



Item
Meeting 2012 Nov 19

COUNCIL REPORT

TO: CITY MANAGER **DATE:** 2012 November 14
FROM: DIRECTOR FINANCE **FILE:** 150-11/11
SUBJECT: CONTRACT AWARD - TRANSIT SHELTER ADVERTISING
PURPOSE: To obtain approval to award a contract for the sale, marketing and posting of advertising material in City owned commercial transit shelters.

RECOMMENDATION:

1. **THAT** a revenue-based contract be awarded to Pattison Outdoor Advertising, LP for a term of five (5) years for the sale, marketing and posting of advertising materials in City owned commercial transit shelters as outlined in this report.

REPORT

In May 2011, Council authorized staff to pursue a new business model for bus shelter advertising. As part of the new bus shelter program, a request for proposal was issued to invite advertising companies to manage the City's bus shelter advertising program. Submissions were received from four (4) proponents. The submissions were evaluated by staff from Engineering and Purchasing on the proponents' overall experience and qualifications in the industry, sales and marketing capabilities, and overall financial offering to the City. The recommended bidder, Pattison Outdoor Advertising, LP has a proven track record in providing bus shelter advertising services. The proposal includes a guaranteed minimum annual revenue to the City of \$200,000 for the first year of the contract with a \$4,000 escalation for each subsequent year of the term. Actual revenues will be contingent upon market conditions and advertising sales volume.

Pattison Outdoor Advertising, LP has a proven track record in providing advertising services to the City and staff evaluation indicates that the recommended proponent can successfully deliver the program requirements under this contract. The Acting Director Engineering concurs with the recommendation to award the bus shelter advertising program to Pattison Outdoor Advertising, LP.

Denise Jorgenson
DIRECTOR FINANCE

cc: Acting Director Engineering