

City of Philadelphia
Procurement Department

Addendum No. 1

Date: December 1, 2011

Concession RFP # C-104-12

Deadline for Submitting Proposals: 10:00 A.M., local time, December 16, 2011

NOTICE

It is the sole responsibility of the Respondent to ensure it has received all addenda to the RFP. The Procurement Commissioner may, in the Commissioner's sole discretion, reject any Proposal for which not all the addenda have been executed and returned.

REQUEST FOR PROPOSALS FOR

**The Operation and Management of Bicycle
Rental Stations in the Fairmount Park System**

RFP # C-104-12

IS AMENDED AS FOLLOWS

Except as expressly amended by this Addendum No. 1, the RFP is unchanged. Except as otherwise defined in this Addendum No. 1, capitalized words and phrases used in this Addendum No. 1 have the meanings assigned to them in the RFP.

Part 1

- 1.1 The City believes that the information and data in this Addendum No. 1 is reliable, but the City does not represent or warrant that the information or data is accurate. Potential Respondents are encouraged to conduct their own investigations into any matter of concern to them about the Licensed Premises, the RFP, the Concession Agreement, their Proposal, or this Addendum No. 1.

Part 2

- 2.1 In accordance with the RFP, the City of Philadelphia conducted a mandatory Pre-Proposal Meeting and Tour on November 10, 2011. At the meeting, potential

Respondents asked questions about the RFP. After the Pre-Proposal Meeting and Tour, some potential Respondents submitted additional questions in writing to the City. This Addendum No. 1 incorporates into the RFP the questions from the Pre-Proposal Meeting and Tour, questions submitted to the City in writing after the meeting and tour, and the City's written answer to each of those questions, as set forth below.

Question No. 1: Does the City have reports on the revenue or profits from the previous concessionaire's bicycle rental operation at Lloyd Hall?

City Answer: No. The previous concessionaire did not provide reports on revenues or profits from the Lloyd Hall bicycle rental operation, and therefore the City does not have such information.

Question No. 2: Can the City provide the concession fee arrangement between the City and the previous concessionaire at Lloyd Hall?

City Answer: The previous concessionaire agreed to pay the City \$201 each month, plus \$3.00 per rental, and 8% of its net income (i.e. its income after it paid all its expenses) per month from its operation of the concession.

Question No. 3: Beside the bicycle rental service, what other services is the Concessionaire permitted to operate for this Concession?

City Answer: In addition to the bicycle rental service, the Concessionaire may operate bicycle tours and bicycle maintenance services for non-bicycle rental patrons. The Concessionaire may also provide other services, such as segway rentals and tours, but those services require the City's prior approval, which may include restrictions. Please see Section 3.26.2 of the RFP for additional information.

The City has issued permits to two segway rental and tour operators to provide tours that include the Fairmount Park locations listed below. The operators are DeTours, LTD. and I-Glide Tours and Rentals, LLC. DeTours base of operations is located in the Old City neighborhood of Philadelphia; I-Glide's base of operations is located in the Eakins Oval parking lot across from the Philadelphia Museum of Art. The permits of both operators are effective through December 31, 2011, and the City has the right to extend each permit annually.

Fairmount Park Segway Tour Sites:

JFK Plaza
Benjamin Franklin Parkway
Philadelphia Museum of Art area (in front and behind the museum)
Schuylkill Banks
Rittenhouse Square

Question No. 4: Will the Concessionaire be required to pay a “tour fee” for providing tours through the Fairmount Park System?

City Answer: No, the Concessionaire is not obligated to pay a “tour fee” for providing tours through the Fairmount Park System. The Concession Fee is the only fee the Concessionaire is required to pay.

Question No. 5: Permits are required for cyclists riding in the Wissahickon Valley. Will the City require the Concessionaire to purchase permits for each rental patron?

City Answer: No.

Question No. 6: Does the City require tour guides to be certified to lead tours?

City Answer: Section 9-214 of the Philadelphia Code requires that a tour guide operating for compensation in the Center City Tourist Area obtain certification. Although not every bicycle rental location may be in the Center City Tourist Area as defined in Section 9-214, the Concessionaire shall obtain a tour guide certification before the Concessionaire operates bicycle tours in any portion the Center City Tourist Area. The City recommends that each potential Respondent confer with private legal counsel about Section 9-214 and the requirements for obtaining tour guide certification under that provision.

Question No. 7: Will the City permit the Concessionaire to install non-permanent, overnight storage containers at the bicycle rental locations? If so, are there specifications for the appearance of the storage containers?

City Answer: The Concessionaire may install a non-permanent storage structure for overnight storage only in the parking lot adjacent to the bicycle rental station at Lloyd Hall. Please see Section 2.3.3.4 and Appendix 7 of the RFP for additional information.

The Concessionaire may not install a non-permanent storage structure for overnight storage at JFK Plaza or Three Parkway Plaza. The City, however, will work with the Concessionaire to identify off-site storage to accommodate the storage needs for either of those locations, if any. Please see Section 3.7 of the RFP for additional information.

The Concessionaire shall install storage structures with color(s) that are appropriate (i.e. that blend in with the park setting), do not have any advertisements on them, and do not block pedestrian or vehicular traffic.

Question No. 8: Can the City provide the most recent annual tourism numbers and a five-year trend?

City Answer: **Exhibit A.1** of this Addendum No.1 includes a chart that documents domestic visits to Greater Philadelphia by market segment from 1997-

2010. The chart provided in Exhibit A.1 was produced by the Greater Philadelphia Tourism Marketing Corporation (“GPTMC”). For additional information about domestic visits to Philadelphia, please visit GPTMC’s research and report site at <http://www.visitphilly.com/research/>. A Respondent may also contact Laura Maikisch, Research Analyst for GTPMC, at laura@gptmc.com for more information.

Exhibit A.2 of this Addendum No.1 includes several charts that document international visits to Greater Philadelphia. The charts provided in Exhibit A.2 were produced by the Philadelphia Convention & Visitors Bureau (“PCVB”). For additional information about international visits to Philadelphia, please visit PCVB’s facts and research site at <http://www.philadelphiausa.travel/about-us/philadelphia-facts-research>. Respondents may also contact Kathleen Titus, Executive Director of Tourism for PCVB, at kathleen@pcvb.org for more information.

Question No. 9: Will the City make the sign-in sheet for the Pre-Proposal Meeting available for public review?

City Answer: Yes. A list of attendees who signed the sign-in sheet at the Pre-Proposal Meeting is set forth in **Exhibit A.3** of this Addendum No.1. If a Respondent has difficulty reading the information in Exhibit A.3, the Respondent may contact the Project Manager, Marc Wilken, for clarification at 215-683-0232 or marc.wilken@phila.gov.

Question No. 10: Will the City permit the Concessionaire to operate the Concession for a 12-month period?

City Answer: If the Concessionaire believes there is sufficient business throughout the year to support the Concession, then the Concessionaire may operate the Concession year-round.

Question No. 11: What control does the Department of Parks and Recreation have over the parking lot adjacent to Lloyd Hall? Is it possible for someone to park a truck in the parking lot and establish a competing bicycle rental program?

City Answer: The Department of Parks and Recreation has jurisdiction over the parking lot adjacent to Lloyd Hall. The Department of Parks and Recreation will prohibit any competing bicycle rental business from operating in that parking lot.

Question No. 12: Will the City permit a rental shed to be located adjacent Lloyd Hall?

City Answer: Yes, the Concessionaire may place a rental shed next to Lloyd Hall. The City, however, prefers that the Concessionaire use a more portable structure at Lloyd Hall, and the City will consider Proposals with this preference in mind.

Question No. 13: Will the City provide the Concessionaire with access to electrical power at the bicycle rental locations?

City Answer: The bicycle rental locations listed in Section 2.3.A.1 and 2 of the RFP have access to electrical power. Despite the first sentence of Section 3.9.2 of the RFP regarding charges and fees for utility service, the Concessionaire may use electrical service at each bicycle rental location listed in Section 2.3 of the RFP at no charge, but the Concessionaire shall pay for all needed cables and connections. The City does not guarantee that any additional bicycle rental locations will have access to electrical service, and the City does not guarantee that it will be able to provide electrical service at those locations at no cost to the Concessionaire.

Question No. 14: What are the lease terms between the Trolley Car Café and its bicycle rental operator? What are the lease terms between the Trolley Car Café and the City?

City Answer: The bicycle rental operator at the Trolley Car Café has a three-year license with the operator of the Café that expires at the conclusion of the 2012 bicycle rental season. The operator of the Trolley Car Café has a lease agreement with the Fairmount Park Historic Preservation Trust, a private, nonprofit corporation. The initial ten-year term of the lease expires in 2018; it may be renewed for an additional ten years.

Question No. 15: Will the City allow rental kiosks large enough to enable the Concessionaire to sell merchandise and store tools for bicycle repairs?

City Answer: The City will entertain Proposals for kiosks with room for merchandise retail sales and bicycle repairs. Kiosks and all other capital improvements to the Licensed Facilities are subject to Sections 3.8 and 3.18 of the RFP. The Concessionaire shall not install kiosks or any capital improvements outside the limits of the Licensed Facilities. As an alternative to kiosks, the Concessionaire may provide repairs and store tools in storage containers the Concessionaire provides for its operation of the Concession.

Question No. 16: If the Concessionaire found a particular bicycle rental location was not viable, including Three Parkway Plaza, JFK Plaza or Lloyd Hall, would the City permit the Concessionaire to vacate the bicycle rental location and/or operate at a different location?

City Answer: If after one year of operation the Concessionaire demonstrates that one of its initial bicycle rental locations is not viable, the Concessionaire may propose one or more alternative bicycle rental locations, but the Concessionaire shall at all times operate at least two bicycle rental locations. The City may approve or disapprove each of the Concessionaire's proposed alternative locations in the City's sole discretion.

**ADDENDUM NO. 1
ACKNOWLEDGEMENT OF RECEIPT**

_____, 2011

**CITY OF PHILADELPHIA, DEPARTMENT OF PARKS AND RECREATION
REQUEST FOR PROPOSALS FOR THE OPERATION AND MANAGEMENT OF BICYCLE
RENTAL STATIONS IN THE FAIRMOUNT PARK SYSTEM**

I have carefully read Addendum No. 1 to the Request for Proposals for Operation and Management of Bicycle Rental Stations in the Fairmount Park System, and I certify that I have received all pages and exhibits listed in Addendum No. 1.

Name of Respondent

Signature of Individual or Authorized signer

Printed Name and Title of signer

EXHIBITA.1

GREATER PHILADELPHIA DOMESTIC TOURISM INFORMATION

Domestic Visits to Greater Philadelphia by Market Segment

Visitor Volume Estimates (in millions)									
	Overnight Business	Overnight Leisure	Day Business	Day Leisure	Overnight Visitors	Day Visitors	Business	Leisure	Total Domestic Visitors
1997	1.39	7.30	2.48	15.50	8.69	17.97	3.87	22.79	26.66
1998	1.42	8.25	2.09	15.71	9.67	17.80	3.50	23.97	27.47
1999	1.26	8.19	2.49	15.39	9.45	17.88	3.75	23.58	27.33
2000	1.48	8.11	2.56	16.21	9.59	18.76	4.04	24.32	28.35
2001	1.39	8.11	2.37	15.87	9.50	18.24	3.76	23.98	27.74
2002	1.46	9.35	2.30	16.54	10.81	18.84	3.76	25.89	29.65
2003	1.54	10.08	2.28	19.11	11.61	21.39	3.81	29.19	33.00
2004	1.87	11.14	2.28	19.27	13.01	21.55	4.15	30.41	34.56
2005	2.02	11.85	2.30	20.03	13.87	22.33	4.31	31.88	36.19
2006	2.01	11.65	2.48	20.04	13.66	22.52	4.49	31.69	36.17
2007	2.01	11.79	2.49	20.51	13.80	23.00	4.51	32.30	36.80
2008	1.89	11.56	2.44	20.83	13.45	23.27	4.34	32.39	36.72
2009	1.80	11.35	2.36	20.50	13.14	22.87	4.16	31.85	36.01
2010	1.93	12.50	2.41	20.58	14.43	22.99	4.34	33.08	37.42
TOTAL	23.5	141.2	33.3	256.1	164.7	289.4	56.8	397.3	454.1
Growth	39%	71%	-3%	33%	66%	28%	12%	45%	40%

Annual Growth Rates									
	Overnight Business	Overnight Leisure	Day Business	Day Leisure	Overnight Visitors	Day Visitors	Business	Leisure	Total Domestic Visitors
1997									
1998	2%	13%	-16%	1%	11%	-1%	-10%	5%	3%
1999	-11%	-1%	19%	-2%	-2%	0%	7%	-2%	0%
2000	18%	-1%	3%	5%	1%	5%	8%	3%	4%
2001	-6%	0%	-7%	-2%	-1%	-3%	-7%	-1%	-2%
2002	5%	15%	-3%	4%	14%	3%	0%	8%	7%
2003	5%	8%	-1%	16%	7%	14%	2%	13%	11%
2004	21%	11%	0%	1%	12%	1%	9%	4%	5%
2005	8%	6%	1%	4%	7%	4%	4%	5%	5%
2006	0%	-2%	8%	0%	-2%	1%	4%	-1%	0%
2007	0%	1%	1%	2%	1%	2%	0%	2%	2%
2008	-6%	-2%	-2%	2%	-3%	1%	-4%	0%	0%
2009	-5%	-2%	-3%	-2%	-2%	-2%	-4%	-2%	-2%
2010	7%	10%	2%	0%	10%	1%	4%	4%	4%
Growth	39%	71%	-3%	33%	66%	28%	12%	45%	40%

Sources: Longwoods International, Tourism Economics

Visitor Volume Explanation

Visitor volume is provided by Longwoods International based on survey data from their TravelUSA national panel. Over the course of the year, Longwoods surveys more than 100,000 U.S. travelers to determine their travel activity over the previous quarter. Data collected includes destinations visited, length of trip, travel spending, and more. That data is then weighted to represent the U.S. population, and used to produce an estimate of visitation to Greater Philadelphia (and other destinations) on an annual basis. For more information please visit Longwoods International research webpage at:

<http://www.longwoods-intl.com/research/travel-tourism/>

EXHIBITA.2

GREATER PHILADELPHIA INTERNATIONAL TOURISM INFORMATION

1 2010 U.S. City Ranking Based on International Visitation

City	Visitation	Volume Change from 2009
1. New York City	8,462,000	9%
2. Los Angeles	3,348,000	33%
3. Miami	3,111,000	17%
4. Orlando	2,715,000	13%
5. San Francisco	2,636,000	18%
6. Las Vegas	2,425,000	31%
7. Washington, D.C.	1,740,000	13%
8. Honolulu	1,634,000	9%
9. Boston	1,186,000	4%
10. Chicago	1,134,000	2%
11. San Diego	765,000	24%
12. Atlanta	712,000	25%
13. Philadelphia	633,000	7%
14. Flagstaff/Grand Canyon/Sedona	501,000	17%
15. Seattle	475,000	33%
16. Houston	448,000	5%
17. Anaheim -/Santa Ana	369,000	19%
18. Tampa/ St. Petersburg	343,000	-15%
19. Dallas/Plano/Irving	343,000	20%
20. San Jose	290,000	11%

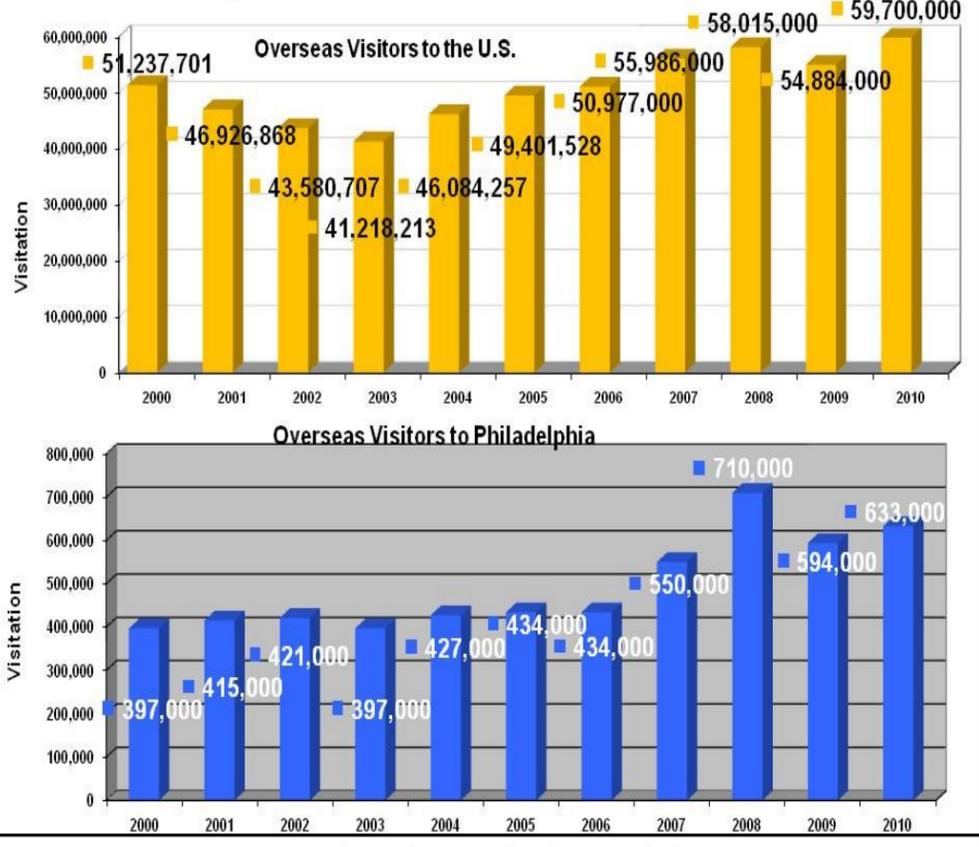
*Visitation statistics according to the U.S. Office of Travel and Tourism Industries (O.T.T.I.)

2 PCVB International Markets

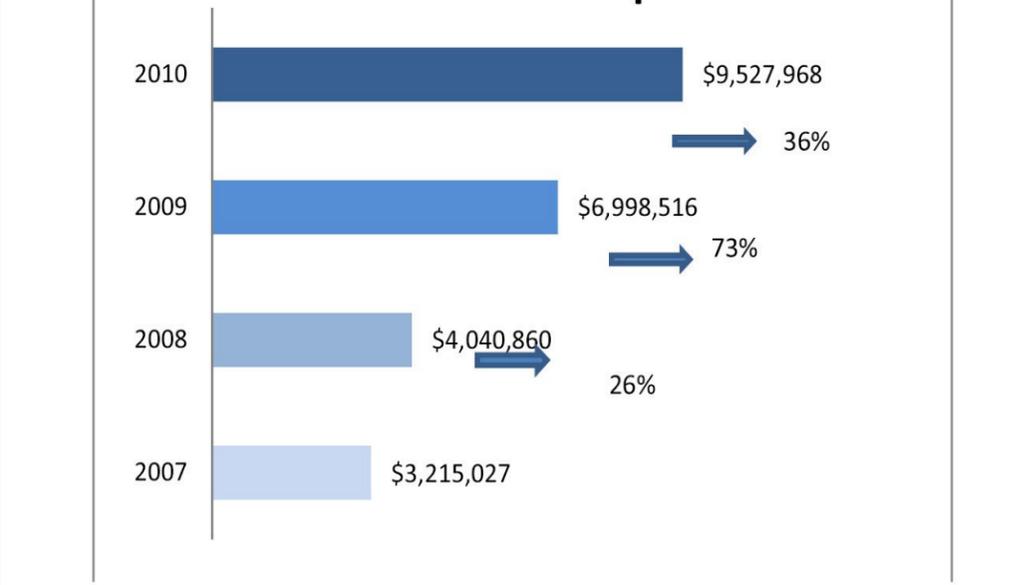
Country	Population	2010 Visitors to Phila.	% Increase from 2009
United Kingdom	62,698,362	92,000	2.4%
Germany	81,471,834	67,000	3.9%
France	65,312,249	63,000	4.7%
Italy	61,016,804	34,000	4.1%
China	1,336,718,015	30,000	3.8%
Oceania	35,670,000	28,000	2.6%
Australia	21,766,711	26,000	2.9%
India	1,189,172,906	26,000	4.0%
Spain	46,754,784	22,000	3.4%
Netherlands	16,847,007	17,000	2.9%
Brazil	203,429,773	16,000	1.3%
Switzerland	7,639,961	14,000	3.7%
Ireland	4,670,976	13,000	3.6%
Russia	138,739,892	5,000	2.8%
TOTAL	6,928,198,253	633,000	7.0%

Emerging markets the PCVB began working in 2009 and 2010 are noted in green.

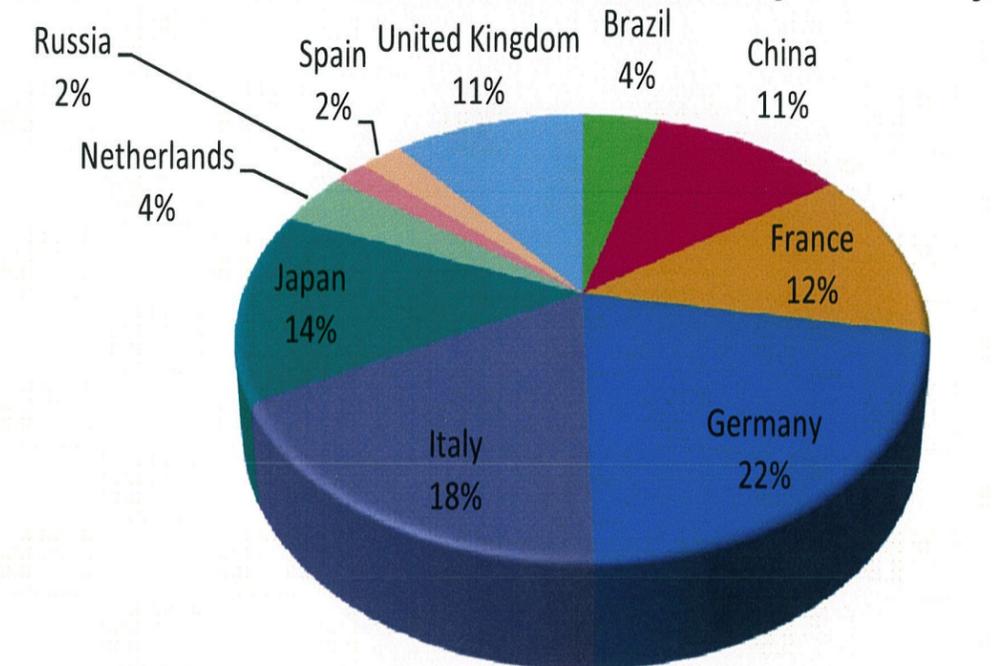
3 10 year Overview of Overseas Visitors



4 Media Value Report



5 2010 Website Visitation by Country



- For countries where there was no spend on SEM or in Facebook, international visitation increased by 3% from 2009-2010.
- For countries with a constant SEM buy, international visitation increased by 44% from 2009-2010.
- For countries with both a constant SEM buy and a Facebook page, international visitation increased by 61% from 2009-2010.

6 Search Engine Marketing Statistics Annual Comparison 2009 & 2010

Year	Impressions	Click from	
		Impression	%
Jan-09	N/A	N/A	-
Feb-09	22,189	159	0.72%
Mar-09	134,708	930	0.69%
Apr-09	183,621	1,129	0.61%
May-09	89,132	924	1.04%
Jun-09	199,129	1,343	0.67%
Jul-09	416,645	3,123	0.75%
Aug-09	430,867	3,941	0.91%
Sep-09	449,303	4,110	0.91%
Oct-09	433,337	4,379	1.01%
Nov-09	267,722	1,726	0.64%
Dec-09	464,097	2,789	0.60%
CY 2009	3,090,750	24,553	0.79%
Jan-10	668,349	3,446	0.52%
Feb-10	800,115	3,936	0.49%
Mar-10	697,827	3,357	0.48%
Apr-10	517,621	2,942	0.57%
May-10	484,709	3,349	0.69%
Jun-10	480,301	3,551	0.74%
Jul-10	641,340	3,984	0.62%
Aug-10	520,424	3,628	0.70%
Sep-10	474,600	3,525	0.74%
Oct-10	543,035	3,678	0.68%
Nov-10	731,976	4,030	0.55%
Dec-10	456,693	3,375	0.74%
CY 2010	7,016,990	42,801	0.61%

Year	Impressions	Click from	%
*2009	3,090,750	24,553	0.79%
2010	7,016,990	42,801	0.61%

*- Contains 11 months

International Tourism Statistics Explanation

International tourism statistics are provided by the United States Department of Commerce, Office of Travel & Tourism Industries (“OTTI”) based on survey data from their Visitor Arrival Program. The program surveys international air travel to the United States through “I-94 forms” completed by international visitors. The I-94 form highlights overseas visitor arrivals by country of residence, ports of entry, mode of transportation, type of visa, and other information. For more information please visit the OTTI’s main website at:

<http://tinet.ita.doc.gov/>

Please note that the data provided in the charts above only reflect international visitors that come to Philadelphia by air. Furthermore, OTTI does not collect survey data for international trips from Mexico or Canada to the United States and therefore such information is not provided in the charts above.

EXHIBITA.3

LIST OF ATTENDEES FOR THE PRE-PROPOSAL MEETING

Company Name	Contact Name	Street Address	City	State	Zip Code	Phone	E-Mail
BEST TRANSIT	215-276-6400 Nasir Gill WASIF YAKOOB	800 W OLNEY AVE	Phila	PA	19120	215-276 6400	Robina@besttransit.net
CB ENTERPRISES	JAMIE SHANKWEILER	421 PARK RD	DUNNINGTOWN	PA	19335	610 960 1901	jmeshank@gmail.com
Bike Show Philadelph Russell Meddi	Russell Meddi	2116 Reed St	Phila	PA	19103	215 460 0040	russellmeddi@bikeshowphiladelphia.com
Fuji Bicycles ADVANCED SPORTS	Jeff Buyer	10940 DUTTON RD	Philly	PA	19059	267.350.6178	JBUYER@ADVANCEDSPORTS.CO
TROPHY BIKES W	M. McGettigan	712 N. 2nd	11	PA	19123	215 990 9275	michaelmcgettigan@mac.com
Bike and Roll	Stephen Marks	1100 Pennsylvania Ave NW Wash, DC 20004				703-244-1045	stephen@bikeroll.com
Breakaway Bikes Joseph Wentzell	Joseph Wentzell	1925 Chestnut St Phila PA 19128	Phila	PA	19128	215-5686002	joe@breakawaybikes.com
PPR PPR	Rob Armstrong	1515 Arch St. 10th Fl.	Phila	PA	19102	215 683 0229	rob.armstrong@phila.gov

Company Name	Contact Name	Street Address	City	State	Zip Code	Phone	E-Mail
Velo-Park	Ronn Arda	269 S. Van Pelt St. Phila PA	Phila	PA	19103	267-207-8430	rwra@velo-park.com
FAIRMOUNT BICYCLES	SHELLY SALAMON	2015 FAIRMONT AVE PHILA PA 19130	PHILA	PA	19130	267-507-9370	SHELLY@FAIRMOUNTBICYCLES.COM
BIKE AND ROLL	Cross Works	152W 36 TH ST SUITE 501 N.Y.N.Y. 10018	NY	NY	10018	212-260-0466	CROSS@BICYCLENEWYORKCYCLING.COM
Advanced Sports	Alice Kodama	10940 DUTEN RD 19154	Phila	PA	19154	215-954-5623	akodama@gmail.com
Neighborhood Bike Works	David Giese-Berger	3916 Locust Walk	Phila	PA	19104	215-386-0316	dcb@neighborhoodbikeworks.org
Bicycle Coalition	Alex Doty	1500 Walnut St #1107	Phila	PA	19102	215-242-9253	alex@bicyclecoalition.org
CCD	Hal Welch	660 Chestnut	Phila	PA	19106	215-440-5528	hwelch@centercityphila.org
OEO	Ruslan Perry	1515 Arch 12 th Fl	Phila	PA	19102	215-683-2077	Ruslan.Perry@phila.gov