

To: Marketing, Planning, & Legislative Committee

Date: August 28, 2013

From: Mary Burdick, Sr. Manager of Marketing

Reviewed by:

SUBJECT: Bus Advertising Services-Contract Extension

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 last option year. The current contract expires on December 31, 2013 if an extension is not authorized.

The MP&L Committee has been reviewing branding options for the County Connection fleet of buses and may, upon further discussion with the full Board of Directors, recommend modifying the number and size of advertising formats allowed in the future.

Until a Board decision is reached on limiting the amount of large format ads, staff recommends continuing the contract with Lamar. The final option year will expire on December 31, 2014 and will allow us the time needed to make policy decisions on advertising formats, and evaluate the impact of those decisions on current partners Tri Delta and WestCAT.

County Connection staff has discussed exercising the final option year with the partners, and they favor continuing with Lamar 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 final option year.

Financial Implication

County Connection will receive a minimum annual guarantee of \$545,000 in the next year. The current minimum annual guarantee is \$535,000.

Options:

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

Recommendation:

Staff recommends that the MP&L Committee approve extending the contract with Lamar for the final option year, and forward to the Board of Directors for approval.