

Grand Canyon State Logo Signs (GCSLS), a program of the Arizona Department of Transportation (ADOT)

Competitive Bid Process and Rules

General

GCSLS plans to construct and install signs on ADOT highways located in urbanized areas of Arizona, including Phoenix, Tucson, Flagstaff and Yuma. These signs offer travel related businesses a long-term operating lease opportunity for their business logo at the highway exit associated with their business. Approximately 1,200 leases for similar signs are currently located throughout the rural highway and interstate freeways in Arizona.

GCSLS will coordinate a competitive bid for leases at urban traffic interchange locations where the likely demand for the leases exceeds the available supply that ADOT can construct based on regulatory, safety and other limitations. In order to allocate available signage to qualified businesses, GCSLS will conduct ***Sealed Bid Second-Price Auction*** for these long term operating leases and determining the participants in the urban logo program.

Bid Rules

Bids must be submitted on an authorized GCSLS bid form. Any incomplete information or modified language will result in a rejected bid.

Bids must be received at the designated location on or before the end date and time. Postal delays, carrier delays, electronic transmission delays, or other problems not related to GCSLS bid administration that result in incomplete or late bids will result in those bids not being considered.

Offers in response to this solicitation shall be submitted by hand delivery, carrier, or e-mail before the date/time listed in the bid opening date for that location. Late submittals will not be considered. Valid bids received by the due date and time will be opened and made public on the program website and/or personal inspection within 7 days following the bid opening date. Winners will be contacted directly within 7 days of the Bid Opening by the program to begin the leasing process. Offers not submitted successfully or those that are received after the due date and time shall be rejected.

If considered appropriate by GCSLS, a pre-bid conference will be offered. The date, location and method(s) of participation of this pre-bid conference will be posted with the bid information.

Sealed Bid auctions allow participants to submit a bid that is seen only by the program administrators. The bidder does not know the other bids submitted until the bid opening results are determined.

Second Bid Auction is identical to the sealed first-price auction except that the highest winning bidder pays the rate of the second highest bid rather than his or her own. The second highest winning bidder pays the rate third highest bid rate, etc. The procedure is followed until all of the available leases are assigned to the winning bidders. In case of a tie, a bidder may be required to pay the amount equal to their bid. Otherwise, the amounts paid by the bidder are equal to the next sequentially lower bid. Note that changes, rejections, bidder withdrawals, etc., after the bid opening do not change the second bid pricing assigned to the winning bidders. For example, if the third highest winning bidder is assigned the fourth highest bid price, and the fourth highest bidder does not complete the leasing process, the rate the third highest bidder pays is still the original fourth highest bid, even if that bid is no longer valid.

Note that in some locations, leases may be only available in one direction on the mainline. The highest bids will be assigned initially to the bi-directional leasing locations, then the remaining uni-directional signs will be assigned to the remaining bidders in order of descending bid amounts.

Only one bid from each qualified business may be accepted. Unless a request to withdraw a specific bid is submitted in the same manner as a bid, then only the highest bid from a qualified business with multiple bids will be accepted.

Bidders that do not subsequently complete the leasing process within 60 days will be rejected and additional bids will be consider based on the original bid ranking at the time of the original bid opening that have not been rejected by ADOT or withdrawn by the bidder.

Winning bidders are responsible for fabrication costs of logo signs. GCSLS will provide fabrication services if desired by winning bidder. Sign fabrication rates available on GCSLS website. Ramp signs, if needed, must be fabricated by bidder but there is no additional charge for the lease cost, other than installation by GCSLS.

All signs are installed by GCSLS. Installation rates are available on GCSLS website.

Bid Information

For each bid, the following minimum information will be provided to bidders:

- Bid Reference Number
- The traffic interchange, highway or state route number and exit
- The number of leases available (both bi-directional and/or uni-directional). For uni-directional signage, the direction of that signage will be provided.
- Reserve price (minimum bid), if any
- The Average Annual Daily Traffic (AADT), if known
- The estimated logo sign installation/lease start date
- Minimum lease period
- Lease terms, including payment options
- Prior bid results from other locations
- The approximate number of qualified travel related business within the area that may bid
- The approximate location of each sign where a leased logo position may be located
- Bid start date/time (when bids may be submitted)
- Pre-bid conference date/time/method of participation

- GCSLS will use a proprietary database of potential qualified business to communicate bid information. Additionally, other parties with a relevant business interest may also opt to receive bid information.
- GCSLS bid form
- Estimated Transaction Privilege Tax (TPT) rates applicable

Bidder Submission

Bidders must complete three components on GCSLS bid form. This form includes:

1. Annual rate per mainline sign per direction (excluding taxes). Initially, winning bids will be assigned to bi-directional signage availability.
2. Name of qualified business
3. Bidder Name (person representing qualified business) authorizing bid amount and accepting other terms of lease.

Additional, recommended, but optional, bid information may include:

1. Bidders e-mail address
2. Bidder’s phone number
3. Bidders mailing address

Sample Bid

Assumptions: 1 bi-direction sign (6 leases) and 1 uni-directional sign (6 leases)

Reserve price of \$1,500/direction

Bidder	Annual Rate Bid Per Direction	Annual Program Rate	# of mainline signs available
1	\$1,800.00	\$3,500.00	2
2	\$1,750.00	\$3,450.00	2
3	\$1,725.00	\$3,400.00	2
4	\$1,700.00	\$3,350.00	2
5	\$1,675.00	\$3,350.00	2
6	\$1,675.00	\$3,300.00	2
7	\$1,650.00	\$1,640.00	1
8	\$1,640.00	\$1,630.00	1
9	\$1,630.00	\$1,620.00	1
10	\$1,620.00	\$1,610.00	1
11	\$1,610.00	\$1,600.00	1
12	\$1,600.00	\$1,575.00	1
13	\$1,575.00	N/A	0

14	\$1,550.00	N/A	0
15	\$1,540.00	N/A	0
16	\$1,530.00	N/A	0
17	\$1,520.00	N/A	0
18	\$1,510.00	N/A	0
19	\$1,505.00	N/A	0