

To: Board of Directors

Date: Sept. 12, 2012

From: Mary Burdick, Sr. Manager of Marketing

Reviewed by:

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**SUBJECT: Bus Advertising Services-Contract Extension**

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**Summary of Issues:**

The contract with Lamar Transit Advertising to provide bus advertising services allows for two one-year contract extensions. If exercised this will be the first of two option years. The current contract expires on December 31, 2012 if an extension is not authorized. Action is requested now so that if need be, a new request for proposal can be issued and a contract awarded by December. The current contract includes ad services and revenues for County Connection, Tri Delta Transit and WestCAT, with County Connection staff assuming the administrative lead.

CCCTA staff has discussed exercising the first option year with both Tri Delta and WestCAT, who recommend extension for another year. Based on Lamar's continued commitment to the consortium of operators, staff recommends that the General Manager be authorized to exercise the first of two option years.

**Revenue Share Revision**

Based on contract performance during the three year contract period, Lamar recommends an increase in the minimum annual guarantee for WestCAT in the two option years to represent a more equitable share of the revenue. This increase will not have a negative impact on CCCTA or Tri Delta.

**Financial Implication**

County Connection will receive a minimum annual guarantee of \$535,000 in the next year. The current minimum annual guarantee for calendar year 2012 is \$525,000.

**Options:**

- 1) Approve exercising the first option year.
- 2) Do not approve exercising the option and go out to bid.
- 3) Other action as directed.

**MP&L Recommendation:**

The MP&L Committee recommends that the General Manager be authorized to exercise the first of two option years.

**Revenue Allocation**

#2010-MA-01

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<b>Lamar</b>	<b>Year 1</b>	<b>Rev. Share</b>
CCCTA	\$450,000	55%
Tri Delta	\$50,000	55%
WestCAT	\$12,000	55%
<b>Total</b>	<b>\$512,000</b>	

	<b>Year 2</b>	<b>Rev. Share</b>
CCCTA	\$515,000	55%
Tri Delta	\$120,000	55%
WestCAT	\$12,000	55%
<b>Total</b>	<b>\$647,000</b>	

	<b>Year 3</b>	<b>Rev. Share</b>
CCCTA	\$525,000	55%
Tri Delta	\$120,000	55%
WestCAT	\$12,000	55%
<b>Total</b>	<b>\$657,000</b>	

	<b>Option 1</b>	<b>Rev. Share</b>
CCCTA	\$535,000	55%
Tri Delta	\$120,000	55%
WestCAT	\$25,000	55%
<b>Total</b>	<b>\$680,000</b>	

	<b>Option 2</b>	<b>Rev. Share</b>
CCCTA	\$545,000	55%
Tri Delta	\$120,000	55%
WestCAT	\$25,000	55%
<b>Total</b>	<b>\$690,000</b>	

RESOLUTION NO. 2013-008

BOARD OF DIRECTORS, CENTRAL CONTRA COSTA TRANSIT AUTHORITY  
STATE OF CALIFORNIA

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AUTHORIZING EXERCISE OF OPTION TO EXTEND  
PROFESSIONAL SERVICES AGREEMENT  
WITH LAMAR TRANSIT ADVERTISING FOR BUS ADVERTISING SERVICES

**WHEREAS**, the County of Contra Costa and the Cities of Clayton, Concord, Lafayette, Martinez, Orinda, Pleasant Hill, San Ramon, and Walnut Creek, and the Towns of Danville and Moraga (hereinafter "member jurisdictions"), have formed the Central Contra Costa Transit Authority (CCCTA), a joint exercise of powers agency created under California Government Code Sections 6500, *et seq.*, to provide coordinated and integrated public transportation services within the area of such member jurisdictions; and

**WHEREAS**, by Resolution 2010-MA-01 the Central Contra Costa Transit Authority Board of Directors awarded a contract to Lamar Transit Services for the provision of interior and exterior bus advertising services, commencing on January 1, 2010 and expiring December 31, 2012, with two possible one year extensions; and

**WHEREAS**, the contract for Bus Advertising Service is a jointly negotiated contract with the Eastern Contra Costa Transit Authority (Tri Delta Transit) and the Western Contra Costa Transit Authority (WESTCAT), that is administered by the Central Contra Costa Transit Authority; and

**WHEREAS**, staff has found the performance of Lamar Transit Advertising Inc. to be satisfactory and professional; and

**WHEREAS**, based on three years of performance, Lamar Transit Inc. wishes to increase the Minimum Annual Guarantee to WESTCAT from \$12,000 to \$25,000 in Option Years one and two, which will not affect the Minimum Annual Guarantees for the Authority or TriDelta Transit; and

**WHEREAS**, staff recommends that it would be in the best interests of CCCTA and the partner agencies to continue to partner with Lamar Transit Advertising Inc. for the provision of bus advertising services; and

**WHEREAS**, the minimum annual payment for Year One of Two for the Authority is \$535,000; and

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**WHEREAS**, the Marketing, Planning, & Legislative Committee concurs with the staff recommendation to exercise the option to extend the contract.

**NOW, THEREFORE, BE IT RESOLVED** that the Central Contra Costa Transit Authority Board of Directors authorizes a one-year extension of the agreement with Lamar Transit Advertising Inc.

Regularly passed and adopted this 20th day of September 2012, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Erling Horn, Chair, Board of Directors

ATTEST:

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Janet Madrigal, Clerk to the Board