



Legislation Text

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**Report to Carson Reclamation Authority**

Tuesday, January 09, 2018

Consent

**SUBJECT:**

**CONSIDER OUTDOOR ADVERTISING CONSULTING AGREEMENT WITH RICHMONT CONSULTING, INC. FOR OUTDOOR ADVERTISING ADVISORY SERVICES RELATED TO THE FORMER CAL COMPACT LANDFILL SITE**

**I. SUMMARY**

This action would approve a consulting agreement with Richmond Consulting, Inc. for a period of one year to utilize its experience and expertise in the billboard industry and relationships with outdoor display companies and their key executives, along with officials at Caltrans, to perform the following services for the CRA:

- 1) Provide Consulting and Advisory services to CRA's management and/or designated representative(s).
- 2) Serve as a strategic advisor and a source of reliable information for CRA with Caltrans and advertising company decision makers throughout the billboard industry, identifying opportunities to best position Client to be awarded new billboard permits/contracts at the Former Cal Compact Landfill.
- 3) Facilitate the application for "off-site" billboard permits with Caltrans and continue oversight of the application process until a decision is rendered.

**II. RECOMMENDATION**

1. APPROVE an Outdoor Advertising Consulting Agreement with Richmond Consulting, Inc. in the amount not to exceed \$105,550.
2. AUTHORIZE the Chairman to execute all necessary documents related to this contract.

1.

**III. ALTERNATIVES**

Take another action the Board deems appropriate.

#### **IV. BACKGROUND**

This action would approve a consulting agreement with Richmond Consulting, Inc. to utilize its experience and expertise in the billboard industry and relationships with outdoor display companies and their key executives, along with officials at Caltrans to assist the Authority in efforts to potentially place outdoor signage at the Former Cal Compact Landfill Project as a potential revenue opportunity.

The Services to be provided include the following:

- 1) Prepare Proposed Site Location Application package for Caltrans Outdoor Advertising Division (ODA) Preliminary Review (package will include aerial photos, street scene and on site photos of the proposed site location, plat map, property profile, plot the location of the proposed sign on a plot map and complete the Preliminary Site Review forms).
- 2) The purpose of the Preliminary Review is allow Caltrans to study the site and determine issues (if any) regarding the permitting of an outdoor display. If any issues are found by Caltrans (for example the site is within a designated Landscaped Freeway) then Caltrans will provide information on the specific issue and provide guidance on how to cure the issue or issues.
- 3) While the site is under Preliminary Review by Caltrans, Contractor would seek approval from the City of Carson and CRA (the land owner) to permit the building an outdoor advertising structure on the site. The city approval would need to be in writing.
- 4) While the Caltrans review is in process, and with the city permit letter in hand, Contractor would apply to Caltrans for an actual ODA permit. It would resubmit all of the materials from the Prelim Site Review along with the City Approval letter. Time frame is typically four (4) to six (6) months depending on number of requests received prior to the submittal in this Caltrans District (#7).
- 5) Once Caltrans reviews the actual permit package, they may have questions and Contractor would be available to answer them and or travel to Sacramento to meet with them.
- 6) Assuming permit is granted, Contractor would begin soliciting the four major outdoor advertising companies in the LA area to submit bids to manage and operate the billboards. Once bids are received Contractor would meet with all interested parties and discuss the benefits of each proposal.
- 7) In addition, develop the option of having one of the outdoor ad companies pay to build the sign structure (each 2 sided structure has a cost of \$400K, including building permits, surveys, plans and specs).
- 8) Finally, depending on the selection of the ad company, Contractor would be involved

in the project oversight (construction) and initial management of the sign (ad control) until their services are no longer needed.

The fee would be no more than \$2,500 per month plus the Caltrans fees, with a “success” fee of \$20,000/\$30,000 per (single-sided/double-sided) sign structure upon installation.

## **V. FISCAL IMPACT**

If the Contract is finalized at \$2,500 per month and ran for one full year with one successful (double-sided) sign approved, the amount paid would be \$60,550. If the CRA owned a billboard along the 405 freeway, however, it would represent millions of dollars in revenue to the CRA over the life of the sign.

## **VI. EXHIBITS**

1. Richmond Professional Services Agreement (pgs. 4-31)

Prepared by: John S. Raymond, Executive Director