

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE RECOMMENDATION OF THE CITY MANAGER TO REJECT THE SOLE PROPOSAL RECEIVED PURSUANT TO REQUEST FOR PROPOSALS (RFP) NO. 2022-047-WG FOR PARKING GARAGE ADVERTISING SERVICES.

WHEREAS, on October 13, 2021, the Mayor and City Commission authorized the issuance of RFP 2022-047-WG for City parking garage advertising services; and

WHEREAS, the Procurement Department issued bid notices to approximately 9,117 companies utilizing the City's electronic bidding system, with 72 prospective bidders accessing the advertised solicitation; and

WHEREAS, the City received a sole response to the RFP from Alchemy Miami Beach, LLC; and

WHEREAS, because only one proposal was received, an Evaluation Committee was not convened, and instead, staff confirmed that Alchemy was responsive to the requirements of the RFP; and

WHEREAS, Alchemy proposed two revenue options with different digital formats for select signs and locations:

- Option A – the greater of \$3,000 minimum guarantee per month or 15% of gross revenues.
- Option B – the greater of \$4,500 minimum guarantee per month or 15% of gross revenues

WHEREAS, additionally, Alchemy proposed: 1) 10% of total available Garage Vision media under either Plan A or Plan B, be retained by the City for Public Service Announcements (PSAs); 2) 15% of the total available interior media to be retained by the City for PSAs; and, 3) a portion of its media in other markets to be dedicated as free advertising for the City, valued at \$15,000.00; and

WHEREAS, the current proposal does not provide equitable remuneration for the magnitude of impact that the proposed advertising will have on the City's parking garage facilities; and

WHEREAS, the current proposal includes placing advertising, in some cases very large advertising, in a significant percentage of garage surfaces where advertising can be placed for a nominal amount of revenue; and

WHEREAS, preliminary staff analysis of the previous revenue arrangement suggests that the City would not be maximizing its parking garage advertising revenue potential by proceeding with either of Alchemy's options; and

WHEREAS, as indicated in the table below, the monthly revenue guarantee is between 14% and 22% of the revenue of the City's prior agreement, depending on the Alchemy option

selected

Monthly Revenue	Annual Revenue	
Previous Contract	\$20,833	\$250,000
Proposed Plan A	\$3,000*	\$36,000
Proposed Plan B	\$4,500*	\$54,000

* or 15% of revenue, whichever is greater

WHEREAS, based on the revenue proposed by Alchemy, the City Manager does not recommend proceeding with any of the options of the sole bid received; and

WHEREAS, based on the foregoing, the City Manager recommends that the sole proposal received pursuant to the RFP be rejected, to allow the Communications Department time to re-evaluate the scope of work and develop strategies to create a more attractive project for bidders and to develop new strategies to maximize the City's revenue potential for the City's parking garage advertisements; and

WHEREAS, upon the Communications Department concluding its analysis, a new RFP can be advertised.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the Mayor and City Commission approve the Resolution accepting the City Manager's recommendation to reject the sole proposal received pursuant to Request for Proposals (RFP) 2022-047-WG for parking garage advertising services.


PASSED AND ADOPTED this _____ day of _____ 2022.

ATTEST:

RAFAEL E. GRANADO, CITY CLERK

DAN GELBER, MAYOR

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION



City Attorney *DA*

3-22-22

Date