

T Transportation Committee
Metropolitan Council meeting of June 22, 2011

Date

Prepared: May 27, 2011

Subject: Authorization to Award Contract for Advertising Agency Services

Proposed Action:

That the Metropolitan Council authorize the Regional Administrator to enter into a contract with Clarity Coverdale Fury to provide advertising agency services for Metro Transit and other Metropolitan Council work units on an as-needed basis over a five-year term in an amount not to exceed \$9 million.

Summary of Committee Discussion / Questions:

Bruce Howard, Director of Customer Services and Marketing at Metro Transit, presented this item.

Mr. Howard explained that Metro Transit uses an advertising agency for specific marketing activities that cannot be accomplished in-house or for occasional overflow projects. These services mainly include production of some types of advertising, media planning and buying and market research.

Mr. Howard stated that the not-to-exceed \$9 million contract over a five-year term did not commit the Council to paying the ad agency that amount but rather was the contract cap. Mr. Howard stated the \$9 million was the same contract cap that was used in the last two contracts for advertising agency services. The actual dollars spent during the current contract that expired May 10th was \$4.6 million. Howard also said other units of the Council could access this contract if they needed to use the services of an advertising agency.

Mr. Howard explained that a Request for Proposals (RFP) was issued, 22 firms downloaded the RFP from the Council web site and seven proposals were received by the Council. Four criteria were used in the evaluation – quality of the proposal in addressing the RFP requirements, qualifications of the proposer, experience, and price. Clarity Coverdale Fury was selected as most advantageous for the Council.

Council member Doan asked who submitted the top three rated proposals. Mr Howard responded that Clarity Coverdale Fury, Colle + McVoy and Gabriel deGrood Bendt.

The item was approved unanimously with no further discussion.

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Meeting date: May 23, 2011

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ADVISORY INFORMATION

Date:	May 17, 2011
Subject:	Authorization to Award Contract for Advertising Agency Services
District(s), Member(s):	All
Policy/Legal Reference:	Council Policy 3-3 Expenditures – Procurement of Goods and Services over \$250,000
Staff Prepared/Presented:	Brian J. Lamb, General Manager, 612-349-7510 Bruce Howard, Director of Customer Services and Marketing, 612-349-7694 Micky Gutzmann, Acting Director of Procurement 651-602-1741
Division/Department:	Metro Transit/Marketing

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to enter into a contract with Clarity Coverdale Fury to provide advertising agency services for Metro Transit and other Metropolitan Council work units on an as-needed basis over a five-year term in an amount not to exceed \$9 million.

Background

The existing contract for advertising agency services ended May 10, 2011. Metro Transit uses advertising agency services for specific marketing activities that cannot be accomplished in-house or for occasional overflow projects. These services mainly include production of some types of advertising, media planning and buying and market research. Growing Metro Transit's ridership, introducing new types of transit service, and supporting special-event services require significant marketing efforts many times needing advertising agency support.

Rationale

Staff issued a Request for Proposals (RFP) for advertising agency services in March and received seven responses. The incumbent agency did not respond to the RFP. The RFP was downloaded from the Metropolitan Council's web site by 22 firms after being advertised on the Council's web site and as the result of direct email notifications.

The RFP required proposers to demonstrate the ability to provide a full range of services including planning, developing, coordinating and executing specific marketing campaigns, developing media-buying plans, conducting research, and measuring and evaluating advertising effectiveness. The RFP required proposers to include a statement of qualifications and relevant experience of both the firm and key personnel. In addition, each proposer was required to submit examples of three projects completed by the agency and was asked to submit a hypothetical plan to market Metro Transit State Fair service.

An evaluation panel independently read and evaluated each proposal and then met to discuss and rate each proposal. Four criteria were used in the evaluation – quality of the proposal in addressing the RFP requirements, qualifications of the proposer, experience, and price. The price proposal included the hourly rates of key personnel and proposers were asked to include any overhead charges assessed by the agency in addition to hourly charges. The three highest ranking agencies were interviewed by the evaluation panel.

The panel determined that the proposal submitted by Clarity Coverdale Fury is the most advantageous to the Council. The Clarity Coverdale Fury proposal is the highest rated proposal based on technical merit and is the only one of the three finalists to receive a price proposal rating of excellent based on the lowest hourly rates.

Funding

Funding for advertising agency services is budgeted annually and included as part of the overall marketing department budget.

Known Support / Opposition

None