance has been provided by Clear Channel Outdoor (previously known as Eller Media Company). The City intends to expand the program to include the design, construction, maintenance, and management of digital billboards along freeways and digital banners on City-owned property, in combination with bus stop maintenance and advertising.

A Request for Proposal (RFP) for Design, Construction, Maintenance, and Management of Digital Billboards and Management of Bus Shelters and Stops (Exhibit 1) was released on November 12, 2020, and the City received four proposals. The RFP solicited proposals from outdoor advertising companies that develop digital billboards and banners as well as bus stop maintenance and advertising. However, after reviewing the proposals, it was determined that it was in the best interest of the City to split the RFP components and award the Management of Bus Shelters and Stops separately from the Design, Construction, Maintenance, and Management of Digital Billboards. Of the four proposals received, only two vendors submitted proposals for these services. The two proposals were evaluated by a four-member committee and rated based on company and team experience, understanding of need, schedule, references, and projected revenue. After evaluating the proposals, the rankings are as follows:

Firm	City	Rank
Focus Media Group	Fullerton	1
Clear Channel Outdoor	Torrance	2

Based on ranking and proposed advertising revenue sharing with the City, staff recommends that Focus Media Group be awarded an agreement for bus stop maintenance and advertising for a ten-year period with a five-year extension option, for a potential total agreement term of fifteen years.

The agreement includes increased weekly maintenance of all bus stop furniture and amenities consisting of three times per week per stop, with 30 hotspots as identified by the City to receive maintenance five times per week, monthly steam cleaning at all bus stops, painting of all green bus shelters within the first nine months, and periodic painting of new black furniture and shelters (Exhibit 2).

As negotiated, the agreement will generate revenue over time, from advertising revenue or the minimum annual guarantee of \$124,560 (whichever is greater) less a \$137,000 maintenance allowance. Revenues from this program are projected to begin in Year 3 and are expected to increase annually, thereafter.

ENVIRONMENTAL IMPACT

There is no environmental impact associated with this action.

FISCAL IMPACT

Revenues from this Bus Shelters/Stops and Kiosks Management agreement will be generated over time, as advertising revenue streams are established. Accordingly, future revenues will be budgeted in the General Fund Bus Shelter Fees revenue account (No. 01117002-51004) and appropriated in the General Fund Bus Shelter Program expenditure account unit (No. 01117621).

EXHIBIT(S)

1. Request for Proposal #20-139
2. Agreement with Focus Media Group

Submitted By: Nabil Saba, P.E., Executive Director – Public Works Agency

Approved By: Kristine Ridge, City Manager