

# Request for Proposals for Marketing and Sponsorship Services for the San Diego Association of Governments 511 Traveler Information System

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Issued by ICx Transportation Group, Inc.

on behalf of Telvent Farradyne Inc.

July 10, 2008

# Request for Proposals for Marketing and Sponsorship Services

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## 1. Introduction and Project Description

The San Diego Association of Governments (SANDAG) operates a 511 traveler information telephone number (511 in the San Diego region and 800-215-4551 elsewhere) and co-branded web page (<http://511sd.com/>). Travelers in the San Diego region are able to get traveler information by calling the phone number or visiting the web site. Information is available covering traffic (including traffic conditions and travel times), transit, roadside assistance, ridesharing, airports, FasTrak, bicycling, and other programs.

SANDAG's 511 is part of the national 511 traveler information program, and is an integral part of the region's transportation services. In order to provide transportation services more effectively, SANDAG is exploring ways to generate revenues using its 511 system and related assets. These revenues will be used to expand and enhance the services provided by the 511 system. This Request for Proposals (RFP) represents one aspect of SANDAG's exploration of business services.

Telvent Farradyne Inc., has the prime contract with SANDAG to design, operate and maintain a multimodal traveler information service. ICx has a subcontract with Telvent and part of ICx's scope is to develop and manage the SANDAG 511 business services aspect of the 511 program. Therefore, ICx is the entity conducting this procurement. Any contracts formed will be between the selected bidder(s) and ICx. SANDAG may elect to have the contracts directly with the successful bidder(s), or subsequent agreements executed between ICx and proposer(s) may be assigned to SANDAG or its designee.

## 2. Scope of Work and Schedule

The objective of this effort is to develop sponsorship and other marketing opportunities to generate revenue for the SANDAG 511 system. The following list represents the tasks that the selected offeror may perform to accomplish this goal. Offerors should feel free to suggest other tasks that will accomplish the goal of providing revenue to the 511 system through sponsorships and marketing.

1. Analyze the current traffic and use of the telephone and web site
2. Identify media opportunities that mesh with the overall mission of 511
3. Develop a model for advertising opportunities and revenue sharing
4. Design a marketing package to be used to present advertising opportunities
5. Create a database of potential advertisers
6. Develop and execute a sales program
7. Produce advertisements

## 8. Monitor and report progress

All advertisements and sponsorships must be in compliance with SANDAG's approved Advertisement Policy, dated April 11, 2008. Please refer to Attachment B for a copy of the policy.

It should be assumed that this contract will be for a thirteen month term, which will include one month for project start-up and twelve months of operations. We reserve the right to extend the contract in one year increments for as long as ICx is under contract to SANDAG.

## 3. Budget

There is no pre-determined budget for this effort. ICx is making the following assumptions:

- Offeror may receive some funding to cover the costs of project start-up
- ICx, on behalf of SANDAG, will receive the majority of the revenue generated from sponsorship and marketing.

Overall cost effectiveness, along with the percentage of revenue returned to the project, will be factors in the evaluation.

## 4. Instructions to Proposers

Proposers are requested to submit an electronic submission to Michael Berman at [Michael.Berman@icxt.com](mailto:Michael.Berman@icxt.com).

Proposals must be received by 4:00 p.m. on July 31, 2008. Proposals received after that time may be considered at ICx's sole discretion.

Proposers may submit questions to ICx Transportation at any time during this procurement process. Questions should be directed, by email, to Michael Berman at [Michael.berman@icxt.com](mailto:Michael.berman@icxt.com).

## 5. Form of Proposal

Proposals must include the following. While there is no page limit, brevity is encouraged.

### 1. Transmittal Letter

Each proposal must have a transmittal letter signed by an individual authorized to bind the proposer. The transmittal letter must also state that the proposer's offer will remain valid for ninety days.

### 2. Table of Contents

The table of contents will show all major sections and subsections of the proposal.

### **3. Overview and Summary**

This section will be an executive summary of the proposer's approach and qualifications.

### **4. Project Understanding and Work Plan**

In this section, proposers shall first describe the goals of the project, as they understand them. It should then discuss the strategies and tasks by which the proposer will meet the goals. For each task, proposers should identify what deliverables they will provide (if applicable). Proposers may use the tasks described in the Scope of Work above for guidance, and may use those tasks or other tasks as they see fit.

If applicable, proposers shall describe what resources they will need from either SANDAG or ICx to effectively implement their work plan.

### **5. Team Structure and Organization**

This section of the proposal must do the following:

- Identify the proposer's project or account manager
- Identify the proposer's principal in charge
- Identify all subcontractors (if applicable) and describe their role(s)
- Identify all other key staff people, with a brief narrative on their experience.

### **6. Qualifications and References**

For each firm on proposer's team, this section must include at least three references for similar projects. Each reference must include a description of the project, the names of proposer's team members who were involved in the project and their roles on that project, and contact information for a reference at the client (including the person's name, telephone number and email address).

### **7. Cost Proposal**

The cost proposal should have two elements. The first is a breakdown by task of the proposer's fee for services needed to initiate this project.

The second element shall be an estimate of revenue that will be generated through this project and the percentage of revenue that will be returned to the 511 project.

## **6. Evaluation Process**

After receiving proposals, ICx will review them using the following criteria:

- Net revenue to be returned to the project (estimated total revenue multiplied by the percentage returned to the project minus initial and ongoing payments to proposer)
- Proposer's understanding of the goals of the project
- Proposer's approach, including an assessment of the likelihood that the approach will meet the project goals and the revenue estimates

- Proposer's individual and team qualifications

ICx reserves the right to do any of the following:

- Cancel this RFP
- Reject all proposals
- Conduct discussions or negotiations with one or more proposers on any element of this RFP
- Conduct interviews
- Speak with proposers' references
- Award a contract without conducting interviews or negotiations

## **7. Terms and Conditions**

The successful proposer will be expected to enter into ICx's Standard Subcontract Agreement, which is included as Attachment A. Proposers shall identify any concerns they have with that agreement and provide proposed alternate language as part of their proposal.

## Subcontract

This Subcontract is made this \_\_\_ day of \_\_\_\_, 20\_\_\_, by and between:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
(hereinafter called "Subcontractor")

and

**ICx Transportation Group, Inc.**  
1728 Clay Street, Suite 14  
San Francisco, California 94109  
(hereinafter called "Contractor")

### Recitals

- A. Contractor has entered into a contract with the San Diego Association of Governments (hereinafter called "Client") to perform \_\_\_\_\_ (hereinafter called "Project");
- B. The parties have agreed that a portion of the Project to be done by Contractor under the contract with the Client will be subcontracted by Contractor to Subcontractor, as defined in and subject to the terms and conditions set forth in this Subcontract.

This Subcontract witnesses that in consideration of the mutual covenants contained herein, the Parties agree as follows:

### Article 1- Interpretation

- A. **Definitions.** In this Subcontract, the following terms shall have the following meanings:

**"General Conditions"** means the terms and conditions contained in Exhibit B to this Subcontract.

**"Main Contract"** means the signed agreement and its attachments between Client and Contractor for the Project.

**"Subcontract Price"** has the meaning defined in Article 3 of this Subcontract.

**"Work"** means the services and work to be performed by Subcontractor as described in Exhibit A (Scope of Work) and the applicable provisions of the Main Contract and all other efforts and services necessary on the part of Subcontractor to complete all of its obligations under this Subcontract and the terms and conditions of the Main Contract.

**B. Exhibits.** The following are the Exhibits attached to and forming part of this Subcontract:

- Exhibit A: Scope of Work and Description of Business Services
- Exhibit B: Rate Chart and Revenue Sharing Agreement
- Exhibit C: Main Contract terms and conditions and all attachments made a part thereof

**Article 2- Performance of the Work**

- A. General Description.** The Subcontractor hereby agrees to perform the Work in accordance with the terms and conditions expressed herein, and in a sequence, time and manner which will permit Contractor to comply with the requirements of the Main Contract.
- B. Employees of Subcontractor.** Any individual employed by Subcontractor in the performance of the Work shall be employed solely at the expense of the Subcontractor. On request, Subcontractor shall provide Contractor with certificates or other proof that there are no outstanding taxes, premiums or assessments in respect of such employees.
- C. Subcontracting.**
  - 1. Subcontractor shall not subcontract any portion of the Subcontract Work without the written consent of Contractor.
  - 2. Subcontractor shall be fully responsible for all work performed by any sub-subcontractor employed by Subcontractor with the approval of Contractor to the same extent as if such work was done directly by Subcontractor.
  - 3. Nothing in this Subcontract shall be interpreted as creating any contractual relationship between Contractor and any sub-subcontractor of Subcontractor.

**Article 3- Revenues and Reporting**

- A. Subcontract Amount.** Subcontractor shall be paid for time expended (based on the rate chart in Attachment B) and direct costs in a total amount not to exceed \$\_\_\_\_\_ (\_\_\_\_\_ dollars). Subcontractor shall receive additional revenue, if at all, from monetizing the business services specified in Attachment A. Revenue shall be shared between ICx, the Subcontractor, and the client as defined in Attachment B.
- B. Invoicing and Payment.** Subcontractor shall submit invoices on a monthly basis. Each invoice must include a progress report. Payment will not be made if no progress report is provided. Payments shall be paid to Subcontractor in accordance

with the terms and conditions of the Main Contract and its attachments made a part hereof in Attachment C. Notwithstanding anything else contained in this Subcontract and its attachments and the Main Contract and its attachments, Contractor's receipt of payment from Client for Subcontractor's Work is a condition precedent to Contractor's obligation to pay Subcontractor.

- C. **Revenue Sharing.** Subcontractor shall provide a quarterly accounting of the revenue received during the previous quarter. The accounting shall be provided to ICx by the end of the first month after the end of each quarter. The accounting shall cover all elements of the revenue sharing agreement in Attachment B. Upon receipt of the accounting, ICx will have fourteen days to review it. If ICx agrees with the accounting, it will so inform Subcontractor, and Subcontractor shall remit both ICx's and the client's share of the revenues to ICx. If ICx disagrees with the accounting, it will inform Subcontractor of its disagreement, and the parties will attempt to resolve their differences.

#### Article 4- General

- A. **Independent Contractor Status.** This Subcontract shall not be interpreted or construed to create between the Parties any agency, partnership, association, or joint venture. As an independent contractor, Subcontractor agrees to indemnify and hold Contractor harmless from any and all claims for taxes and costs that may be assessed against Contractor arising out of Subcontractor's failure to pay any such taxes or fees that are Subcontractor's responsibility, including, but not limited to, taxes or contributions for unemployment insurance, pensions and withholdings for income taxes payable in respect of wages payable to persons employed by Subcontractor.
- B. **Disclaimer of Warranty.** All information, content, data, or other materials provided to Subcontractor by either ICx or by the client are provided "as is" with no warranties. ICx does not endorse, represent or warrant the accuracy or reliability of any of the information, content, data, or other materials provided to Subcontractor by either ICx or by the client. Any reliance upon any such information, content, data, or other materials shall be at the Subcontractor's risk. Neither ICx nor the Client shall be responsible for any damages, monetary or otherwise, alleged to have been caused by Subcontractor's participation in the project.
- C. **Indemnification.** Subcontractor agrees to defend, indemnify, protect and hold ICx and the Client and their agents, officers and employees harmless from and against any and all claims asserted or liability established for damages or injuries to any person or property, including injury to the Subcontractors' employees, agents or officers, which arise from or are connected with or are caused or claimed to be caused by the negligent, reckless or willful acts or omissions of the Subcontractor and its subcontractors and their agents, officers or employees, in performing the work or services herein, and all expenses of investigating and defending against same, including attorney fees and costs; provided, however, that the Subcontractor's duty to indemnify and hold harmless shall not include any claims or

liability arising from the established sole negligence or willful misconduct of ICx or their client, including their agents, officers or employees.

- D. Legal Obligation.** Subcontractor shall be bound to Contractor under this Subcontract as Contractor is bound to Client under the Main Contract. Notwithstanding the aforementioned, Contractor must have written authority from Client prior to termination of the Subcontractor from the Project whether for cause or convenience.
- E. Assignment.** Subcontractor shall not assign this Subcontract or any portion thereof without the written consent of Contractor.
- F. Applicable Law.** This Subcontract shall be interpreted by and construed under the laws of the State of California.
- G. Entire Agreement.** This Subcontract and its attachments constitutes the entire agreement between the parties in relation to the matter herein described, and supersedes all previous written or oral communications, understandings and agreements between the parties unless specifically stated herein. There are no representations, warranties, conditions or other agreements between the parties in connection with the subject matter of this Subcontract except those specifically set forth herein. This Subcontract shall not be changed or modified except by an agreement in writing between the parties hereto or their permitted assigns.

**Article 5- Notices**

Any notice, communication, payment or demand required or permitted to be given or made hereunder shall be deemed sufficiently given or made for all purposes if:

- (a) delivered personally during normal business hours on a business day to the party or to an officer or other responsible employee of the party to whom the same is directed; or
- (b) sent by electronic means of sending messages, including facsimile transmission, which produces a paper record, during normal business hours on a business day.

Until changed in accordance with the provisions of this clause, the addresses of the parties for notices are set out below:

**Subcontractor:**

Contact Person: \_\_\_\_\_  
Firm Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State, and Zip Code: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

Subcontract between ICx Transportation Group, Inc., and \_\_\_\_\_

**Contractor:**

1720 Clay Street, Suite 14  
San Francisco, California 94109  
Phone: 415-559-2150  
Fax: 888-511-ICXT  
Attn: Peter Dwyer, Managing Director

**In Witness Whereof**, the parties hereto have caused this Subcontract to be executed by their duly authorized officers.

_____	ICx Transportation Group, Inc.
By: _____	By: _____
Name: _____	Name: Peter Dwyer
Title: _____	Title: Managing Director

Subcontract between ICx Transportation Group, Inc., and \_\_\_\_\_

**Exhibit A**  
**Scope of Work and Description of Business Services**

The following sets out Subcontractor's Scope of Work.

Subcontract between ICx Transportation Group, Inc., and \_\_\_\_\_

**Exhibit B**  
**Rate Chart and Revenue Sharing Agreement**

Subcontract between ICx Transportation Group, Inc., and \_\_\_\_\_

**Exhibit C**  
**Copy of the Main Contract**  
**-attached hereto-**

**BOARD POLICY No. 034****ADVERTISING POLICY**

1. The San Diego Association of Governments (SANDAG) has determined that allowing revenue-generating advertising which does not compromise public or employee safety; or compromise the 511 or Transportation Demand Management message is a responsible means of maximizing use of SANDAG capital investments. Therefore, SANDAG may enter into license agreements with outside vendors to license advertising space for the purpose of generating revenue or in kind services. Issuance of such licenses must be in accordance with SANDAG procurement policies. Locations for revenue-generating advertising may include, but are not limited to: SANDAG Web sites, 511 phone system, data feeds, broadcast TV, print and or electronic communications, and promotions.
2. SANDAG public communication mechanisms are its property. Under certain terms and conditions SANDAG is willing to license use of its property to others. This Policy is intended to describe those terms and conditions.
3. The display of advertising carries with it a responsibility to protect the agency from potential litigation and to recognize the potential association of advertising images with SANDAG services while simultaneously respecting First Amendment principles. The agency addresses these issues through the responsible and consistent application of written criteria for advertising acceptability. It is not the intent of SANDAG to create a public forum through the acceptance of advertising.
4. SANDAG ability to communicate to the public directly is crucial to adequate dissemination of information to the public. SANDAG has a compelling interest in ensuring that its information distribution channels remain a place for public information concerning the SANDAG mission. Any use of the unique distribution channels at SANDAG command for purposes unrelated to or in conflict with its mission is to be avoided, as it effectively "pre-empts" the availability of information to the public regarding the SANDAG mission. For these reasons, SANDAG information distribution channels shall remain nonpublic forums and SANDAG shall maintain its right to limit access to these channels.
5. SANDAG may contract with outside vendors to license advertising space. Vendors for such contracts shall be solicited through competitive bids. Vendors shall be required to utilize competitive procurement procedures and to comply with this Policy.
6. Locations for revenue-generating advertising may include, but are not limited to: banner ads on Web sites, phone systems, data feeds, broadcast TV, and Transportation Demand Management products or services. Advertising includes "links" to other Web sites on SANDAG Web sites.

7. Recognizing that when sellers are associated with SANDAG, the sellers of the products or services could become associated with the credibility of SANDAG, SANDAG has an interest in ensuring that the public's perception of SANDAG credibility is not negatively impacted by the advertising. Therefore, disclaimers should be placed on information distribution channels stating that SANDAG does not endorse or make any representations or warranties about the advertised products or services.
8. SANDAG has a legitimate interest in setting boundaries for access to its information distribution channels to meet the express public purposes set forth in this Policy. Certain types of content will not further SANDAG's mission and therefore is prohibited. Content prohibitions on advertising shall be as follows:
  - 8.1. Advertising of all alcohol, tobacco, religious, political, or firearm products/services.
  - 8.2. Advertising that promotes illegal activities.
  - 8.3. Advertising that contains language which is obscene, vulgar, profane, scatological, or harmful to minors, as defined in California Penal Code Sections 311 and 313.
  - 8.4. Advertising that appears to make personal attacks on individuals or upon any company, product, or institution; or disparages any service or product or is defamatory in any respect.
  - 8.5. Advertising that may be interpreted to be offensive to a religious, ethnic, racial, political, or gender group.
  - 8.6. Advertising that portrays acts of violence, murder, sedition, terror, vandalism, or other acts of violence against persons or institutions.
  - 8.7. Advertising that depicts nudity or portions of nudity that would be considered as offensive, distasteful, pornographic, or erotic, is obscene, or advertises adult entertainment.
  - 8.8. Advertising that may be interpreted as condoning any type of illegal discrimination.
  - 8.9. Advertising that contains images, copy, or concepts that denigrate public transportation.
  - 8.10. Advertising that may conflict with any applicable federal, state, or local law, statute, or ordinance.
  - 8.11. Advertising that contains false or grossly misleading information.
9. The following criteria will be used to evaluate issuance of a license:
  - 9.1. Whether the advertising is from an official government entity.
  - 9.2. Whether the advertising will provide the public official government information or services.

- 9.3. Whether the advertising complements existing information or services offered by SANDAG.
- 9.4. Whether the advertising is applicable to a wide audience.
- 9.5. Whether the advertising appears to be accurate and current.
- 9.6. Whether the advertising is relevant, useful, and authoritative for citizens, businesses, or government officials.
- 9.7. Whether the advertising is consistent with SANDAG purposes, projects, and/or mission.
- 9.8. Whether the advertising compromises public or employee safety; or compromises the 511 message.
10. Upon written notice by the Executive Director of SANDAG on stated grounds that shall be reasonable and upon review of the General Counsel of SANDAG, any advertisement or other display deemed to be objectionable will be removed. No refund shall be made for the time such objectionable material was on display.
11. Quantity, quality, and placement of all advertising will be controlled by and subject to specific approval.
12. SANDAG reserves the right to reject any advertisement, commercial or noncommercial, which is not consistent with SANDAG policies. The Communications Director shall have authority to reject advertising that is inconsistent with this Policy. Before any advertisement is rejected, it may be referred to the SANDAG Office of General Counsel for a recommendation. A potential licensee whose advertising is rejected may appeal the decision to the Executive Director for review and a final decision.
13. SANDAG has several unique distribution channels at its disposal for disseminating transit and travel information for which it incurs no "space" cost (the fee charged for advertising space). Acceptable information for these distribution channels may include:
  - 13.1. *Cross-Promotional Information.* On an occasional basis and only when space is available, the SANDAG Communications Director may use SANDAG distribution channels to participate in cross-promotional opportunities that offer a direct opportunity to promote the use of transit or congestion reduction strategies. Any materials distributed for this purpose must prominently include promotion of SANDAG services (i.e., carpool or vanpool through RideLink or FasTrak® services). SANDAG will not donate a license for advertising space to any entity for purposes that are not directly related to the SANDAG mission. The outside organization involved either must bear the cost of producing such materials or, if approved by the SANDAG Communications Director, provide an equivalent or greater value in cross-promotional benefits (i.e., advertising space, editorial space, etc.). Any cross-promotional arrangement must be approved by the Communications Director or his/her designee based upon the criteria in this policy statement.

13.2. *“Added Value” Materials.* On an occasional basis and only when space is available, the SANDAG Communications Director may use SANDAG distribution channels to provide “added value” materials to its customers. Such materials must present a specific and time-dated offer uniquely provided for bus, rail, and registered carpool or vanpool customers (generally a money-saving discount) in which transit or registered carpooling can be used to access the redemption point. Any materials distributed for this purpose must prominently include the relevant SANDAG logo(s) and other wording approved by the SANDAG Communications Director to indicate that the offer is specifically designed for bus, rail, and registered carpool or vanpool customers. SANDAG will not donate a license for advertising space to any entity for purposes that are not directly related to the SANDAG mission. The outside organization involved must either bear the cost of producing such materials or, if approved by the SANDAG Communications Director, provide an equivalent or greater value in cross-promotional benefits (i.e., advertising space, editorial space, etc.). Any added value programs must be approved by the Communications Director or his/her designee based upon the criteria in this policy statement.

14. Definitions

14.1. *Added Value Materials:* Informational advertising which offers tangible benefit to patrons as a means of rewarding and retaining customers (i.e., a money-saving discount).

14.2. *Cross-Promotion:* A cooperative partnership in which two or more entities work together with the goal of jointly promoting their respective services.

14.3. *Governmental Entities:* Public entities specifically created by government action.

14.4. *Noncommercial Advertising:* A public service announcement, event notification, political statement, or other message which does not have as its primary purpose to propose a commercial transaction.

Adopted April 2008