Duluth Transit Authority

REQUEST for PROPOSALS

RFP# 2026.11.03

FOR

TRANSIT ADVERTISING SERVICES CONTRACT

November 3, 2026

ADDENDUM 1

ISSUE DATE: November 20, 2026

Duluth Transit Authority
2402 W. Michigan St
Duluth, MN 55806
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This addendum provides responses to pre-bid questions, includes corrections and additional information that modifies the RFP. All other terms, conditions, and requirements of the original RFP remain unchanged. Vendors must acknowledge receipt of this addendum in their proposal response.

1 CLARIFICATIONS / QUESTIONS AND ANSWERS (Q&A)

#	Question	Answer
1	**Available fleet and inventory** References: G-22(f); Section 6.A, B.5, B.12 and I Please reconcile the 48 approved vehicles, 46-coach base fleet, and references to seven versus eight electric buses. Please provide the current eligible bus list by ID/type, interior and exterior advertising units and dimensions, reserved or unavailable units, expected in-service utilization, and known additions or retirements during the initial term.	Current available buses for exterior advertising: 37 diesel fixed route buses 6 battery electric Proterra Current available buses for interior advertising: 68 Buses - interior ads in ceiling and advertising racks can be placed. Specs for these ads are 11”x22” – 11”x44”
2	**Permitted formats and rights** References: Section 6.D and I; Exhibit A §3.02 Are sales limited to the highlighted areas on page 45, or are full/partial wraps, window coverage and other premium formats permitted with approval? Please supply the applicable specifications by bus type, including electric-bus restrictions. Please confirm whether the awarded bus-advertising rights are exclusive and identify existing carve-outs. How is the potential 10% advertiser/subject-matter cap measured and applied?	Exterior advertising is limited to highlighted areas shown in sec. 6.I. on page 45. Full and partial wraps are no longer permitted unless expressly approved by DTA leadership. 6 Battery electric Proterra vehicles are permitted for exterior advertisement in the four (4) formats outlined on the technical specifications. We have additional Battery electric buses that are not currently eligible, subject to change with approval by DTA leadership. The awarded bus-advertising rights will be exclusive under the contract. The 10% advertiser /subject-matter cap is at the DTA's discretion, and highly unlikely it will be applied.
3	**Revenue-share calculation** References: G-3; Contract Article 4; Section 6.E–F; Section 4 proposal form Please reconcile the billed Gross Revenue definition and limited exclusions with the cash-received, Net Revenue and expense-deduction language in Section 6.E and the proposal form. Which basis governs, and does it include both interior and exterior advertising? Please confirm treatment of agency commissions, separately billed production/installation/removal, credits/refunds, uncollected accounts, barter and no-charge DTA/PSA advertising.	Article 4 governs and is based on amounts billed, not cash received, and the revenue share applies to Gross Revenue, which is billed amounts less agency commissions, sales tax, and production billed at cost. Scope covers interior and exterior advertising on regular route buses. See Addendum section 4, exhibit A for revised Formal Proposal Sheet.

4	**Minimum guarantee and reconciliation** References: Contract Article 4(a), (b), (f); Sections 4 and 6.E–F Is a minimum guarantee required, or may a percentage-only proposal be responsive? Is there a minimum acceptable amount? Please provide a worked example of monthly payments and the annual true-up, including whether payments above MAG/12 in stronger months offset minimum payments in weaker months, and whether any annual overpayment is credited or refunded. When does the guarantee begin if inventory handover is delayed?	Minimum guarantee is not required. The DTA is not setting a minimum amount. We do not have a worked example. For the annual true up, if you were to have remitted more than the gross amount but less than the actual amount due you would receive credit for an overpayment. If used, the minimum guarantee will begin once all current advertising contracts expire, but no longer than 6 months after start of contract per the transition plan.
5	**Inventory reductions and reserved space** References: Section 6.B.6, B.10, B.13–14; Contract Article 21 What guarantee/revenue-share adjustment applies to fleet reductions, prolonged downtime, service changes or restrictions imposed after award? Please clarify the treatment of DTA promotional or traded space, the notice and priority given to existing paid campaigns, and responsibility for advertiser makegoods and replacement production/removal when availability changes.	It is unlikely the DTA will engage in more than 1-2 traded or self-promotion campaigns in a calendar year. If significant service or system changes occur, then revenue share can be reexamined in terms of a minimum.
6	**Historical operating data** References: Section 6.E–F Please provide available monthly bus-only advertising results for 2024, 2025 and 2026 year to date, separately identifying gross billings, collections, deductions, production/installation charges and payments to DTA. Please include revenue by format, sold/available units and occupancy, current rate cards and realized rates, material advertiser concentration, and booked revenue extending into 2027. Please distinguish bus advertising from other DTA advertising programs.	We currently only have figures from 2026, which for YTD through 8/26 the provider invoiced $193,875 in revenue and YTD we've received $96,666.64 in payments from the incumbent related to that revenue. We estimate, based on our recorded revenues, that in 2025 the incumbent billed for $278,174 (remitting $152,995.84) and in 2024 they billed for $309,801 (remitting $170,390.75). Current reporting only provides advertiser, amount invoiced, paid or unpaid, % to DTA, and $ to DTA. We have no details on sold/available units and occupancy, current rate cards and realized rates, material advertiser concentration, or booked revenue extending into 2027.

7	**Incumbent obligations and transition** References: Contract Article 3; Section 6.H.2 Please provide the current advertising contract and extensions, the incumbent's final service date, and the expected handover process. Which advertiser agreements must the new contractor honor, and will they be assigned? Please identify applicable rates, expiration dates, deposits/prepayments, receivables, refunds/makegoods, artwork and removal obligations, including how inherited revenue counts toward the new revenue share/guarantee. What transition access is available before January 1?	See Addendum section 4, exhibit B for current contract which ends December 31, 2026. If required, a 6-month extension still be given for transition period (see Addendum section 3). Outgoing vendor may retain the rights, revenues, and responsibilities for any account currently under agreement as of December 31, 2026, for a period of 6 months or until the advertising contracts expire, whichever occurs sooner. The revenue associated with those accounts during the transition period will be shared with the DTA at the established revenue share of the outgoing vendors current agreement. During that time, the new vendor can focus on generating revenue from new accounts and work on renewing accounts that come due.
8	**Installation access and reporting** References: Section 6.D; Section 6.F.3 What installation hours, indoor/heated workspace, storage and advance access or training can the contractor assume? How should urgent removals be coordinated outside normal hours? Please provide the Exhibit B Excel reporting template referenced in Section 6.F.3; it does not appear in the posted packet.	Installation days & hours are Monday-Friday 8am-2pm and 5pm-12am. All scheduling of installations needs to be scheduled a minimum of 2pm the day before. Typically, it is done a week in advance. There may be times where we need a bus for service and they won't have access to it because we must make service. That is rare. All installations will occur inside our climate-controlled bus barn. We do have some storage space available if needed, we would need to know how much is needed and its purpose. Urgent removals would need to have a minimum notice of 2pm the day before. RFP Section 6.F is removed, contractor to provide their own Monthly Revenue Report in excel format.
9	**Contract and submission clarifications** References: A.25; G-10–11; Contract Articles 3, 4, 9–10; Sections 6.A.4 and 8 Please reconcile the 10-day versus 30-day default-cure provisions, three-year versus six-year records retention, insurance-evidence deadlines, and 'twenty (10)' days for contract signature. Is any post-award bond required? Please correct the November 31, 2029 option-notice date and clarify how an upfront payment, if proposed, would be treated upon early termination. Are numerical evaluation weights available?	Sec. A.25 is regarding Termination, 10 days to cure defect. Sec. G-10-11, the 10 days is for signing formal contract. Records retention is 6 years. Insurance-evidence wording has been revised to 'Formal Contract to be signed and returned within ten (10) days after receipt.' No Post- award bond is required. Option-notice date November 31, 2029, will be corrected on finalized contract. Numerical evaluation weights are not being used.

2 RFP REVISIONS / MODIFICATIONS

SECTION 1, G-10 CONTRACT FORM AND CHAGNES
The last sentence of this section is replaced with:

The chosen vendor shall sign the formal Contract within ten (10) days after the Contract is sent for signature.

SECTION 3, ARTICLE 9.F - INSURANCE-EVIDENCE
Sample contract file has revised language below, see Addendum section 4 exhibit C:

f. Certificates showing that Contractor is carrying the above-described insurance in the specified amounts shall be furnished to the DTA with the execution of this Contract and a certificate showing continued maintenance of such insurance shall be on file with the DTA during the term of this Contract.

SECTION 4, FORMAL PROPOSAL SHEET
Page 27 of RFP has been revised, see Addendum Section 4 for Exhibit A for use.

SECTION 6.B ITEM 5, BASE FLEET SIZE
Revised to the following: The base fleet size to which this Contract applies is 43 transit buses for exterior advertising and 68 buses for interior advertising. Fleet size is subject to change throughout the contract period.

SECTION 6.D, ITEM 6.C, PAGE 39 - WINDOW COVERINGS
6.C. is removed as window coverings are not in scope.

SECTION 6.E, FINANCIAL PROPOSAL & 6.F REPORTING & PAYMENT REQUIREMENTS
Both 6.E & 6.F are removed. See Section 3, ARTICLE 4 for REPORTING, PAYMENT REQUIREMENTS AND REMITTANCE information.

SECTION 6.I, APPROVED CONFIGURATIONS
Additional language: The DTA, in its sole discretion, may allow full bus wraps.

3 ADDITIONS

TRANSITION PERIOD FOR NEW VENDOR

- The outgoing vendor will retain the rights, revenues and responsibilities for any account currently under agreement as of December 31, 2026, for a period of 6 months or until the advertising contracts expire, whichever comes sooner.
- Outgoing vendor is responsible for removing any accounts that expire and do not wish to renew with new vendor prior to the advertising renewal date up to 6 months post new contract date. After the 6-month transition period expires new vendor would be responsible for all aspects of the program.
- The outgoing vendor will provide an overview of flight dates for the current ads, so the incoming vendor understands day 1 inventory availability and the end dates for ads that run past the hand-off date.
- New vendor to work with outgoing vendor and DTA Director of Marketing for transition starting January 1, 2027.

4 EXHIBITS

Exhibit A – SECTION 4 – FORMAL PROPOSAL SHEET (REVISED); Link to download
Exhibit B – Current contract; Link to download
Exhibit C – Sample Contract (word file); Link to download