



City of Fredericksburg

715 Princess Anne Street, Fredericksburg, VA 22401

RFP # 21-0131 TRANSIT ADVERTISING

NIGP Commodity Codes: 91501 Advertising Agency Services
 91522 Communications Marketing Services
 91876 Marketing Consulting

Issue Date: October 9, 2020 • Due Date/Time: November 9, 2020 – 1:00 P.M. Local Prevailing Time (LPT)

Purchasing Manager: Matt McGovern, VCA | E-mail Address: mrmcgovern@fredericksburgva.gov

PROPOSAL SUBMISSION: All proposals must be received by the date and time shown on the cover page of this solicitation at the following address. Any proposals received after the stated time and date will remain unopened and the offeror notified that it is available for pick up.

Delivery address:

City Hall, Purchasing Office, Suite 203, 715 Princess Anne Street, Fredericksburg, VA 22401

CLARIFICATION OF TERMS: If any prospective Offeror has questions about the specifications or other solicitation documents, then it is the Offeror's responsibility to contact the Purchasing Manager, **in writing, no later than November 2, 2020. Oral requests for information will not be accepted.** No further written inquiries will be accepted after **4:00 P.M. local time on November 2, 2020.** Any revisions to the solicitation will be made only by an addendum issued by the Purchasing Manager named above. Any addenda, notifications, extensions, cancellations or changes will be posted on the City's website at www.fredericksburgva.gov and the Commonwealth of Virginia's e-procurement website, www.eva.virginia.gov. No other notification is required. It is the responsibility of the prospective Offeror to obtain all current information from either the City website or the eVA website.

The undersigned hereby offers and agrees to furnish all goods and/or services in accordance with the attached signed proposal and the mandatory requirements outlined herein, or as mutually agreed upon through subsequent negotiation.

Company Name: _____

Date: _____

Address: _____

Signature: _____

Name/Title: _____

DUNS Number: _____

Vendor SCC ID: _____

eVA Vendor ID: _____

Telephone: _____

Email: _____

NOTE: This public body does not discriminate against faith-based organizations in accordance with the Code of Virginia, §2.2-4343.1 or against an Offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.

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A. PURPOSE

Fredericksburg Regional Transit, a department of the City of Fredericksburg, Virginia (City) is requesting proposals for Transit Advertising. Fredericksburg Regional Transit (FRED) will select one (1) firm to fulfill its transit bus and facility advertising requirements as outlined in this request.

B. SCOPE OF PROJECT

The successful firm will be responsible for the solicitation and administration of advertising space on a fleet of approximately 30 transit buses (body-on-chassis) and at FRED's Transit Center. This project will provide FRED a successful transit advertising program that will maximize advertising revenues for FRED while ensuring the integrity and professionalism of the transit agency's image.

Questions concerning the RFP should be submitted in writing to:

Matthew McGovern, Purchasing Manager

City of Fredericksburg

540-479-8776

mmcgovern@fredericksburgva.gov

The City of Fredericksburg shall be exempt for any liability for costs incurred by Proposers in preparation of the proposals.

C. PROPOSAL SUBMITTAL

Sealed proposals must be submitted to the City of Fredericksburg Department of Finance by **1PM EST, November 9, 2020** and must be addressed as follows:

Vendor Name

Street or Box Number

City, State, Zip Code

POSTAGE*

City of Fredericksburg

Room: Finance Dept.

ATTN: Matt McGovern

715 Princess Anne Street

Fredericksburg, VA 22401

RFP #: 21-0131

RFP Title: Transit Advertising

Due Date: As noted on cover page

Time: As noted on cover page

Proposals must include all information as referenced in the solicitation. All proposal amounts shall be guaranteed for not less than sixty (60) days after the proposal submittal deadline date. Any proposals submitted after 1:00PM on November 9, 2020 will not be accepted and may be returned unopened at the Proposer's expense.

D. INSTRUCTIONS TO PROPOSERS

1. FRED will accept competitive sealed proposals for this solicitation.
2. FRED reserves the right, at its option, to request any Proposer submit additional information that may be necessary to clarify the proposal and submit additional information which FRED deems necessary in order to evaluate the Proposer's proposal and determine responsiveness and responsibility.

3. Failure to completely and accurately follow all of the instructions for the RFP process may result in rejection of the proposal. Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities. Failure to submit any of the required information may result in the proposal being declared non-responsive.
4. The Proposer is required to submit the following items in order for their proposal to be completed and accepted by FRED. Failure to submit all information requested may result in FRED eliminating the proposal from consideration, at FRED's sole discretion.
 - a. The RFP signature sheet, signed, containing the name of the primary contact person for this proposal, their address, e-mail, fax number, telephone number, etc. (coversheet)
 - b. The completed proposal; including all specific items or data requested in the RFP; including all Attachments.
 - c. All RFP addenda acknowledgements, if any, signed and completed as required.
5. FRED will not compensate any Proposers for the cost of proposal preparation.
6. Ownership of all data, materials, and documentation originated and prepared for FRED for this solicitation shall belong exclusively to FRED and shall be subject to public inspection in accordance with the Virginia Freedom of Information Act (FOIA).

E. PROPOSAL PREPARATION REQUIREMENTS

The Proposers must submit one (1) original, three (3) hard copies, and one (1) electronic copy in PDF format on a USB of the proposal to the address listed above. All proposals must comply with the specifications and guidelines provided in this document.

Sealed Business Proposals shall be submitted and identified on the outside of the package with the name of the proposing firm, the number and title of the solicitation. The proposal should be submitted in a binder or bound (not stapled) permitting the FRED to easily turn pages, and should be limited to 8.5 x 11 paper unless otherwise requested or necessary.

The contents of the proposal reflect the offeror's approach to the project. A sufficient amount of detail needs to be included to permit a full and fair evaluation of the proposal. However, overly elaborate proposals, proposals which provide generic information or information not relevant to the subject matter of the solicitation, and proposals which do not show the capability to follow the instructions given herein will usually receive lower scores than those that reflect these instructions. FRED reserves the right to reject all or any proposals and to award a contract without discussions, except for clarifications which do not modify the proposal or negotiations. Each offeror should therefore ensure that its initial submittal represents the best possible combination of technical merit and best revenue value for FRED.

PROPOSAL - Business Information and Solicitation Response

Tab	Item
	<ul style="list-style-type: none">• Cover letter• Cover page – identifying the point of contact for the proposer by name, title, mailing address, telephone, fax, and email address.• Table of Contents
Tab A	Signed Acknowledgements of Amendments (if any)
Tab B	Complete Pricing Schedule to include Attachment A
	Executive Summary of the Offeror's Capabilities and Skills to include: <ul style="list-style-type: none">• General history and background of the firm, and its partners or associates, including its ownership, size, and lines of business and specialties.• Qualifications for the specific scope of this solicitation; including the company's related experience. Provide experience for key personnel proposed to participate in and supervise these services on a regular basis. A description of the firm's approach to the types of services described herein, identifying points of contact and responsibility within the firm, and whether specific portions of the services will be provided by outside firms.
Tab C	Proposed Advertising Program, Pricing, and Company Marketing/Promotional Material which will at minimum include: <ul style="list-style-type: none">• Advertising types proposed – ex. Curb small, full-wrap, interior placards• Advertising rates proposed per type• Advertising materials proposed (exterior and interior)
Tab D	Proposed Advertising Standards and policy (including, any additional policy items recommended to be added in addition to FRED's current policy)
Tab E	Completed Past Performance References (Attachment B)
Tab F	Any exceptions to the contractual terms and conditions.

F. EVALUATION AND SELECTION PROCESS

1. Method of Award – In accordance with the evaluation and scoring process the award will be made based on the criteria included in this RFP by proposers deemed responsive and responsible. FRED reserves the right to reject any or all proposals, in whole or in part, to waive informalities and to delete items prior to making the award, whenever deemed, in the sole opinion of FRED to be in its best interest.

Proposals will be evaluated by a selection committee based on the following criteria:

<u>Criteria</u>	<u>Points</u>
1. Proposed Advertising Program and Services	15
2. Revenue Share and Minimum Guarantee Proposal	50
3. <u>Proposer's Reputation and Past Performance</u>	<u>35</u>
Maximum Points:	100

Following the review and evaluation of all RFP submittals, and based on their submitted proposal, a shortlist of two (2) or more offerors deemed to be fully qualified and best suited may be called upon for an interview and negotiations to aid in the selection of a Supplier. The award will be made to the qualified Offeror whose proposal is deemed most advantageous to the FRED, all factors considered. Any objections to published specifications must be filed in written form with the Purchasing Manager prior to the RFP due date of 1:00PM on November 9, 2020.

Evaluation Criteria (in order of relative importance)

Evaluation Criteria

Proposals will be evaluated using the following principal selection criteria:

1) Revenue Share and Minimum Guarantee Proposal (50 Points)

The information provided by the Proposer on its Proposal Form will be utilized to evaluate the proposal in relation to this factor. Failure to complete the required information on the proper form will impact the final score determination of this section. As described below, a maximum of 50 points will be assigned to the proposed revenue structure and minimum guarantee submitted by the Proposer on the Proposal Form provided herewith. The Contractor is *required* to use the Proposal Form, *without alteration*, for submittal of their proposal. Only responses submitted on the Proposal Form provided will be considered for evaluation. Please DO NOT use your own forms.

2) Proposer's Reputation and Performance (35 Points)

The Evaluation Panel will consider the capability and reputation of the Proposer as presented in the Proposal or as is determined by review of information available from references or other resources. The Evaluation Panel may look at the Proposer's overall capabilities in its ability to support and deliver revenues for an advertising contract; and, consider key components such as the proposed Proposer's Representative/Project Manager for the project, past performance, current and past work with potential advertisers, quality control and assurance, responsiveness, product capabilities, financial capacity/history, as well as other considerations in reaching a final point determination.

3) Proposed Advertising Program and Services (15 Points)

The Proposer should provide its proposed Advertising Program. This program can be developed by the Proposer or it can be modeled after FRED Transit's current program (this will be the option of the proposer and no option is preferred over the other by FRED). The Advertising Program will at minimum include how the program will be administered, the advertising types proposed (ex. curb small, full-wrap, interior advertising placards) and advertising rates proposed per type and per period (ex. month, 6 month).

Maximum Possible Technical Points = 100 points

PROPOSALDER INFORMATION

List the name, email, telephone number, and fax number of the responsible person(s) of your company who may be contacted regarding this contract.

Company Name: _____

Contract Representative

Name: _____

Title: _____

Email: _____

Telephone: _____

Fax: _____

Project Representative

Upon successful award this is the representative that FRED will engage on an ongoing basis.

Name: _____

Title: _____

Email: _____

Telephone: _____

Fax: _____

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ACKNOWLEDGEMENT OF AMENDMENTS

Solicitation No: **21-0131** Title: **TRANSIT VEHICLE ADVERTISING**

The undersigned, as part of submission of an offer for the above solicitation, hereby acknowledges receipt of the following amendments and certifies that the offer has been prepared in accordance with their provisions:

AMENDMENT NO.	DATE	TITLE/SUBJECT

ACKNOWLEDGED BY: _____ DATE: _____
(SIGNATURE)

NAME (PRINT): _____ TITLE: _____

COMPANY: _____

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PROJECT DESCRIPTION

Fredericksburg Regional Transit (FRED) is seeking proposals from qualified firms to manage the solicitation and administration of advertising space on FRED's buses and FRED's Transit Center (Lawrence A. Davies Transit Center) also known as FRED Central. FRED Transit provides deviated fixed-route transit service in the Greater Fredericksburg region, serving the City of Fredericksburg, Spotsylvania County, and Stafford County.

FRED is soliciting proposals from qualified firms to provide Transit Vehicle Advertising. This proposal is for a three (3)-year base term with two (2) one-year renewal options, which will be considered one year at a time. The major objectives that FRED wishes to achieve in the transit advertising sales program are as follows:

- To maximize the advertising revenues paid to the department, FRED seeks a qualified contractor to grow the transit advertising program.
- To properly maintain FRED's fleet of vehicles' image and integrity with respect to advertising and materials used. Advertising on FRED vehicles must be professionally and attractively presented in accordance with the application types called for in this RFP.
- To minimize the impact of advertising application activities for FRED's Maintenance personnel/contractor. FRED's Maintenance personnel/contractor is not responsible for posting signage other than FRED's own.

TRANSIT SYSTEM OVERVIEW

System Overview	
Areas Served	City of Fredericksburg, Spotsylvania County, Stafford County, and University of Mary Washington Campus. FRED also provides feeder bus service to the Virginia Railway Express (VRE).
Annual Fixed Route Passenger (FY19 Ridership)	300,000
Target Audiences	Residents, visitors, commuters, students at the University of Mary Washington and Germanna Community College.
Service Days/Hours	Service is primarily provided Monday through Friday from 8:00 a.m. to 8:00 p.m. Early morning VRE feeder shuttles. Late night and weekend service only during academic year for University of Mary Washington.
Types of Service	Deviated Fixed Route
Routes	19
Fleet	31 Body-on-Chassis and Freightliner type vehicles (appx. 21 vehicles in service at peak period)

SCOPE OF WORK

The Contractor shall provide and manage bus advertising services in a manner acceptable to FRED and in compliance with the Agreement Documents and the "Advertising Policy." The Contractor's services shall include, but shall not be limited to, the following services related to the scope of this RFP: the placement of advertisement; administrative and financial management; maintenance of advertisement; customer relations; preparation of monthly reports of advertisements and financial matters; and such other work as may be necessary to comply with the requirements contained in the solicitation.

A. VEHICLE ADVERTISING BUS

Interior Bus Advertising – Minimum Specifications

All interior advertisements shall vary depending on the vehicle type; currently those dimensions should be sold at a size of approximately 21" x 11.5" which fit into curved longitudinal advertising racks that run from the front to the rear of the bus on both sides above the windows. Advertisements shall be prepared on .040 or .060 Styrene or an approved equivalent by FRED. The contractor will be required to confirm all measurements prior to the start of work. The Contractor shall grant FRED a minimum of (2) interior spaces per bus (at no cost to FRED) for promotion of FRED services, public service information, or related to FRED's partnership agreements (this is not including information required to be posted due to Federal Transit Administration (FTA) or the Commonwealth of Virginia regulations, requirements, code, or law and advertisements guaranteed by FRED through any partnership agreements).

Exterior Bus Advertising – Minimum Specifications

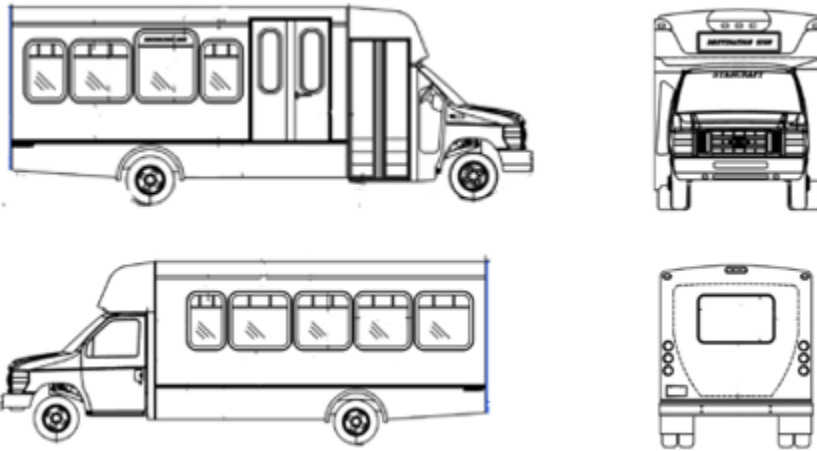
The Contractor shall be responsible for sales, production, installation, and management of all advertising on buses, removal of outdated advertising signage and any advertising rejected by FRED. Side, rear, and full wrap advertising spaces are applied directly to buses. All direct application must be on approved vinyl or another FRED approved material. Contractor must submit a description of the proposed materials used and related measurements prior to the start of work. The Contractor shall be responsible for the installation, removal, and disposal of all advertisements. All costs of fulfilling these responsibilities will be borne by the Contractor. The Contractor must furnish all equipment, labor, supervision, and any/all required materials and services.

The installation and removal of vehicle interior and exterior advertising will be conducted on-site at the Fredericksburg Regional Transit Maintenance Facility, located at 11716 Main Street, Fredericksburg, VA 22408. All installation and removal of advertisements will need to be scheduled in advance with FRED's Fleet Manager (maintenance). Installation and removal of advertising will only be able to be completed on days/times agreed to with maintenance by prior arrangement, which may include non-operational hours of the bus or buses unless otherwise authorized by FRED.

The Contractor shall be responsible for any paint or vinyl damage on the buses when signs are applied or removed and shall compensate FRED for the expense incurred to repaint or apply new vinyl the damaged sections.

FRED reserves the right to use up to three (3) exterior advertising spaces, including all panel sizes and wraps at no cost for exclusive use for any purpose or by any agency deemed to be in the interest of the FRED. This includes for the promotion of FRED services, public service information, or related to FRED's partnership agreements. The agency also reserves the right to reject any advertising it finds to be offensive, objectionable, or contrary to the FRED Advertising Policy.

All vehicles are subject to being offline for maintenance or repair. Should a vehicle be out of service for longer than 30 days, the Contractor shall work clients to make adjustments for the exterior advertisement(s) impacted.



*Vehicle sizes, dimensions, and wheelchair accessible doors may vary

Note: The fleet assignment, service schedule, and unscheduled service on vehicles and hours of operation are based on a variety of considerations and are solely FRED's responsibility. Assigning vehicles to keep certain advertisements in certain parts of the service area will not be permitted.

Contractor Responsibilities

The Contractor's responsibilities shall include:

- Solicit and procure advertisers for available advertising space.
- Develop and maintain good relationships with current and potential clients.
- Produce all sales pieces (e.g. "rate cards", etc.) for FRED and will be responsible for sales and marketing for advertising on available assets.
- Installation, removal, and disposition of interior and exterior advertising media. All advertising materials displayed shall be of a quality so as to maintain an attractive appearance and to withstand the elements and general asset maintenance (e.g. "cleanings").
- Restoration of artwork, production, and painting of vehicles used in the advertising program at the end of each ad campaign contract. Any damage to vehicles as a result from advertising shall be repaired at the sole responsibility of the contract for no additional cost to FRED.
- Preparation of reports pertaining to the provision of the service on a monthly basis, including copies of all contracts with advertisers, as well as advertising specs to ensure compliance with policies.
- Payment to FRED from the net proceeds of advertising sales.
- Contract may develop its own advertising rate structure, which must be reviewed and approved by FRED's Project Manager.
- Other work as may be necessary to comply with the requirements contained in the agreement.

Application and Maintenance of Advertising

Contractor shall be responsible, at its own expense, for the maintenance of all advertising artwork in/on all buses during the term of the contract. Material that becomes damaged, torn or absent due to normal operation of the bus must be replaced at the expense of the contractor within one week of damage in order to maintain a professional image. Damage due to accident or bus maintenance will be replaced at FRED's expense.

The Contractor shall be responsible for the installation and the removal of all advertisements.

The Contractor shall be responsible for any paint or vinyl damage when the signs are removed and shall compensate FRED for the expense incurred to repaint or re-vinyl the damaged sections.

Installation and removal of advertising must be completed while the individual bus is not in operation.

Sign placement for bus preference will be approved by FRED. Side, Rear, Full Wrap, and interior signage shall be allowed. Passenger entry/exit door windows may not be covered unless approved by FRED.

All exterior advertising will be provided by advertisement signage directly applied to the exterior surface. FRED will not provide or allow hard and/or metal frames for card advertisements on the exterior of its vehicles.

Direct application advertisements shall be done by the Contractor at Contractor's sole expense.

Failure of Contractor to appropriately maintain advertisements, posters, signage, etc. may be cause for FRED to assume control and maintain the equipment. All costs incurred by FRED due to this factor will be paid by the Contractor.

The Contractor shall remove expired and date sensitive ads within five (5) business days from the day the dated content of the ad expires. FRED may allow for additional time if the bus is unavailable during prescheduled time.

The Contractor shall install FRED's interior and exterior promotional signs on transit vehicles.

All exterior advertising signs shall be of premium vinyl (or approved material) to maintain an acceptable appearance to FRED throughout the life of the advertisement. Appropriate adhesive and application processes will be maintained. Faded or peeling advertisement signage will require Contractor to replace signage at their cost.

Contractor shall work at all times to help maintain satisfactory condition of FRED vehicles. Any damages to FRED's vehicles from installation or removal of signage shall be reimbursed to FRED. This includes paint damage due to all application and removal processes to paint, glass, molding etc. This includes damage by razor blades, adhesives, chemicals, heat, etc.

Contractor will be required to provide and install a replacement in the event of an accident that impacts the advertisement. The Contractor will coordinate work schedules with FRED. Times and dates can be negotiated. Contractor shall schedule work with FRED's Fleet Manager to ensure staff is onsite during work. All FRED work area safety rules must be adhered to. Contractor will work at all times to ensure FRED's vehicles are available for service. No signage shall take more than one half (1/2) working day to remove and install to be ready for service.

B. FRED CENTRAL ADVERTISING

In addition to the above advertising notice, FRED is interested in advertising at FRED Central. See Attachment B: Fredericksburg Regional Transit Advertising for potential advertisement locations. Proposers are therefore asked to provide proposed types, formats, and revenue potential for this purpose. This transit center is currently accessed by FRED Transit buses, Greyhound, and Taxi services at the time of the release of the RFP.

C. ADVERTISING STANDARDS

The Contractor shall apply Fredericksburg Regional Transit's Advertising policy to solicitation, selection, and administration of all advertisements. The policy may be modified by FRED from time to time. A full copy of the policy is provided in Appendix A: Fredericksburg Regional Transit Advertising Policy.

D. COMPENSATION AMOUNT AND SCHEDULE

The timing of payments to FRED will be determined by a contract based on FRED's percentage of gross collections and/or minimum guaranteed payment (see Attachment A).

E. General Requirements

1. As described in the RFP, the Contractor shall have exclusive rights to place FRED-approved exterior and interior bus advertising upon FRED's fleet of buses, subject to the terms and conditions set forth in the RFP.
2. Contractor shall be responsible for the solicitation, sale, and management of all commercial advertising space made available for such sales by FRED. Contractor's proposal must provide for the payment to FRED of an annual minimum revenue guarantee and percentage for the lease of commercial advertising space on FRED's vehicles, based on a twelve-month contract period. Contractor agrees to pay FRED the greater of the annual minimum guarantee or percentage amounts listed on the Revenue Share Proposal.
3. FRED will audit the Contractor's payments during the contract period. In the event FRED does not receive the full annual minimum guarantee amount at the conclusion of a contract year, FRED shall reserve the right to terminate the agreement.
4. Contractor shall comply with FRED's Advertising Policy and Standards, contained herein as Appendix A. Advertising reasonably construed to cause clear and present danger to FRED by riot, illegal gathering, undue congestion or blockage of streets, highways, arterials and alleys, or in which any other way shall create a clear and present danger shall, upon written request of the Project Manager, be promptly removed by Contractor.
5. Contractor shall have a written advertising standards policy that is, at a minimum, consistent with FRED's Advertising Policy and standards, provided, the Contractor may impose any additional restrictions as it deems appropriate for its business needs. Contractor shall have written procedures for the evaluation and application of the Contractor's policy to all proposed advertising material. FRED shall have final review approval of the contractor's written policy and procedures prior to execution of the contract. It is the Contractor's responsibility, at its own cost, to remove advertising reasonably construed to cause clear and present as stated in the General Requirements and FRED's Advertising Policy.
6. Prior to execution of the contract, Contractor shall provide payment to FRED at the commencement of the agreement in an amount equal to twenty-five (25%) percent minimum annual guarantee in the event of not meeting the financial requirements at the end of the each annual contract period, at which time the remaining balance of the minimum annual guarantee would be due, or FRED would reserve the right to immediately terminate the agreement.
7. Contractor shall carry proper liability insurance in accordance with the contract requirements.
8. Contractor shall provide an emergency phone number for FRED to reach the Contractor in case of an emergency situation. Contractor shall respond to an emergency situation within 24 hours of FRED's request.
9. The Contractor agrees to observe and obey all applicable federal, state and local laws, policies, and standards. Space availability for advertising on FRED vehicles may change during the period of this agreement for reasons including; but not limited to, the acquisition of new vehicles, the retiring of old vehicles, vehicle repairs, or new bus designs or configurations which do not allow for equal advertising capabilities.

10. Terms and conditions of sale of advertising shall be at the sole discretion of the Contractor, subject to terms and conditions of this agreement.

F. LOCATION AND STAFF

FRED's Project Manager will provide oversight, manage, and (as applicable) approve all elements of the Bus Advertising Program as it pertains to the Contractor's work performance from FRED's offices at 11716 Main Street, Fredericksburg, VA 22408 (Maintenance Facility) and 1400 Jefferson Davis Hwy, Fredericksburg, VA 22401 (FRED Central).

G. MARKETING AND PROMOTIONS

The Contractor shall grant FRED the use, without charge, of any unsold advertising space for promotion of FRED services, public notices, or for FRED's partners/sponsors.

FRED reserves the right to use any other portion of the buses (body-on-chassis) for its exclusive use for any advertising or promotion or purpose it deems to be in the interests of FRED. FRED also reserves the right to use any unsold exterior bus advertising space for its exclusive use as mentioned above.

H. TRADE FOR ADVERTISING

No trade shall be permitted without the written consent of FRED. The contractor is prohibited from receiving trade or compensation other than payments from which FRED receives an applicable cash percentage. FRED reserves the right to use a minimum of two (2) buses, on a space available basis, to make its own contracts for the trade of exterior and interior advertising space for promotional purposes or with FRED's identified partners/sponsors.

I. FINANCIAL REQUIREMENTS

Minimum Annual Guarantee

Proposals to FRED must show a minimum annual payment from the contractor, regardless of the gross advertising revenue. FRED reserves the right to renegotiate the minimum guarantee for the subsequent contract years after the base period.

Revenue Share

Proposals to FRED for the transit advertising must show the percentage of gross amounts from advertising received by the contractor. Revenue Share is the percentage of gross revenue that will be received from the Contractor to FRED in addition to the minimum annual guarantee. Proposers should develop their proposal based on their knowledge of the Fredericksburg region market and ability to generate the related revenue and the business needs of their agency.

J. FINANCIAL REPORTING

1. The contractor shall report the income quarterly. If the amount exceeds the minimum annual guarantee, a percentage of the contracted revenue shall be paid to FRED within 30 days of the end of the quarter or the end of the contract year, whichever comes first.
2. The contractor shall be required to remit a quarterly report to include:
 - A statement of gross billings generated by the contractor during the period, for which the monthly payment is made, signed by a responsible officer.
 - An Account Activity Summary that shall include a percentage allocation of gross billings by client.
3. A copy of all advertising contracts and invoices that were executed during the previous month are required.

K. QUARTERLY REMITTANCE AND MONTHLY REPORT

1. The successful proposer is required to remit $\frac{1}{4}$ of the annual guarantee within twenty (20) calendar days after the end of each quarter. Quarterly payments will be submitted for these periods. Period 1: January - March, Period 2: April - June, Period 3: July - September, Period 4: October – December.

The payments must be accompanied by a report that includes a:

- A. List of all advertisers, type (interior, side, rear, full, etc.) and quantity of advertisement for each.
 - B. Total number of signs for each type, total sold and total available for each type.
 - C. Contract values for the quarter.
 - D. Billings for the quarter.
 - E. Total remaining balances on accounts.
 - F. Contract expiration dates.
 - G. A copy of all advertising contracts that were executed the previous quarter.
 - H. Any out of the ordinary circumstances that should be known or considered by FRED management.
2. The quarterly payment should be directed to Fredericksburg Regional Transit and the report is to be directed to the Project Manager.
 3. The successful proposer shall furnish FRED with copies of all signed contracts and correspondence (including changes in prices, lengths of contracts and cancellation notices) as an attachment with the monthly report.
 4. The successful proposer shall maintain all required records for three (3) years after final payment (or a minimum record retention length required by the Commonwealth of Virginia (whichever is greater) by the successful proposer to FRED under the terms of the operation contract. However, if any audit, claim, or litigation is started before the expiration of the three (3) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.
 5. The successful proposer will permit FRED and/or the vendor it designates to perform this audit to inspect/audit all records and financial data involved in the operation of sales during the regular business hours maintained by the successful proposer, and at such other times upon five (5) business days' written notice.

L. OTHER CONSIDERATIONS FOR CONTRACTOR

All public service advertising or any type of advertising that does not produce revenue consistent with commercial rates shall not be used by the Contractor unless space for such advertising is available due to lack of paid advertising. The Project Manager, with concurrence of FRED's Director, reserves the right at any time to demand removal of all public service advertising sold at a price less than standard commercial rates.

With permission from FRED's Project Manager, the Contractor may use unsold space to advertise their bus advertising services for a limited period of time (agreed upon by FRED and the contractor prior to contract execution). Any unsold and/or unobligated space remaining may be used by Contractor for display, free of charge, for public, charitable, partnerships/sponsors, and/or editorial displays as authorized by FRED.

M. FRED RESPONSIBILITIES

1. FRED shall monitor and review the Contractor's efforts and performance hereunder at any point.
2. FRED retains the right to use unsold bus advertising space for its own use free of space charges. It shall be the Contractor's responsibility to determine the amount of unsold space and to notify FRED in a timely manner. FRED may request written documentation of all unsold space at any time and expect documentation within 10 calendar days.
3. FRED will provide the Contractor's employees the right and access to travel on FRED bus transportation at no charge when on business in connection with this contract.
4. FRED shall work to advise the Contractor of changes to fleet size or configuration, bus/body- on-chassis maintenance or retirement needs, and other information necessary for the Contractor to sell advertising space.
5. FRED shall be held harmless for Contractor, employees or sub-contractors' injury while on FRED premises.
6. FRED reserves the right to make changes in the location, time availability, and size of fleet/vehicles. The ultimate responsibility for tracking fleet capacity and advertising inventory rests with the Contractor. FRED, by necessity, must retain the ability to move vehicles to accommodate passenger needs and maintenance requirements and cannot assign vehicles for advertising purposes. FRED reserves the right to increase or decrease the number and frequency of routes at any time during the contract term.
7. In the event operation of the buses of FRED is interfered with by reason of fire, floods, earthquakes, pandemics, acts of God or the public enemy, thereby causing loss of income to the Contractor, the Contractor's minimum guarantee shall be reduced during each quarter in which such event occurs, based upon the proportion of the number of days such occurrence is in effect to the total number of days in such quarter. Global, national, regional or local economic conditions are not a basis for a reduction of the guarantee under this paragraph.

N. CONTRACT TRANSITION PROVISION

Subject to extension of the Term as provided for in the contract, Contractor will not:

Enter into any new or extended contract pertaining to this RFP after the last date of the Term: or

Enter into any contract pertaining to this RFP which has a term ending more than six (6) months after the end of the Term.

Upon the expiration or termination of this Agreement, Contractor agrees to assign to FRED or to its successor advertising Contractor, all advertising contracts on FRED buses and such contracts shall thereupon become the property of FRED. For a period of three (3) months following the expiry or termination of this Agreement, FRED or its assigns agree to pay Contractor 15% of the gross advertising space revenue received from such contracts that extend beyond the expiry or termination of the Agreement.

Pursuant to contracts assigned under this section, such monies received from Advertisers will be payable within 45 days after receipt by FRED or third party.

ATTACHMENT A – PROPOSAL FORM

ATTACHMENT A – PROPOSAL FORM

PROPOSAL FORM

Name of Proposer: _____

Address: _____

Phone Number: _____

Email Address: _____

Date: _____

FRED Percentage of Gross Advertising Revenue Collections	Year 1	%
FRED Percentage of Gross Advertising Revenue Collections	Year 2	%
FRED Percentage of Gross Advertising Revenue Collections	Year 3	%
FRED Percentage of Gross Advertising Revenue Collections	Option Year 1	%
FRED Percentage of Gross Advertising Revenue Collections	Option Year 2	%

Minimum Guaranteed Payment to FRED	Year 1	\$
Minimum Guaranteed Payment to FRED	Year 2	\$
Minimum Guaranteed Payment to FRED	Year 3	\$
Minimum Guaranteed Payment to FRED	Option Year 1	\$
Minimum Guaranteed Payment to FRED	Option Year 2	\$

ATTACHMENT B – PAST PERFORMANCE AND CLIENT REFERENCES

ATTACHMENT B - PAST PERFORMANCE AND CLIENT REFERENCE INFORMATION

Proposers are to provide a list of at least four current or recent accounts, governmental or commercial, that the Proposer is servicing, has serviced, or has provided similar products; including those provided to transit agencies. This information should include the length of service, the name, address, telephone number, and email of the point of contact.

A. Company _____ Contact: _____

Email _____ Phone: _____

Project Description _____

Contractor's delivery time after receipt of purchase order (in calendar days) _____

Date of Services: _____ Contract Value: _____

B. Company _____ Contact: _____

Email _____ Phone: _____

Project Description _____

Contractor's delivery time after receipt of purchase order (in calendar days) _____

Date of Services: _____ Contract Value: _____

C. Company _____ Contact: _____

Email _____ Phone: _____

Project Description _____

Contractor's delivery time after receipt of purchase order (in calendar days) _____

Date of Services: _____ Contract Value: _____

D. Company _____ Contact: _____

Email _____ Phone: _____

Project Description _____

Contractor's delivery time after receipt of purchase order (in calendar days) _____

Date of Services: _____ Contract Value: _____

APPENDIX A – ADVERTISING POLICY



FREDERICKSBURG REGIONAL TRANSIT ADVERTISING

ADVERTISING WITH FREDERICKSBURG REGIONAL TRANSIT

OVERVIEW


This document provides information regarding Fredericksburg Regional Transit's Advertising Program (FRED). FRED provides public transportation services to the City of Fredericksburg and Spotsylvania and Stafford Counties. FRED operates body-on-chassis style vehicles and provides deviated fixed-route services to the greater Fredericksburg Region, the University of Mary Washington, Germanna Community College, University of Mary Washington Hospital and dozens of major employers in the region.

ADVERTISING RATES FOR FREDERICKSBURG REGIONAL TRANSIT


INTERIOR DISPLAY

	1 MONTH	3 MONTHS	6 MONTHS	12 MONTHS
21" w X 11.25" h Per advertisement/ per bus	\$50 /month	\$30 / month	\$25 / month	\$25 / month

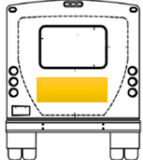
CURBSIDE SMALL

	1 MONTH	3 MONTHS	6 MONTHS	12 MONTHS
	\$175 /month	\$150 / month	\$140 / month	\$125 / month


STREETSIDE SMALL

	1 MONTH	3 MONTHS	6 MONTHS	12 MONTHS
	\$175 /month	\$150 / month	\$140 / month	\$125 / month


TAIL LIGHT SMALL

	1 MONTH	3 MONTHS	6 MONTHS	12 MONTHS
	\$200 /month	\$175 / month	\$160 / month	\$150 / month

FULL STREETSIDE

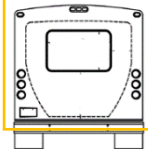
	1 MONTH	3 MONTHS	6 MONTHS	12 MONTHS
	\$450 /month	\$400 / month	\$375 / month	\$350 / month

FULL CURBSIDE

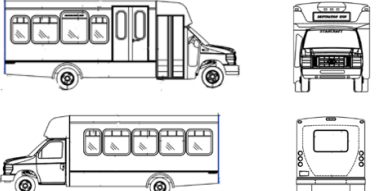
	1 MONTH	3 MONTHS	6 MONTHS	12 MONTHS
	\$450 /month	\$400 / month	\$375 / month	\$350 / month

*Passenger Door Windows may not be covered

FULL REAR

	1 MONTH	3 MONTHS	6 MONTHS	12 MONTHS
	\$400 /month	\$375 / month	\$350 / month	\$325 / month

FULL WRAP

	1 MONTH	3 MONTHS	6 MONTHS	12 MONTHS
	\$1,750 / month	\$1,500 / month	\$1,300 / month	\$1,250 / month

NOTE: Advertiser is responsible for the cost of proper removal of all wraps designated as “Full”

Monthly advertising fees do not include the cost for artwork, layout, printing or production fees of any signage. Advertisers can use the production company of your choice, or FRED can provide that service for you. Production prices and/or recommended vendors are available upon request. All materials and artwork must be approved by FRED Transit in advance.

FACILITY ADVERTISING

In addition on FRED Transit Vehicles, FRED has advertising available at its Transit Facility – FRED Central. This transit center is accessed by FRED Transit buses, Greyhound, and Taxi services. See “Photos of Advertising Space” for location information.

There is a minimum of a \$500.00 requirement (this is for sales/the payment to FRED only, does not include design, printing or production costs incurred by the advertiser) to purchase advertising space. Interior and exterior advertisements must be a 3 month contract minimum.

We are not able to commit your advertisement to any specific bus route(s). Our buses rotate on a daily basis within FRED Transit’s service area. For more information on our routes and service area please go to ridefred.com.

ADVERTISING POLICY

PURPOSE

Fredericksburg Regional Transit (FRED) provides fixed route and route deviation transit service throughout the greater Fredericksburg Region. FRED's mission is to provide accessible, affordable, dependable, and safe transportation for people who reside, work, or visit within our service area. For the accomplishment of this mission, funding is provided by a combination of federal, state, and local funds by participating jurisdictions and farebox revenues. Advertising revenues can be an important additional source of revenue that can be used to support transit operations. FRED accepts transit advertising on its transit vehicles in order to generate revenue to augment the aforementioned funding sources.

In keeping with its function as a provider of public transportation, FRED does not intend its acceptance of transit advertising to convert its transit vehicles into forums for discourse and debate. Rather, FRED's sole purpose and intent is to accept advertising as an additional means of generating revenue to support its transit operations. In furtherance of that limited objective, FRED retains strict control over the nature of the advertisements accepted for posting on or in its Transit Vehicles. For the purpose of this policy, Transit Vehicles shall include all FRED passenger buses and vehicles.

ADVERTISING STANDARDS

1.1 GENERAL STANDARDS

Advertising space will be used for commercial purposes only, including the promotion of goods and services offered for purchase, subject to exceptions for government activities as provided in this policy.

FRED reserves the right to suspend, modify or revoke the application of any of the standards in this Policy as it deems necessary to comply with legal mandates, to accommodate its primary transportation function, or to fulfill the goals and objectives identified above. All of the provisions in this Policy shall be deemed severable.

Because FRED serves persons of all ages and backgrounds and strives to create a comfortable and enjoyable experience for all passengers, the following types of advertising are prohibited:

- A. Materials that contain false, misleading, libelous, slanderous, or deceptive statements or images.
- B. Advertising for tobacco, tobacco-related products, and illegal drugs.
- C. Advertising for firearms, ammunition or other firearm related products.
- D. Advertising for adult products, services, or entertainment directed to sexual stimulation.
- E. Advertising that depicts sexually explicit, nude, obscene and/or pornographic statements or images.
- F. Advertising that portrays graphic violence.
- G. Advertising that contains discriminatory, derogatory, negative or personal attacks against individuals, groups, or organizations; including, but not limited to race, color, religion, national origin, ancestry, gender, age, disability or sexual orientation.
- H. Advertising that is directed to inciting or producing imminent lawless action, or is likely to incite or produce such action; including, but not limited to unlawful actions.

- I. Advertising that promotes illegal activity of any kind.
- J. Advertising that contains FRED's name, brand logo, slogans or other graphic representations of the transit system, unless written consent from FRED is obtained prior to use.
- K. Advertising that contains any material that infringes upon a copyright, trademark, or service mark, or is otherwise unlawful.

Advertisements that include websites, quick response (QR) codes, and telephone numbers that may appear in posted ads and direct viewers to external sources of information must also comply with the Advertising Standards herein.

Acceptance of an advertisement is at the sole discretion of FRED. FRED's acceptance of an advertisement does not constitute all future acceptance of the same or similar content.

1.2 ALCOHOL ADVERTISING STANDARDS

Advertising for alcohol products shall be subject to the following restrictions:

- A. Advertising related to the sale of alcoholic beverages shall contain a statement, occupying at least 3% of the area of the advertisement, that indicates the legal drinking age in Virginia and warns of the dangers of alcohol consumption during pregnancy, or in connection with the operation of heavy machinery, or while driving.
- B. Advertising related to the sale of alcoholic beverages cannot contain any statement, symbol, depiction, or reference that:
 - 1. Would tend to induce minors to drink, or would tend to induce persons to consume to excess;
 - 2. Would tend to induce minors to drink, or would tend to induce persons to consume to excess;
 - 3. Incorporates the use of any present or former athlete or athletic team or implies that the product enhances athletic prowess; except that, persons granted a license to sell wine or beer may display within their licensed premises point-of-sale advertising materials that incorporate the use of any present or former professional athlete or athletic team, provided that such advertising materials: (i) otherwise comply with the applicable regulations of the appropriate federal agency and (ii) do not depict any athlete consuming or about to consume alcohol prior to or while engaged in an athletic activity, do not depict an athlete consuming alcohol while the athlete is operating or about to operate a motor vehicle or other machinery, and do not imply that the alcoholic beverage so advertised enhances athletic prowess;
 - 4. Is false or misleading in any material respect;
 - 5. Implies or indicates, directly or indirectly, that the product is government endorsed by the use of flags, seals or other insignia or otherwise;
 - 6. Makes any reference to the intoxicating effect of any alcoholic beverages;
 - 7. Constitutes or contains a contest or sweepstakes where a purchase is required for participation; or
 - 8. Constitutes or contains an offer to pay or provide anything of value conditioned on the purchase of alcoholic beverages, except for refund coupons and combination packaging. Any such combination packaging shall be limited to packaging provided by the manufacturer that is designed to be delivered intact to the consumer;
 - 9. and further, must be in compliance with all restrictions set forth in Virginia Administrative Code 3VAC5-20-10 in its entirety.
<http://law.lis.virginia.gov/admincode/title3/agency5/chapter20/section10>).

C. Advertising related to sale of alcoholic beverages shall be limited as follows:

1. No outdoor alcoholic beverage advertising shall depict persons consuming alcoholic beverages, use cartoon characters in any way, or use persons who have not attained the minimum drinking age as models or actors.
2. No alcoholic beverage manufacturer, importer, or wholesale licensee may engage in cooperative advertising, as defined in 3VAC5-30-80, on behalf of any retail licensee.

1.3 ADDITIONAL ADVERTISING STANDARDS

Any advertising in which the identity of the sponsor is not readily and unambiguously identifiable must include the following phrase to identify the sponsor in clearly visible letters (no smaller than 72 point type for exteriors and 24 point type for interiors):

Paid for by: _____

2. GOVERNMENT SPEECH

The provisions of this policy do not apply to the speech of any government entity, including the City of Fredericksburg, the Commonwealth of Virginia, or any of their respective agencies. The City of Fredericksburg reserves the right to use all advertising types on Transit Vehicles to communicate any message deemed appropriate by the City, including to promote City-sponsored events, activities, and initiatives, and to permit other government entities to do the same.

3. PRODUCTION GUIDELINES

Advertising materials will be produced at the advertiser's expense and must be of good quality and conform to standards for size, weight, material and other physical characteristics as set forth by FRED.

It is the advertiser's responsibility to deliver or reclaim materials in a timely fashion or they may be disposed of at FRED's discretion.

4. ADMINISTRATION AND ENFORCEMENT OF ADVERTISING POLICY

All proposed transit advertising must be submitted to FRED management, or designee, for initial compliance review. FRED management, or designee, will perform an evaluation of the submission to assess its compliance with this Policy and make the decision to approve or reject the proposed advertisement.

5. APPLICATION OF POLICY

This Advertising Policy applies to the posting of all new advertisements on Transit Vehicles on or after the Effective Date. Any advertisements which would be prohibited under this Policy, but which were posted pursuant to the terms of a fully executed advertising contract prior to the Effective Date of this Policy, will be allowed to remain posted for the duration of that contract.

6. DISCLAIMER OF ENDORSEMENT

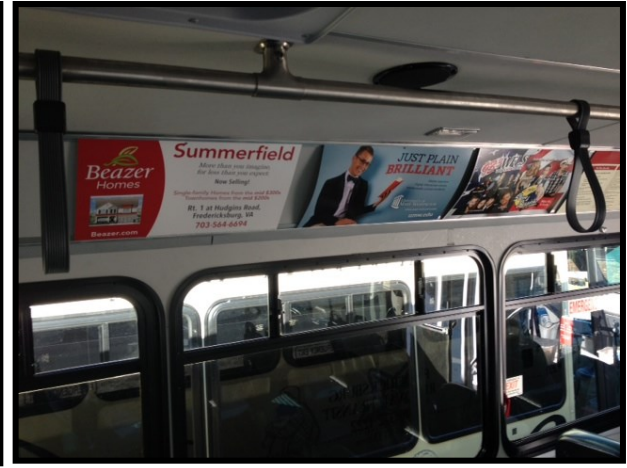
FRED's acceptance of an advertisement does not constitute express or implied endorsement of the content or message of the advertisement, including any person, organization, products, services, information or viewpoints contained therein, or of the advertisement sponsor itself. This endorsement disclaimer extends to and includes content that may be found via internet addresses, quick response (QR) codes, and telephone numbers that may appear in posted ads and that direct viewers to external sources of information.

PHOTOS OF ADVERTISING SPACE AND ADVERTISING

Note: Bus models and sizes may vary.



PHOTOS OF ADVERTISING SPACE AND ADVERTISING CONT.







APPENDIX B – ADVERTISING PROGRAM POTENTIAL VIEWERSHIP

Advertising Program Potential Viewership

Fredericksburg Regional Transit provides service to the greater Fredericksburg Region. This includes the City of Fredericksburg, Spotsylvania County, and Stafford County. Our service area lies between the Richmond Region and the Northern Virginia/Washington DC area. Due to its location FRED advertising offers the unique ability to target the following audiences:

- **Residents:** Residents of Fredericksburg, Spotsylvania, Stafford (North and South)
- **Visitors:** Visitors to the Region – Detailed visitor demographics can be viewed on the jurisdiction economic development websites.
- **Students:** College students and their families – FRED provides direct transit service to and throughout the University of Mary Washington and to Germanna Community College. FRED has dedicated transit service to Mary Washington University called the Eagle Express, which includes Eagle 1 (E1), Eagle 2 (E2), and Eagle 2 Late Night (E2 LN).
- **Commuters:** FRED Transit provides several routes that attract commuters and/or connect to Park n' Ride lots. These Routes go from the designated VDOT or jurisdiction Park n' Ride lots to the Virginia Railway Express (VRE) trains.
- **Transit Riders:** FRED Riders - FRED Transit provides approximately 300,000 trips annually.
- **Businesses and the community** – Most FRED Routes touch two of the key corridors in the Region. Route 1 and Route 3. For external advertisements, our services provides you access to thousands of pedestrian, cyclist, car, and heavy truck traffic daily. Key areas where our buses go that provide your business exposure for external routes include:
 - Downtown Fredericksburg
 - Fredericksburg City Hall
 - VRE/Amtrak Train Station
 - Celebrate Virginia Shopping Center
 - Geico
 - FRED Central Transit Center
 - Aquia Medical Center
 - Aquia Towne Center
 - Stafford Marketplace
 - Brafferton Shopping Center
 - Stafford County Courthouse
 - Stafford Hospital
 - Walmart
 - Hilton Garden Inn
 - Central Park - Wegman's, Walmart, Barnes & Noble, Regal Cinemas, Kohl's, Office Depot
 - Fredericksburg Shopping Center
 - Mary Washington Hospital
 - Spotsylvania Towne Center
 - Target
 - Goodwill
 - Lee's Hill Center / Shops at Lee's Hill
 - Various Residential Communities and Apartment Complexes
 - River Club Shopping Center

- Eagle Village Shopping Center
- Hilltop Plaza
- Southpoint Shopping Center
- Massaponax Medical Center
- Cosner's Corner (Shopping Center)

Vendor. These TERMS & CONDITIONS and INSTRUCTIONS TO PROPOSALDERS/OFFERORS are information included

in the City of Fredericksburg and Fredericksburg Regional Transit Procurement Policies and shall be binding on all Bidders or Offerors and are incorporated by reference in all contracts resulting from any written Requests for Quotes, Invitation to Proposal, Request for Proposals issued, or Solicitations (collectively the “Request”), to which they are attached. Use of the term “proposal” in these General Terms & Conditions and Instructions to Bidder/Offerors is not intended to be restricted to an Invitation to Proposal and shall also affect written Request for Quotes, Invitation to Proposal or Request for Proposals. “Shall” and “will” as used in the solicitation documents, as well as the resulting Contract, are interchangeable; both terms convey a mandatory obligation. “Including” means including without limitation.

Procurements for Fredericksburg Regional Transit (FRED) are governed by the procurement policies and practices of the City of Fredericksburg (the City), of which FRED is a department. The City, in turn, has adopted the procurement policies and practices of the Commonwealth of Virginia. Fredericksburg Regional Transit is responsible for the purchasing activity of the agency, herein referred to collectively as “FRED.” Bidder/Offerors or their authorized representatives are expected to inform themselves fully as to the conditions, requirements, and specifications before submitting proposals/proposals; failure to do so will be at the Bidder/Offerors’ own risk and except as provided by law, relief cannot be secured on the plea of error.

Subject to all Federal, State and local laws, policies, resolutions, regulations, rules, limitations, and legislation including the Fredericksburg Regional Transit Procurement Policy, proposals/proposals on all solicitations issued by FRED will bind Bidders/Offerors to applicable conditions and requirements herein set forth unless otherwise specified in the solicitation. Every effort has been made to ensure the general provisions are in conformity with FTA requirements; however, those requirements change from time to time and may not be accurately reflected herein in all instances. Where that is the case, FTA requirements shall prevail regardless of the language in this document.

GENERAL TERMS AND CONDITIONS

These are mandatory and non-negotiable terms applicable to any contract awarded under this procurement.

A. Authorization to do Business in Virginia. Contractor is authorized to do business in Virginia as a domestic or foreign business entity under Title 13.1 or Title 50 of the Virginia Code. Contractor will not allow its existence to lapse or its certificate of authority or registration to do business in Virginia to be revoked or cancelled during the term of this contract.

B. Relation to City. Contractor is an independent contractor of the City. This contract does not create an employment relationship between the City and Contractor or any of its employees.

C. Prime Contractor and Subcontractors. Contractor has prime responsibility for all services and goods to be provided under this contract, specifically including adequate supervision of work to be performed. This contract is only between Contractor and the City, and Contractor accepts full responsibility for the work performed and goods provided by, and the acts and omissions of, its subcontractors.

Subcontractor will not subcontract for any part of this contract without the advance written permission of the City Purchasing Agent. Contractor will provide the names, qualifications, and experience of any proposed subcontractors to the City Purchasing Agent.

D. Modifications. Only the City Manager or City Purchasing Agent may modify this contract on behalf of the City. Only the original signatory of the contract on behalf of Contractor, or another individual authorized in writing by Contractor to modify the contract, may modify the contract on behalf of Contractor. Modifications to this contract can only be authorized in accordance with Code of Virginia § 2.2-4309. Modifications can only be authorized by the following methods:

City and Contractor may agree in writing to modify the terms of the contract. Any additional goods or services to be provided must be of a sort that is ancillary to, or within the same broad product or services categories as, those provided for in the original contract.

The City may issue written change orders for changes such as services to be performed, methods of packing or shipping, and place of delivery or installation. If Contractor determines that the change order will not necessitate a change in compensation or schedule, Contractor will comply with the change order upon receipt. If Contractor determines that the change order will necessitate a change in compensation or schedule, Contractor will notify the City of that determination, and only proceed to comply with the change order upon the City's written approval.

The contract may be renewed by agreement if provided for in the description of the contract term.

Contractor shall not require any employee or agent of the City other than the City Manager or Purchasing Agent to execute any additional contract, license, or other agreement pertaining to this contract.

E. Freedom of Information Act. All records pertaining to this contract are open to inspection by the public under the Virginia Freedom of Information Act (Virginia Code § 2.2-3700 et. seq) unless specifically exempted under the Act (including records properly exempted under Code of Virginia § 2.2-4342).

F. Audit. Contractor will retain all records related to this contract for 5 years after final payment or until audited by the City, whichever comes first. The City may inspect these records upon reasonable notice to Contractor.

G. Ethics in Public Contracting. Contractor certifies that its offer is made without collusion or fraud and that it has not offered or received any kickbacks or inducements from any other offeror, supplier, manufacturer, or subcontractor and that it has not conferred on any public employee having official responsibility for this purchase any payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised unless consideration of substantially equal or greater value was exchanged.

H. Immigration. Contractor does not, and will not during the performance of this contract, knowingly employ an unauthorized alien as defined in federal Immigration Reform and Control Act of 1986. Contractor will register for and participate in the federal E-Verify Program if required to do so under Code of Virginia § 2.24308.2. Contractor will provide

the City with a copy of their E-Verify “Maintain Company” page to the City upon request. Failure to comply with E-Verify requirements subjects Contractor to automatic disbarment from City procurement until the requirements are met.

I. Non-Discrimination. Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. Contractor will post in conspicuous places, available to employees and applicants for employment, notices stating the terms of this section.

Contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that the contractor is an equal opportunity employer.

Notices, advertisements, and solicitations placed in accordance with federal law, rule, or regulation are sufficient for the purposes of this section.

Contractor will include the terms of this section in every subcontract or purchase order of over \$10,000, so that the terms will be binding upon each subcontractor and vendor.

Contractor will conform to the Federal Civil Rights Act of 1964, the Virginia Fair Employment Contracting Act of 1975, the Virginians with Disabilities Act, and § 2.2-4343.1E of the Virginia Public Procurement Act.

J. Drug-Free Workplace. Contractor agrees to (i) provide a drug-free workplace for the contractor’s employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in Contractor’s workplace and specifying the actions that will be taken against employees for violating that prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of Contractor that Contractor maintains a drug-free workplace; and (iv) include the terms of this section in every subcontract or purchase order of over \$10,000, so that the terms will be binding upon each subcontractor and vendor.

K. Payments. Contractor must provide its federal employer identification number and W-9 to the City before requesting payment.

Contractor will submit itemized invoices, with appropriate documentation, to the City, at the payment address shown on the purchase order or contract. All invoices must show the City contract or purchase order number and Contractor’s federal employer identification number. No invoice may include any cost other than those listed in the contract or in an individual purchase order referencing the contract.

The City will pay invoices within 30 days of receipt. Any invoice not paid within 30 days. When payment is made by mail, the date of the postmark will be considered the date of payment. If offset proceedings have been instituted under the Virginia Debt Collection Act, the date of offset will be considered the date of payment.

Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time an order is placed. In these cases, payments are contingent on the City’s determination that all invoiced charges are reasonable. The City will notify Contractor within 30 days of invoice of any charges it determines to be unreasonable. Payment for those charges will be suspended until a settlement is reached. Contractor will not take legal action concerning the charges unless a settlement is not reached within 30 days of notification.

L. Subcontractor Payments. Within 7 days after receipt of payment by the City for work performed by a subcontractor, Contractor shall a) pay the subcontractor for the proportionate share of the total payment received from the City attributable to the subcontractor’s work, or b) notify the City and the subcontractor, in writing, of Contractor’s intention to withhold payment and the reason for withholding the payment.

Contractor will pay interest of 1% per month to subcontractors on all amounts owed to the subcontractors which has not been paid or withheld under the terms of the preceding paragraph.

Contractor must require individual subcontractors to provide their social security numbers, and proprietorship, partnership, and corporate subcontractors to provide their federal employee identification numbers. Contractor will provide this information to the City upon request.

Contractor must require subcontractors to include the terms of this section in all contracts with other subcontractors.

M. Non-appropriation. All funds for payments after June 30 of the current fiscal year are subject to appropriation by the City Council. If Council does not appropriate the required funds, the City will terminate this contract on June 30 of the then-current fiscal year.

N. Indemnification. Contractor will save, defend, hold harmless, and indemnify the City, and all of its elected and appointed officials, officers, employees, agents, departments, agencies, boards, and commissions from and against any and all claims, losses, damages, injuries, fines, penalties, costs (including court costs and attorney's fees), charges, liability, or exposure, however caused, resulting from, arising out of, or in any way connected with Contractor's negligent acts, errors or omissions, recklessness or intentionally wrongful conduct of the Contractor in performance or nonperformance of its work under the contract. This indemnification survives the termination of the contract.

O. Insurance. Contractor and any subcontractors will maintain the following insurance coverage, provided by insurance companies authorized by the Virginia SCC to offer insurance in Virginia, during the entire term of the contract. Contractor will provide copies of its Certificates of Insurance to the City.

- a. Workers' Compensation—as required by law.
- b. Employer's Liability--\$100,000.
- c. Commercial General Liability--\$1,000,000 per occurrence and \$2,000,000 in the aggregate. The City must be named as an additional insured on this policy.
- d. Automobile Liability -- \$1,000,000 combined single limit, if any motor vehicle not owned by the City is to be used in performance of the contract.
- e. Professional Liability (i.e. Errors and Omissions)--\$2,000,000 per wrongful act, \$3,000,000 annual policy claims aggregate, if the contract is for accounting, architecture, asbestos contracting, healthcare, insurance/risk management, legal services, engineering, or surveying.

P. Licensing. Contractor will maintain all licenses and certifications required by applicable federal, state, and local governmental entities for provision of the goods and services to be provided under this contract.

Q. Assignment. Contractor will not assign or otherwise transfer any of its rights, obligations, or interests in this contract without the written permission of the City.

R. Choice of Law, Venue. This contract is governed by Virginia law. The Circuit Court of Fredericksburg, Virginia is the exclusive venue for any litigation regarding this contract.

S. Claims. Contractor must notify the City in writing of its intention to file a claim at the time of the occurrence or beginning of the work upon which the claim is based. All claims must be submitted less than 60 days after the final contract payment.

T. Dispute Resolution. The parties will first endeavor to resolve any disputes, claims, or other matters in question between them through direct negotiations, and if direct negotiations fail, by non-binding mediation, with the exclusive venue of the mediation being the City of Fredericksburg. Should the dispute remain unresolved either (i) following negotiation and mediation, or (ii) more than 90 days after a party has requested mediation, either party may institute a lawsuit or chancery action, as appropriate, in Fredericksburg Circuit Court, and may pursue all available appeals in Virginia state courts, to the extent they have jurisdiction. Any agreement reached in mediation must be reduced to writing and executed by the parties; upon execution, the agreement will be enforceable as a settlement agreement.

U. Default. The City is in default 1) if it fails to pay any amount due to Contractor; or 2) upon any other material failure to comply with the terms of the contract. Contractor is in default upon any material failure to comply with the terms of the contract. A party alleging that the other party is in default must provide the allegedly defaulting party with written notice specifying the alleged default and allow 30 days for the default to be cured.

V. Remedies. If the City does not cure a default after receiving notice, Contractor may a) terminate this contract, and b) exercise all remedies available at law. If Contractor does not cure a default after receiving notice, the City may a) terminate the contract, b) exercise all remedies available at law, and c) collect liquidated damages if available under Special Contract Terms. If the default is a failure to provide required goods or services, the City may, upon written notice to Contractor, procure those goods or services from other sources and hold Contractor responsible for any resulting additional purchase and administrative costs.

W. Termination. The City may terminate this contract for any reason upon 30 days' notice to Contractor. The City will promptly pay all amounts already earned by Contractor and reasonable expenses incurred in reliance upon the contract, up to the effective date of the termination. Receipt of the notice does not affect Contractor's obligations under the contract, including fulfillment of outstanding orders, up to the effective date of termination.

The parties can agree to terminate this contract at any time.

X. Notices. Any notices pertaining to this contract must be sent by first-class mail to:

To the City: Fredericksburg City Manager P.O. Box 7447 Fredericksburg, Virginia 22404-7447

To the Contractor: The address listed on Contractor's Proposal or Proposal. Contractor may change its address for notices by notifying the City in writing of the change.

Y. Severability. If a court declares any part of this contract to be invalid, void, or unenforceable, the rest of the contract remains in effect.

Z. Strict Performance. The failure of a party to insist upon the other party's strict performance of the terms of the contract is not a waiver of the right to insist upon strict performance of those terms at a later time.

GENERAL TERMS AND CONDITIONS – Fredericksburg Regional Transit Procurement Policy

1.) FEDERAL TRANSIT ADMINISTRATION CLAUSES. The preceding provisions include, in part, certain Standard Terms and Conditions required by DOT, whether or not expressly set forth in the preceding contract provisions. All contractual provisions required by DOT, as set forth in FTA Circular 4220.1F, dated March 18, 2013, and are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA-mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Agreement. The CONTRACTOR shall not perform any act, fail to perform any act, or refuse to comply with any THE CITY request, which would cause THE CITY to be in violation of the FTA terms and conditions. (*ref. FRED Procurement Policy – 6*)

2.) PROMPT PAYMENT. In accordance with 49 CFR § 26.29, FRED shall include a prompt payment clause in all DOT-assisted contracts, including A&E contracts. The clause requires prime contractors to pay subcontractors for satisfactory performance of their contracts no later than 30 days from receipt of each payment from the grantee.

3.) DISADVANTAGE BUSINESS ENTERPRISE. Each third party contractor must comply with the Department of Transportation Disadvantaged Business Enterprise (DBE) regulations (49 C.F.R. Part 26).

The CONTRACTOR agrees to take the following measures, as applicable, to facilitate participation by disadvantaged business enterprises (DBE) in the Project:

a. This contract is subject to the requirements of Title 49, Code of Federal Regulations, Part 26, *Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs*. The national goal for participation of Disadvantaged Business Enterprises (DBE) is 10%. The agency's overall goal for DBE participation is .097%. A separate contract goal of DBE participation has not been established for this procurement.

b. The contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of this DOT-assisted contract. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as Fredericksburg Regional Transit deems appropriate. Each subcontract the contractor signs with a subcontractor must include the assurance in this paragraph (see 49 CFR 26.13(b)).

c. The contractor is required to pay its subcontractors performing work related to this contract for satisfactory performance of that work no later than 30 days after the contractor's receipt of payment for that work from Fredericksburg Regional Transit. In addition, is required to return any retainage payments to those subcontractors within 30 days after incremental acceptance of the subcontractor's work by Fredericksburg Regional Transit and contractor's receipt of the partial retainage payment related to the subcontractor's work.

d. The contractor must promptly notify Fredericksburg Regional Transit, whenever a DBE subcontractor performing work related to this contract is terminated or fails to complete its work, and must make good faith efforts to engage another DBE subcontractor to perform at least the same amount of work. The contractor may not terminate any DBE subcontractor and perform that work through its own forces or those of an affiliate without prior written consent of Fredericksburg Regional Transit.
(*ref. FRED Procurement Policy – 8*)

4.) PROMPT PAYMENT. In accordance with 49 CFR § 26.29, FRED shall include a prompt payment clause in all DOT-assisted contracts, including A&E contracts. The clause requires prime contractors to pay subcontractors for satisfactory performance of their contracts no later than 30 days from receipt of each payment from the grantee. (*ref. FRED Procurement Policy – 10*)

5.) TERMINATION PROVISIONS. Termination for Cost-Type Contracts: the City may terminate this contract, or any portion of it, by serving a notice of termination on the CONTRACTOR. The notice shall state whether the termination is for convenience of the City or is for the default of the CONTRACTOR. If the termination is for default, the notice shall state the manner in which the CONTRACTOR has failed to perform the requirements of the contract. The CONTRACTOR shall account for any property in its possession paid for from funds received from the City, or property supplied to the CONTRACTOR by the City. If the termination is for default, the City may fix the fee, if the contract provides for a fee, to be paid the CONTRACTOR in proportion to the value, if any, of the work performed up to the

time of termination. The CONTRACTOR shall promptly submit its termination claim to the City and the parties shall negotiate the termination settlement to be paid the CONTRACTOR.
(*ref. FRED Procurement Policy – 19*)

6.) RESOLUTION OF DISPUTES

- a. Disputes - Disputes arising in the performance of this Contract which are not resolved by agreement of the parties shall be decided in writing by the authorized representative of the City. This decision shall be final and conclusive unless within ten (10) days from the date of receipt of its copy, the CONTRACTOR mails or otherwise furnishes a written appeal to the City. In connection with any such appeal, the CONTRACTOR shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the City shall be binding upon the CONTRACTOR and the CONTRACTOR shall abide the decision.
- b. Performance During Dispute - Unless otherwise directed by the City, CONTRACTOR shall continue performance under this Contract while matters in dispute are being resolved.
- c. Claims for Damages - Should either party to the Contract suffer injury or damage to person or property because of any act or omission of the party or of any of his employees, agents or others for whose acts he is legally liable, a claim for damages therefore shall be made in writing to such other party within a reasonable time after the first observance of such injury or damage.
- d. Remedies - Unless this contract provides otherwise, all claims, counterclaims, disputes and other matters in question between the City and the CONTRACTOR arising out of or relating to this agreement or its breach will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the Commonwealth of Virginia.
- e. Rights and Remedies - The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by the City, Architect or CONTRACTOR shall constitute a waiver of any right or duty afforded any of them under the Contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.