



City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov
PROCUREMENT DIVISION
Tel: 305-673-7490, Fax: 786-394-4624

**REQUEST FOR PROPOSALS (RFP) NO. 44-07/08 (REVISED)
FOR A SELF-SERVICE BICYCLE RENTAL PROGRAM
ADDENDUM NO. 2
October 15, 2008**

Notice to Potential Vendors

The ITB deadlines have updated as follows:

Deadline for receipt of questions	November 7, 2008 at 5:00 p.m.
Deadline for receipt of BIDS	December 5, 2008 at 3:00 p.m.
Evaluation process	December 2008
Recommendation to City Commission/Contract Award	January 2009
Projected Project Initiation Start Date	February 2009 (subject to negotiation with successful Proposer)

All past performance surveys need to be submitted by the client directly to the City no later than December 5, 2008. All surveys are to be emailed directly by the client to Theo Carrasco at theocarrasco@miamibeachfl.gov or faxed to 786-394-4235.

Section II (page 15) – This project's Contractor is not responsible for providing helmets to customers. The Contractor shall be responsible for informing customers that under Florida Law all riders under the age of 16 must wear a helmet to operate a bicycle.

Questions and Answers

- Q1. Can the City please clarify their current relationship with Clear Channel Communications and/or other vendors and explain what if any exclusivity rights or any other restrictions exist.**
- A.** Resolution 2001-24650 authorized an agreement between the City and Clear Channel Adshel Inc. to construct, operate, and maintain bus shelter structures and other public street furniture throughout the City (the Agreement). The Agreement provides for an initial term of 10 years, commencing on November 1, 2001, and expiring on October 31, 2011, with a 5-year renewal option at the City's discretion. The Agreement provides Clear Channel Adshel Inc. with the exclusive right to install and maintain the aforesaid structures, all of which are intended to be for **public** use and enjoyment. The bicycle system that is the subject of the RFP is viewed by the City as outside the scope of the Agreement with Clear Channel Adshel Inc.
- Q2. What will the City allow in terms of advertising vehicles? Are there any limitations? Will the City consider a limited number of digital billboards on I-195 and I-395? Will the City allow information display panels? Is the City open to other creative ideas?**
- A.** The City Commission and the community have generally expressed their sensitivity about commercial advertising in public rights-of-way. While the City would prefer little or no advertising, the City will consider all proposals and any creative suggestions that might be offered to provide a sustainable economic model for a Shared Bike Program. The City does not control the right-of-way on I-195 or I-395 and as such would not be able to give consideration to any advertising

medium on those specific roadways. The City is open to other creative ideas as may be suggested by vendors

- Q3. Would the City consider changing the contract term from 5 years with a 5-year renewal option to 10 years with a 5-year renewal option?**
- A.** The City will consider an extended term for proposals; however, vendors must propose as requested in the RFP and then offer as alternatives or other scenarios. It must be clearly articulated in the Proposal the advantage to the City or the advantage to creating a more sustainable model to allow the Bike Sharing Program to succeed.
- Q4. Would the City consider revising the Evaluation Criteria revising “Proposed Revenue to the City” from 25 to 10 points and “Plan Impact on Community Mobility” from 10 to 25 points?**
- A.** At this juncture, it is not appropriate to change the Evaluation Criteria.
- Q5. The bicycle program is a public service and therefore should be treated like any other public transportation system. Would the City agree to indemnify the Vendor?**
- A.** Section V (page 22) of the RFP indicates that the Contractor is required to acquire a general liability insurance policy including bodily and personal injury, as well as, property damage in the amount of a combined single limit of not less than \$1,000,000. The City must also be noted as an additional insured on all liability policies. Pursuant to Section 768.28, Florida Statutes, the City is prohibited from indemnifying private parties.
- Q6. Would the City consider revising the Proposer criterion requiring Proposers to demonstrate a minimum of three years experience in providing a self-service bicycle rental program?**
- A.** The City will accept proposals from prospective bidders demonstrating a minimum of **two** years experience providing a self-service bicycle rental program.
- Q7. Will a Proposer’s evaluation score be adversely affected if the Proposer cannot meet the desired timeline for operational rollout?**
- A.** The City will consider all proposals and any creative suggestions that might be offered to provide a sustainable model for a Shared Bike Program. The Evaluation Committee is responsible for reviewing and scoring each RFP proposal. It would be helpful to the Committee in its evaluation for the Proposer to justify clearly the operational timeline in the RFP proposal.
- Q8. Will the Proposer’s evaluation score be adversely affected if the Proposer offers a program that uses alternative solutions to address climate conditions (other than shelters) and ridership program for individuals over the age of 18?**
- A.** See Question 7. The City will consider all proposals and any creative suggestions that might be offered to provide a sustainable model for a Shared Bike Program. The Proposer must be clearly articulate in the Proposal the advantage to the City or the advantage to providing these alternative solutions for the Bike Sharing Program to succeed.
- Q9. With regards to the proposed scoring formula to be used by the Evaluation Committee, it is likely that each proposal will have two overall cost/revenue components: 1. capital expenditures required for the implementation of the program and 2. revenues produced by the program and related advertising. It seems logical that both elements of the proposal must be considered when evaluating the cost/benefit to the City. Will this be the case?**
- A.** Yes.
- Q10. Please confirm that the City will not evaluate “Revenues to the City” based on how the revenues were derived, but rather only by the amount of revenue shared.**
- A.** The City will consider all proposals and any creative suggestions that might be offered to provide a sustainable economic model for a Shared Bike Program.

- Q11. Due to the nature of the project, certain terms of the agreement will need to be negotiated after contract award, some of which may not be listed in the RFP document. Can the City confirm that the RFP document is not all inclusive of all terms still to be negotiated?**
- A.** Any and all proposals in response to this RFP must reflect the terms listed under Sections II and III of the RFP. In the likelihood that the Proposer suggests terms not listed in the RFP, the Proposer would have to articulate clearly in the Proposal the advantage to the City. Those terms would need to be negotiated prior to the contract start date. Regardless, the City shall review any and all responsive proposals submitted.
- Q12. Please elaborate on the City's criteria for the program's size, i.e. a bike fleet of 500 to 1,000 bicycles. Have any studies been conducted that related to this project?**
- A.** A study has not been conducted to determine a sufficient number of bicycles for this program. The City had suggested 500 to 1,000 bicycles, however, Proposers are encouraged to review and determine whether an alternate range would be more appropriate for the City.
- Q13. Please explain what the City means with "cost-benefit of ROW occupancy."**
- A.** In cases where the Proposer would need or request the City to provide space in a public right-of-way, the Proposer must provide cost-benefit analysis and explain any opportunity costs in justifying how right-of-way occupancy in specific areas would benefit the City.
- Q14. Please provide the City's desired minimum age requirement for the rental and use of the bicycles.**
- A.** There is no age requirement stated for this program. However, please keep in mind that Florida state regulations require that all riders under the age of 16 must wear helmets. As noted in Section II of the RFP, the Contractor shall be responsible for providing customers user information that includes all bicycle traffic safety laws.
- Q15. Please clarify what business model the City envisions for proposals that do not include advertising. Under such model, what mechanism would be in place to finance the capital investment and operating expense?**
- A.** Section II of the RFP offers some suggestions as alternative revenue sources that do not include advertising. However, the Proposer should present whichever mechanism considered to be best applicable to the long-term sustainability of this project.
- Q16. Please clarify the request relating to "public assistance." Is the City asking here for a cost proposal versus a revenue sharing proposal? If so, this element contradicts one of the main evaluation criteria, which is proposed revenue for the City.**
- A.** Public assistance, as mentioned in page 16 of the RFP, refers to any and all services, resources, etc. (i.e. adequate ROW space provided, etc.) that the Proposer expects the City to provide in assistance for the Proposer to effectively operate the program, if any.
- Q17. What type of permits will be required for the installation of bike rental stations? Would the City consider issuing a blanket permit that covers all agree upon locations?**
- A.** If the rental station is located on a right-of-way, the Contractor would need a right-of-way permit from the City's Public Works Department. Any permanent structures will also require building permits from the City's Building Department. To the extent feasible, the City will consider a blanket permit.

The Public Works Department also requires the following items (where applicable) be submitted for review/approval as part of the permit process:

- Provide four (4) sets of site plan drawn to scale signed/sealed by a Florida Registered Architect/Engineer, (11"x17" minimum size), to include Right of Way dimensions identifying property/right of way line.
- Provide current copy of Certificate of Insurance Liability/Workmen's Compensation coverage to be approved by the City's Risk Management Division.

- Provide 10' clearance from all fixed objects i.e. retail storefront entrances, fire hydrants, bike racks, directory signage and/or other similar public street furniture and/or fixtures.

The above noted items shall be sufficient for Public Works Department's preliminary plan review with additional provisions to be required on case by case bases.

Q18. What type of permits will be required for the operation of the bike program?

A. None beyond the contract service per this RFP.

Q19. When asked for the "Cash-on-Cash Return," is it safe to assume the following equation?

$$\frac{\text{Annual Pre-Tax Revenues} - \text{Expenses}}{\text{Startup Investment Costs}} = \text{Cash-on-Cash Return}$$

Is it correct that the City would only review Cash-on-Cash Returns for Year 1 of the program?

A. Yes, the Proposer should assume the equation noted to calculate cash-on-cash returns. The Proposer is expected to provide a five-year operating pro forma and should demonstrate cash-on-cash returns during the entire period.

Attachments

- A. October 2, 2008, Pre-Bid Meeting Sign-In Sheet

CITY OF MIAMI BEACH



Gus Lopez, CPPO
Procurement Director

Attachment A - October 2, 2008, Pre-Bid Meeting Sign-In Sheet



MIAMIBEACH

SIGN-IN SHEET

DATE: October 1, 2008

RFP No.: 44-07/08

TITLE: For a Self-Service Bicycle Rental Program

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