

Date: December 20, 2017

To: Prospective Proposers

From: City of Cleveland, Department of Port Control

Subject: Addendum No. 1 to Request for Proposal – Advertising Concession

Please be advised that the City of Cleveland, through its Director of the Department of Port Control (“Department”), hereby publishes Addendum No. 1 to the Request for Proposal – Advertising Concession, dated December 1, 2017.

This addendum serves as the response to all inquiries received by prospective proposers during the Pre-Proposal meeting held on December 12, 2017. Also part of this Addendum No. 1 is the Sign-in Sheet from the Pre-Proposal meeting.

PROPOSAL SUBMITTAL DEADLINE:

**Wednesday, January 17, 2018
4 p.m. local time**

INQUIRIES

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| 1. | Question | Who will be responsible for removing existing displays if a new Firm is selected? |
| | Answer | The City’s contract with current concessionaire states that all equipment belongs to advertiser and requires removal of all equipment at any time of concessionaire changeover by the owner. |
| 2. | Question | If the current Firm is selected for this new contract, will they be required to update the advertisements? |
| | Answer | Not necessarily, but an aggressive capital expenditure plan would be expected in-line with investment that would be made by a new concessionaire. |
| 3. | Question | Who owns the encasements and enclosures for the televisions? |
| | Answer | Clear Channel owns all of the equipment and infrastructure related to the in gate entertainment system. |
| 4. | Question | Would a new Firm need to budget to replace the current television system? |
| | Answer | Yes |
| 5. | Question | At whose discretion is the Option Term exercised? |
| | Answer | City of Cleveland |
| 6. | Question | Should a Firm submit a budget for the Option Term? |
| | Answer | Please submit a budget for the 10 year term with years 11-13 as a supplement or add on. |

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| 7. | Question | Will the City please provide the Additional Submittal Requirement Forms in either Microsoft Word format or an editable PDF? |
| | Answer | Firms will need to print and complete the PDF forms that were provided with the RFP. |
| 8. | Question | Our annual audited financial statements are over 100 pages long per year. In an effort to comply with the City's green initiatives, would the City allow proposers to submit the financial statements on a CD or USB flash drive in PDF format? |
| | Answer | Yes |
| 9. | Question | Please clarify the expected timing for required refurbishment equal to accrued three percent (3%) of annual gross sales in section 2.3 Capital assets by nature have useful lives of more than one year, so it wouldn't be reasonable to perform refurbishments soon after they are installed or right before contract expiration. Would it be acceptable for proposers to lay out a timeline of anticipated periodic refurbishments, where total scheduled refurbishments over the term of the agreement are at least equal to three percent (3%) of total cumulative gross receipts? |
| | Answer | You are free to submit in that format, however consistent with current practice, these funds accrued during years 1 – 5, would be used in year 6 at mid-term. |