

**From:** [Schmitt, Bob](#)  
**To:** [Peskin, Aaron \(BOS\)](#); [Carroll, John \(BOS\)](#)  
**Subject:** Requested Documentation from Government and Audit Committee Hearing July 2nd 2020- JCD contract invalidation  
**Date:** Tuesday, July 7, 2020 10:37:45 AM  
**Attachments:** [RFP Public Toilet and Kiosk Agreement.msg](#)  
[SF RFP Questions - Public Toilet Kiosks.docx](#)  
[RFP #1 Number of Advertising.png](#)  
[CCO cover letter and Proposal for RFP #1 dated December 16th 2015..docx](#)  
[SF PT PSK - Revised Executive Summary 2016 -REDACTED \(version 2\).pdf](#)  
[SF PT PSK - Addendum No. 3 Q A 12 4 2015 w questions answered.pdf](#)

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Dear Commission Clerk Carroll and Supervisor Peskin,

As requested in the Thursday July 2<sup>nd</sup> Government and Audit committee hearing kindly find documentation to support my public comments relative to the following:

- Questions submitted to DPW for RFP # 1 via email from CCO dated November 10<sup>th</sup>, 2015. The most relevant questions are 5, 8,9,10,11,16
  - Those questions were intended to seek clarity into what we considered a vague RFP. Specific questions around design elements, use of existing equipment during installation process, clarify how Prop E was incorporated into RFP intention
  - See DPW responses to all questions submitted- attachment SF PT PSK- Addendum No. 3. See responses to questions 5, 8,9,10,11, 14, 21, 23, 24, 36, 37, 38, 39.
- Copy of paragraph G. Advertising under Section III from the RFP #1 relative to the number of signs permitted
  - Incorporated Prop G & Prop E. (*clearly states number of ad panels cannot be increased*). Addendum No. 3 reinforced this point.
- CCO cover letter and Proposal for RFP #1 dated December 16<sup>th</sup> 2015.
  - Incorporates multiple references to “unique and creative approach”, “creative and flexible approach” in responding to the RFP
  - Includes one time upfront payment of \$500,000 to purchase toilets and advertising kiosks
  - Offers details and a concept on how to incorporate community based organizations like Hunters Point Family, Tenderloin Housing Clinic into the contract.
- Memo dated June 3<sup>rd</sup> 2016 to CCO executive team recommending that CCO not submit a proposal for the Re-advertised Public Toilet & Kiosk Agreement
  - Mentions pre bid meeting where DPW states there are no right to purchase existing toilets in place.
  - Mentions the advantages to the incumbent. Timing requirements, logistics and costs
- Revision to Evaluation Criteria between RFP #1 and RFP #2
  - Selection Criteria RFP #1

- Revenue Proposal 65 points
- Organization and Management Approach 5 points
- Maintenance and Monitoring 10 points
- Design 5 points
- Communications 5 points
- Oral Interview- 5 points
- Total 100 points
- Selection Criteria RFP #2
  - Project Approach (20 pts) – previous RFP (5 pts)
  - Assigned Project Staff (10 pts)
  - Experience of Firm and Subconsultants (10 pts)
  - Revenue and Fee Proposal (20 pts) – previous RFP (65 pts)
  - Oral Interview (40 pts) – previous RFP (5 pts)
  - Total 100 points

Let me know if you any addition questions.

Sincerely

**From:** [Shinn, Stephen](#)  
**To:** [DPW-ToiletAndKioskRFP](#)  
**Cc:** [Qualls, Bruce](#); [Schmitt, Bob](#); [Landgraf, Amy](#)  
**Subject:** RFP Public Toilet and Kiosk Agreement  
**Date:** Tuesday, November 10, 2015 2:27:39 PM  
**Attachments:** [image004.png](#)  
[SF RFP Questions - Public Toilet & Kiosks.docx](#)

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DPW,

Attached for your consideration are questions regarding the subject RFP. We will be looking forward to receiving your timely response as soon as possible.

Thank you,

Steve



**Stephen Shinn**  
Senior Real Estate Representative

555 12<sup>th</sup> Street, Ste 950  
Oakland, CA 94607  
D 510.446.7216  
[clearchanneloutdoor.com](http://clearchanneloutdoor.com)

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**SAN FRANCISCO – RFP  
PUBLIC TOILET & KIOSK AGREEMENT**

1. The Tentative Schedule does not indicate when the Proposers would receive answers to written questions submitted by November 13, 2015. Based on the response to the questions, it does not provide sufficient time to react and then revise our Proposal by the Deadline for Submission: November 20, 2015. Respectfully, we would ask that the due date be extended to January 20, 2016.
2. Ordinance No. 13-09 was passed in January 2009, which amend the San Francisco Administrative Code to prohibit advertisements for alcoholic beverages on City property. Please confirm alcohol advertising will not be allowed per the terms of the new agreement.
3. Please provide the current 2015 advertising revenues from the Public Service Kiosks.
4. Please confirm the date the current contract terminates. Is it October 17, 2016 or January 17, 2017?
5. On page 3 of the RFP, listed under the Aesthetics for the design elements, it would be helpful if the some items were more defined, such as:
  - What is a contemporary design?
  - The context for creating and use of a unique font?
  - How many interactive advertising screens?
  - How many advertising panels could be digital LED versus static?
6. The current agreement required a performance bond of two-million dollars (\$2,000,000), which was reduced to five-hundred thousand dollars (\$500,000) after installation was completed. This RFP is requesting a commitment of ten-million dollars (\$10,000,000) for the performance bond. Would DPW consider reducing the amount of the performance bond required?
7. The Evaluation Criteria table indicates the Revenue Proposal is worth a total of 65 Total Points for the highest proposal, but the examples for calculating uses a total of 75 points, please clarify.
8. For the convenience and the public's continued use, would the existing public toilets become the property of the City and/or transferred to the possible new contractor for operation until the new toilet and kiosks are installed? If not, when would the current contractor be required to remove all of the existing public toilets and kiosks?

9. Does DPW know what was the total capital cost expense investment made by JC DeCaux for the existing twenty-five (25) public toilets and one-hundred and fourteen (114)? What is the unamortized value that a new contractor may have to pay to transfer the ownership?
10. Does DPW know the assessed value and/or real estate possessory interest taxes for the public toilets and kiosks paid by JC DeCaux for 2014?
11. Due to Proposition E (2009) there can be no increase in the number of advertising signs allowed on street furniture. Does DPW have any flexibility to allow more advertising to support the Proposer's ability to finance the significant capital investment required by this RFP?
12. Per the Section 603 of the City's Sign Code, the general advertising signs shall not exceed 52 sq. ft., but does not specify the format dimensions. Would the Proposer be required to adhere to a vertical format as stated in the current contract (not to exceed 12' high by 5' wide) or could we propose of a horizontal or square format?
13. The current contract and Sign Code states the public service kiosks are divided into three sections, two ad panels and one public service use. To the best of our knowledge, many (or possible all) of the kiosks designed for a newsstand or other public service use are no longer in operation for the uses that were intended. If there is no required, requested or necessary public service use, would it be possible to utilize the third section for advertising purposes?
14. If new contractor negotiates an agreement for a commercial use like an ATM for the kiosk's public service section would the contractor be allowed to retain all the revenue?
15. On page 10, the Special Note under B. Selection Process it states the City may opt to select more than one bidder. This does not seem consistent with other terms and intent of the RFP. Please explain a possible scenario where one of more companies could be selected? Could the City select one company to provide the public toilets and another company to provide the kiosks?
16. Are all of the 25 currently installed public and the 25 additional toilets, contemplated to be installed and/or located at permanent fixed locations?
17. What is the proposed timeline goal for the replacement the existing and/or installation of the new public toilets and the replacement of the kiosks? The current contract allowed for a five (5) year six (6) month construction phase from the date permits were issued per the terms of a twenty (20) year contract.
18. During the term of the new contract, the City may request the removal or relocation of up to five (5) public toilets or kiosks per year. Is this the total combined number or could it be as many as five (5) public toilets and five (5) kiosks per year?

19. What is the encroachment permit fee for a public toilet and a public service kiosk? The current contract set these permit fees to be \$350.00 per toilet and kiosk. Should we assume the fees will be the same per the terms of the new contract?

**SAN FRANCISCO – RFP  
PUBLIC TOILET & KIOSK AGREEMENT**

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8. For the convenience and the public's continued use, would the existing public toilets become the property of the City and/or transferred to the possible new contractor for operation until the new toilet and kiosks are installed? If not, when would the current contractor be required to remove all of the existing public toilets and kiosks?

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10. Does DPW know the assessed value and/or real estate possessory interest taxes for the public toilets and kiosks paid by JC DeCaux for 2014?
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16. Are all of the 25 currently installed public and the 25 additional toilets, contemplated to be installed and/or located at permanent fixed locations?
17. What is the proposed timeline goal for the replacement the existing and/or installation of the new public toilets and the replacement of the kiosks? The current contract allowed for a five (5) year six (6) month construction phase from the date permits were issued per the terms of a twenty (20) year contract.
18. During the term of the new contract, the City may request the removal or relocation of up to five (5) public toilets or kiosks per year. Is this the total combined number or could it be as many as five (5) public toilets and five (5) kiosks per year?



19. What is the encroachment permit fee for a public toilet and a public service kiosk? The current contract set these permit fees to be \$350.00 per toilet and kiosk. Should we assume the fees will be the same per the terms of the new contract?



## ADDENDUM No. 3

### Request for Proposals for Public Toilet and Kiosks Agreement

December 4, 2015

Edwin M. Lee  
Mayor

Mohammed Nuru  
Director

Fuad Sweiss, PE, PLS  
City Engineer &  
Deputy Director

**Office of the City Engineer**  
Infrastructure Design  
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San Francisco Public Works  
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The Request for Proposals (RFP) for the aforementioned services is amended in accordance with the following revisions which are made part of said RFP.

#### Submittal Deadline:

REVISED – Due 4:00 P.M. on ~~December 4, 2015~~ ***December 16, 2015***

#### Revised RFP:

The RFP posted on October 13, 2015 has been replaced in its entirety and amended with the revised RFP dated December 4, 2015.

A red-lined version of the revised RFP dated December 4, 2015 has been added, for the purpose of referencing changes only.

#### Attachments:

The following attachments are included with this Addendum No. 3:

- Summary of Questions and Responses
- Table 3.1 – Revenue

#### Note:

- ~~Red~~ with strikethrough texts are deleted texts
- ***Blue*** bold italic texts are revised or added texts

**Public Toilets and Kiosks  
Summary of Questions and Responses**

| No. | Question  | Response   |
|-----|---|--|
| 1   | The Tentative Schedule does not indicate when the Proposers would receive answers to written questions submitted by November 13, 2015. Based on the response to the questions, it does not provide sufficient time to react and then revise our Proposal by the Deadline for Submission: November 20, 2015. Respectfully, we would ask that the due date be extended to January 20, 2016.   | The proposal due date is extended to Dec 16, 2016. Please refer to Addendum No. 3.   |
| 2   | Ordinance No. 13-09 was passed in January 2009, which amend the San Francisco Administrative Code to prohibit advertisements for alcoholic beverages on City property. Please confirm alcohol advertising will not be allowed per the terms of the new agreement.   | Confirmed.<br>Advertising prohibition can be found in SEC. 4.20. TOBACCO PRODUCT, SUGAR SWEETENED AND ALCOHOLIC BEVERAGE ADVERTISING PROHIBITION.<br><a href="http://www.sfbos.org/ftp/uploadedfiles/bdsupvrs/ordinances15/o0098-15.pdf">http://www.sfbos.org/ftp/uploadedfiles/bdsupvrs/ordinances15/o0098-15.pdf</a>   |
| 3   | Please provide the current 2015 advertising revenues from the Public Service Kiosks.<br><br>Can you please provide gross advertising revenues going back three years, broken out by PT and PSK? Additionally, can The Authority please provide inventory numbers for both PSK and PT in that same time period?  | Please refer to the attached Table 3.1 for this information.   |
| 4   | Please confirm the date the current contract terminates. Is it October 17, 2016 or January 17, 2017?  | Current contract terminates October 17, 2016. The City has the authority to extend the current contract if necessary.  |
| 5   | On page 3 of the RFP, listed under the Aesthetics for the design elements, it would be helpful if the some items were more defined, such as:<br>a. What is a contemporary design?<br>b. How many interactive advertising screens?<br>c. How many advertising panels could be digital LED versus static?   | a. Please propose your new design for consideration using the latest technology and the best materials available<br>b. One per kiosk<br>c. No more than 2 panels per street side in 4 City blocks along a corridor should have a digital LED sign (one panel on each side of the street). Images should be static for a minimum of 8 seconds before they change. No animation allowed. |
| 6   | The current agreement required a performance bond of two-million dollars (\$2,000,000), which was reduced to five-hundred thousand dollars (\$500,000) after installation was completed. This RFP is requesting a commitment of ten-million dollars (\$10,000,000) for the performance bond. Would DPW consider reducing the amount of the performance bond required?<br><br>Would a letter of credit in the amount of \$12 million be an acceptable alternate? | Yes. Five million performance bond, reduced to one million after installation.<br><br>Yes.   |
| 7   | The Evaluation Criteria table indicates the Revenue Proposal is worth a total of 65 Total Points for the highest proposal, but the examples for calculating uses a total of 75 points, please clarify.  | Total points for the revenue proposal and Minimum Annual Guarantee points used in the examples for calculating should be together is 65 points.  |

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| 8  | For the convenience and the public's continued use, would the existing public toilets become the property of the City and/or transferred to the possible new contractor for operation until the new toilet and kiosks are installed? If not, when would the current contractor be required to remove all of the existing public toilets and kiosks?  | No. Existing toilets and kiosks belong to existing contractor. Selected Proposer will need to provide the Public Toilets and Kiosks within 120 days after issuance of permit. If the selected Proposer needs more than 120 days after issuance of permit to install the toilets, this will have to be negotiated in the contract. Please propose your transition plan if you need more than 120 days. |
| 9  | Does DPW know what was the total capital cost expense investment made by JC DeCaux for the existing twenty-five (25) public toilets and one-hundred and fourteen (114) kiosks? What is the unamortized value that a new contractor may have to pay to transfer the ownership?  | Public Works has no knowledge of JCDecaux's investment expense.   |
| 10 | Does DPW know the assessed value and/or real estate possessory interest taxes for the public toilets and kiosks paid by JC DeCaux for 2014?  | No.   |
| 11 | Due to Proposition E (2009) there can be no increase in the number of advertising signs allowed on street furniture. Does DPW have any flexibility to allow more advertising to support the Proposer's ability to finance the significant capital investment required by this RFP?   | No. However, Proposers can propose a new design using the existing space for consideration.   |
| 12 | Per the Section 603 of the City's Sign Code, the general advertising signs shall not exceed 52 sq. ft., but does not specify the format dimensions. Would the Proposer be required to adhere to a vertical format as stated in the current contract (not to exceed 12' high by 5' wide) or could we propose of a horizontal or square format?  | Proposers can propose a horizontal or square format not to exceed 52 sq ft.   |
| 13 | The current contract and Sign Code states the public service kiosks are divided into three sections, two ad panels and one public service use. To the best of our knowledge, many (or possibly all) of the kiosks designed for a newsstand or other public service use are no longer in operation for the uses that were intended. If there is no required, requested or necessary public service use, would it be possible to utilize the third section for advertising purposes? | Please propose your new design for consideration.   |
| 14 | If new contractor negotiates an agreement for a commercial use like an ATM for the kiosk's public service section would the contractor be allowed to retain all the revenue?   | A percentage of the annual revenue will have to be shared with the City. Please propose your revenue share.   |
| 15 | On page 10, the Special Note under B. Selection Process it states the City may opt to select more than one bidder. This does not seem consistent with other terms and intent of the RFP. Please explain a possible scenario where one of more companies could be selected?   | Only 1 bidder will be selected.   |
| 16 | Could the City select one company to provide the public toilets and another company to provide the kiosks?   | No, selected company will have to provide both public toilets & kiosks.   |
| 17 | Are all of the 25 currently installed public and the 25 additional toilets, contemplated to be installed and/or located at permanent fixed locations?  | Yes.  |

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| 18 | During the term of the new contract, the City may request the removal or relocation of up to five (5) public toilets or kiosks per year. Is this the total combined number or could it be as many as five (5) public toilets and five (5) kiosks per year? | 5 is the total combined number per year. 2 toilets & 3 kiosks.  |
| 19 | What is the encroachment permit fee for a public toilet and a public service kiosk? The current contract set these permit fees to be \$350.00 per toilet and kiosk. Should we assume the fees will be the same per the terms of the new contract?          | Roughly the same \$350 each.  |
| 20 | Would the city consider separating the RFP into two separate proposals; one for public service kiosks and one for public toilets? If not, must a bidder bid on both assets in order to be compliant with the RFP?  | No, these will not be separate. Proposers must proposer for both Public Toilets and Kiosks to comply.   |
| 21 | Due to the timeline of the RFP and location specific designs, can we propose a collaboration between a public toilet manufacturer and a named architect to produce a custom design specific to San Francisco, post award?                                  | You may propose a collaboration by the submittal deadline of the RFP to include one or more designs. Designs will be evaluated & scored.  |
| 22 | Section III.G.1<br>a. How many ad panels are on existing PTs and PSKs? Is the successful bidder limited to this number of ads?<br>b. Does Planning Code 611 have any restrictions on:<br>i. The size of ads<br>ii. The existence of digital ads            | a. Successful bidder is restricted to the existing space for ads. There are generally 2 panels per PSK at 52 sq. ft.<br>b.i. Please refer to the response for question 12, above.<br><a href="https://law.resource.org/pub/us/code/city/ca/SanFrancisco/Planning%20Code/article06.pdf">https://law.resource.org/pub/us/code/city/ca/SanFrancisco/Planning%20Code/article06.pdf</a><br>b.ii. Please refer to the response for question 5, above. |
| 23 | Section III.A.1.<br>a. PTs<br>i. How many ad panels are on each PT? Is the successful bidder limited to this number?<br>ii. Are the PTs currently electrified?<br>iii. For the 25 new PTs, would they be at locations with existing sewer lines?           | a. PTs:<br>i. Yes, bidder is limited to existing number.<br>ii. Yes<br>iii. The sewer line exists in the right-of-way. A lateral sewer connection will have to be built to connect to the main sewer. Please provide an allowance for building the sewer lateral in your proposal.  |

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| 24 | <p>Section III.A.1.<br/>B. PSKs</p> <p>i. Is there a limit to the number of PSKs we can install? Would the successful bidder be capped at replacing the existing 114 PSK locations?</p> <p>ii. How many ad panels are on each PSK? Is the successful bidder limited to this number?</p> <p>iii. Are the PSKs currently electrified?</p> <p>iv. Is there an ability to add more kiosks in the future?</p>   | <p>b. PSKs:</p> <p>i. Yes, there is voter mandated advertising limit (proposition E passed by voters as of January 1, 2008) which limits advertising to the existing kiosks.<br/><i>SEC. 420-1. GENERAL ADVERTISING - PROHIBITION ON THE EXTERIOR OF CITY BUILDINGS AND ON STREET FURNITURE.</i><br/><i>(b) No increase in the number of general advertising signs shall be allowed on street furniture, including transit shelters, kiosks, benches and newspaper racks, over the number authorized by City law and negotiated under the provisions of City contracts that were in effect as of January 1, 2008. These limitations shall apply to any successor contracts.</i><br/><i>(c) The term "general advertising sign" shall have the meaning set forth in Section 602.7 of the Planning Code.</i><br/><i>(Added by Proposition E, App. 11/5/2009)</i></p> <p>ii. Two general advertising signs each not to exceed 52 sq ft in area on a public service kiosk. Each such public service kiosk shall be divided into three sections, one of which shall provide a public service, such as a newsstand, newsrack, map, public telephone, vending machine, display of public service information, or interactive video terminal; Yes, Proposers are limited to this number.</p> <p>iii. Yes.</p> <p>iv. No.</p> |
| 25 | <p>Section III.C.2</p> <p>a. Would the City consider a pro-rata reduction in MAG in relation to removed inventory?</p> <p>B. Would the City consider waiving the removal/replacement burden for PTs and PSKs? The successful bidder would make significant expenditures in the fabrication, trenching, electrification, installation, etc. of the units and placing the financial burden of removal and replacement is onerous. If the City is not willing to waive this requirement, can the parties agree on a cap?</p>  | <p>a. Yes</p> <p>b. During the term of the new contract, the City may request the removal or relocation of up to five (5) public toilets or kiosks per year. 5 is the total combined number per year cap. At the end of the contract term, if the selected Contractor does not win the next bid, Contractor will have to obtain permits to remove their toilets and kiosks and restore the respective sidewalks and curbs at their own expense.</p>  |
| 26 | <p>Section III.F.1</p> <p>Can the City clarify the duties expected of the PT staff? Would this person essentially serve as security for the PTs? Has the City considered the potential liability issues involved in this requirement? Will the City consider removing this requirement from the RFP?</p> <p>As discussed during the pre-proposal conference, the requirement to provide attendants to a minimum of 50% of the total number of toilets, 12 hours per day is onerous &amp; confusing. Are these employees expected to act as security guards, police officers, innocent by-standers?</p> | <p>Duties for the PT staff person would include, but not be limited to, the items listed in the RFP per Section III.D., III.F, &amp; IV.B. The City has considered the potential liability. The following existing PTs are currently being staffed successfully: Market/Castro, UN Plaza, Civic Center Plaza, 16th &amp; Mission. This requirement will not be removed.</p> <p>It is up to the Proposer to determine the duties. Some suggested job duties include, but are not limited to:</p> <p>Periodically clean the toilets, replenish supplies such as soap, toilet paper, seat covers, and perform maintenance, report malfunctions. When customers come along with a pet or shopping cart, staffer will assist &amp; keep an eye on it while they use the toilet, distribute doggie bags, assist with sharps containers, etc. Ability to stand for long periods of time, work outdoors, &amp; in inclement weather conditions.</p>  |
| 27 | <p>Would the City provide us with advertising standards?</p>   | <p>Proposer can propose any advertising as long as it complies with all existing laws, regulations, and codes.</p>   |

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| 28 | We believe that the speed and the performance of the wi-fi can be transformational to the City, its residents, visitors, and surrounding telecommunications industry. Can you clarify the city specifications referred to on page 4 (section E1)? In addition to the named wi-fi specifications (a,b,g,n,ac) that are required to be supported, are there other aspects of the wi-fi service (availability, user access, etc) that are required/desired? Would the City consider allowing the proposer to manage the wi-fi network if we can propose how to make it exceed the current requirements? | The City's preference is to manage the WiFi network; however, we would be willing to consider alternative proposals. If a proposer chooses to propose a managed system, it should have the following features:<br><ul style="list-style-type: none"> <li>• Seamless Experience – Access to system is simple and users are able to roam within the network</li> <li>• Broadband Speeds – 25Mbps download speed/ 4Mbps upload speed</li> <li>• No Authentication– No banner page</li> <li>• Data Collection Policy– No identifiable user info is collected</li> </ul> |
| 29 | Is the city providing wireline connectivity to the structure (PT or Kiosk)? If so, what type (fiber, ethernet, etc)?   | No, the City will not be providing connectivity to the structure.   |
| 30 | Will the wi-fi be compatible with other nearby city-managed public wi-fi, offering roaming and shared authentication?  | Yes, we expect the WiFi to be compatible with nearby city-managed public Wi-Fi, it should (a) provide a seamless experience – access to system is simple and users are able to roam within the network; (b) there should be no authentication and no banner page and (c) it should adhere to the City's data collection policy. Currently, no identifiable user info is collected on the City's public Wi-Fi network.   |
| 31 | Will the city allow for any capex recoupment from first revenues generated by the project for capex provided by proposer?  | No.   |
| 32 | Would the city allow for decreasing the \$10 million performance bond to a certain percentage of total capital expenditures in the first year of contract?   | Yes, please refer to response to #6, above  |
| 33 | If multiple bidders can be selected for this contract, how does this impact MAG Payments, Revenue Share, Operations Expenses, and coordination of advertising? Is that left up entirely to the multiple awarded bidders?   | Only 1 bidder will be selected.   |
| 34 | Section III.H.1 - Please confirm if the City expects payments to be MAG plus a percentage of revenue or if payments will be determined based on the greater of MAG or percentage of revenue.   | MAG plus a percentage of revenue  |
| 35 | Section VI.A.1 - Would the City consider reducing the letter of credit requirement from \$2M to 25%-33% of the MAG to be in line with the current market for security for United States Municipal Authorities?   | This is subject to negotiation during the selection process.  |
| 36 | On the 1st page, the City makes clear its intention to limit the initial & only assured term to 10 years. Given the breadth of the scope of this contract & the significant capital investment that will most certainly be required, will the City agree to expand the initial term to a minimum period of 20 years?   | No.   |
| 37 | It is clear from the evaluation criteria chart included in the RFP that any proposer offering the highest revenue proposal would win the award. Such an approach discounts completely the value of all other aspects of the procurement including the credit worthiness of the proponent, the quality of the designs submitted or the level of experience any proponent might have in out-of-home media and street furniture. Will the City consider the evaluation criteria to more heavily weigh such important although non-financial consideration?  | No.   |

|    |   |   |
|----|---|---|
| 38 | As it is written, it is our opinion that very few companies are prepared to provide the City with compliant proposals & we would strongly urge the City to consider taking a closer look at the requirements & expectations with an eye towards ensuring that the procurement process be as open to as many potential proponents as possible. | Your comment is duly noted.   |
| 39 | Nowhere does it indicate that your request can be fully self-cleaning automated restrooms.  | The RFP does not discourage automatic self-cleaning public toilets(APTs). Please note that we require that 50% of the public toilets (APTs and/or manually cleaned toilets) be staffed/monitored in problem areas to prevent illicit, criminal, nefarious activities occurring in the toilets. You are welcomed to propose any combination of both self cleaning for the non-staffed areas, & manual cleaning for the staffed areas. The staffing requirements can be found on under Section III.F. of the RFP. There are non-problem areas where the APTs have survived & thrived. We want to receive as many proposals as possible, and will consider multiple designs. |



**Table 3.1 - Revenue**

| Base Year    | Revenue payment to<br>Public Works from<br>JCDecaux | Payment Date |
|--------------|---|--------------|
| 2011         | \$568,253   | 1/14/2011    |
| 2012         | \$603,735   | 1/28/2012    |
| 2013         | \$653,476   | 2/5/2013     |
| 2014         | \$751,301   | 1/23/2014    |
| 2015         | \$604,620   | 1/20/2015    |
| <b>Total</b> | <b>\$3,181,385</b>                                  |              |

City may elect to negotiate additional options including relocating or moving PTs & PSKs to other locations for various reasons beyond the five (5) per year, or adding other design features or services as suggested by the City or the Proposer.

- 3. The Proposer must create and maintain an Internet-based Inventory, Maintenance and Complaint Database System and must log in this system all required data on PT and PSK inventory, maintenance activities, and condition complaints and reports. This database must also provide current permit information, a list of locations and map of all street furniture installed by Proposer and be accessible to the City electronically.

G. Advertising

- 1. The Proposer may use PSKs and PTs for general advertising as negotiated in the contract. There shall not be any increase the amount of advertising on PSKs and PTs from existing amounts consistent with the Planning Code sec. 611, and voter-passed propositions G (2002) and E (2009). All general advertising signs shall be compliant with all applicable codes and requirements.

g:
,16
of existing equipment
ic into the contract.

December 16, 2015

San Francisco Public Works  
Contract Administration  
1155 Market Street, 4<sup>th</sup> Floor  
San Francisco, CA 94103  
Attention: Stacey Camillo

RE: City and County of San Francisco  
Request for Proposal (RFP)  
Public Toilet and Kiosk Agreement

### Introduction and Executive Summary

Clear Channel Outdoor, Inc. (CCO) is pleased to submit our proposal with our unique and creative approach to the City and County of San Francisco (City), Department of Public Works (DPW) for the next contract to provide public toilets and kiosks for the City's benefit.

The Automatic Public Toilet and Public Service Kiosk program that was contracted with JC DeCaux more than 20 years ago has been a highly successful advertising program, but not a hugely successful public toilet program. The current public toilets have not been utilized properly for their intended purpose. It has been well documented that many of the public toilet locations have been fraught with illegal activities, breakdowns, lengthy out-of-service times and vandalism.

What has been successful is DPW's recently implemented "Pit Stop" pilot program. It is apparent for a variety of reasons that on site toilet monitor staffing at selected public toilets is absolutely necessary in an ever changing and challenging diverse urban environment like we have in San Francisco.

With this in mind, our proposal is intended to provide the necessary funding to DPW as follows:

- One-time upfront payment of **\$500,000** to purchase the existing public toilets and kiosks.
- Annual payments beginning at **\$2,500,000** (increased 3% per year) to fully-staff the toilet monitors.
- Additional annual payments of **\$750,000** for DPW to purchase, install and maintain new public toilets at either fixed locations or portable mobile toilets, at the City's discretion.
- Upon the full replacement of the 114 advertising kiosks at CCO's capital cost, Minimum Annual Guarantee (MAG) payments of **\$750,000 or 10% share of the advertising revenue**, whichever is greater.

Over the ten-year term of the new agreement, DPW will receive a total of **\$40,500,000** in guaranteed payments. In addition, depending upon the level of success of the advertising program there would potentially be a significant additional portion paid in the share of advertising revenue.

CCO believes our proposal will accomplish both an “In-Kind and Financial Benefit” as contemplated under the terms of the RFP. This proposal provides the most creative and flexible approach to maximize the strengths of a public-private partnership. With the necessary funding provided, the City’s will be able to successfully administer, manage and implement the continuation of public toilet program as DPW deems appropriate. New jobs will be created, the expectations of both residents and tourists will be met, neighborhoods will be cleaner and safer, as well as providing the city with additional resources to address the homeless issue. By implementing our vision, it will remove people from the streets, move them into housing and create new jobs. As a good corporate citizen, CCO has preliminarily reached out and identified a few local community based organizations such as the Hunters Point Family, RDJ Enterprises and the Tenderloin Housing Clinic. We believe these organizations are best suited to work directly with DPW as Workforce Development contractors to provide the required toilet monitoring and maintenance services. We will assist DPW with the facilitation of bringing these organizations on board.

CCO is proud of the successful relationship we have with the City, DPW and the San Francisco Municipal Transportation Agency. We will be looking forward to working with all the City departments to ensure the public toilet program will be successful in the future.

This letter and proposal are not binding and are instead to serve as the basis for negotiating written agreement. Neither this letter nor the proposal creates an obligation to enter or to continue negotiations. CCO, the City and DPW will not be bound to an agreement unless and until each party executes a final and definitive written contract.

Sincerely,

Robert Schmitt  
President / General Manager

**Redacted**

**EXECUTIVE SUMMARY**

**(RE-ADVERTISED)**  
SAN FRANCISCO RFP  
PUBLIC TOILET & KIOSK AGREEMENT  
**Proposal Due: June 3, 2016**

**Overview**

The Northern California Regional Branch is recommending that we not submit a proposal. In general, to submit a conforming proposal under current assumptions, the Capital Expense Cost would be [REDACTED], which would yield a poor IRR of [REDACTED], which does not make this an attractive opportunity. CCO can generate superior returns with less investments on more conventional projects currently being pursued.

The reissued RFP is seeking to replace 25 existing automatic public toilets and provide an additional 15 new automatic public at to be determined sites. At the pre-bid meeting, DPW specifically stated there would be no right to purchase the existing JCDecaux toilets in place, a key component proposed in our original proposal.

It again stipulates that personnel will monitor activity at 25 public toilet locations 12-hours a day, 7-days a week. This is estimated to be [REDACTED] in an additional annual expense. Also, the RFP adopted our concept that companies whose primary business is advertising are strongly encouraged to use a Community-Based Organization

In addition, the RFP requests an increase in the Financial Benefit in terms of Minimum Annual Guarantee (MAG) and a percentage of the advertising revenue.

Added to this RFP is a requirement for a CEQA review of the 15 new public toilets, which is an another expense estimated to be [REDACTED].

JCDecaux enjoys an advantageous position as the incumbent as one of the City priorities is maintaining the toilet services throughout the transition. It was rumored that Intersection offered a significant amount of money with the stipulation that the number of advertising kiosks be increased in order for them to duplicate their LinkNYC to San Francisco.

For your additional review and consideration, all other relevant terms are on the following page.

**Redacted**

**Current Contract Terms (JC DeCaux)**

- 20-year contract expires January 2017
- 25 Automatic self-cleaning public toilet
- 114 three-sided Kiosks – 2 ad panels / 228 total static faces
- Five-Year Annual Ad Revenue, 7% Revenue Share and Administration Fee (Alcohol advertising is allowed. Estimate 15% of revenue)

| <u>Year</u> | <u>Ad Revenue</u> | <u>Revenue Share</u> | <u>Admin Fee</u> |
|-------------|-------------------|----------------------|------------------|
| 2014        | \$8,063,114       | \$564,418            | \$40,202         |
| 2013        | \$10,168,052      | \$711,767            | \$39,538         |
| 2012        | \$8,785,783       | \$615,045            | \$38,431         |
| 2011        | \$8,624,779       | \$603,735            | \$37,368         |
| 2010        | \$7,597,937       | \$531,856            | \$36,397         |

**Key Terms of the RFP**

- 10-year contract, City's has two 5-year options to extend
- Replace existing 25 automatic public toilets
- Provide an additional 15 automatic public toilet
- Replace all of the 114 existing Kiosks  
(No additional advertising on City property allowed per Proposition E 2009)
- Digital ad displays would be allowed
- Alcohol advertising would be prohibited per City ordinance passed 2009
- 50% of the public toilets shall be staffed by 1-person for 12-hours per day
- Evaluation Criteria:
  - Revenue – 20 pts.
  - Project Approach – 20 pts.
  - Assigned Project Staff – 10 pts.
  - Experience of Firm – 10 pts.
  - Oral Interview – 40 pts.Total – 100 pts.

