

SOUND TRANSIT

MOTION NO. M98-80

Contract for marketing and advertising services for Sound Transit BACKGROUND AND COMMENTS

Meeting:	Date:	Type of action:	Staff Contact:	Phone:
Finance Committee	10/15/98 11/5/98	Information Action	Barbara Dougherty	206-684-1357
Public & Government Affairs Committee	10/16/98	Discussion	Tim Healy	206-684-1394

PROPOSED ACTION:

On November 5, 1998, the Finance Committee will be asked to approve execution of a contract for marketing and advertising services with COPACINO/Pacific Rim Resources in an amount not to exceed \$4 million. Funding for all work will require Sound Transit's prior acceptance and approval. The contract is expected to extend for an initial two-year period. Sound Transit will have the option to renew the contract at the end of the two-year period for an additional period. The total contract length will not exceed five years. Negotiations with COPACINO/Pacific Rim Resources are in progress.

BACKGROUND:

A primary goal of Sound Transit's marketing program is to build awareness of the agency and its services, and, as new services are launched, promote the new services and help build ridership. The selected consultant will be asked on an as-needed basis to research and identify target markets; develop marketing strategies; develop and implement advertising campaigns, including media purchases, creative product development, and print and audio-visual production; plan and conduct public relations, and evaluate the effectiveness of the marketing program. These services do not represent the full marketing program for Sound Transit. The requested services will supplement and extend the promotional activities of Sound Transit, and other organizations or agencies contracted to operate Sound Transit services.

The work will be performed on an as-needed basis using individual work orders for each task. Sound Transit will establish a budget for each work order prior to commencement of the work. Sound Transit will review and approve all work, including all advertising, promotion and collateral materials before they are produced or placed.

One of the first tasks the consultant will be asked to perform is to help Sound Transit develop short- and long-term strategic marketing plans for the agency and its line departments. In a separate contract Ilium Associates, Inc. has already conducted market segmentation research and is preparing a pre-implementation marketing plan for Sounder commuter rail. The marketing and advertising consultant for this contract will use that pre-implementation plan as a starting point for a long-term

marketing plan for Sounder.

RELEVANT BOARD POLICIES AND PREVIOUS ACTIONS TAKEN:

◆ Resolution No. 78-1 (April 9, 1998)

(Resolution No. 78-1 grants the Finance Committee authority to execute contracts up to \$5,000,000, and allows the Board to authorize non-standard procurements, such as sole source and special circumstances procurements)

◆ Adoption of Fiscal Year 1998 Budget and Action Plans (December 11, 1997)

(The 1998 budget includes \$90,000 for marketing and advertising services and \$200,000 for paid advertising.)

EXECUTIVE SUMMARY:

Scope of work

1. Provide general business counsel related to marketing, advertising, public relations, community outreach and communications. This business counsel shall include helping Sound Transit develop short- and long-term strategic marketing plans for the agency and each of its line departments. Analyze present and potential markets, as assigned, for Sound Transit services. Perform analysis on the effectiveness of messages and techniques. It is expected that the consultant will become familiar with Sound Transit, its services, its customers and potential customers.
2. Help develop and implement advertising and communication plans for Sound Transit approval. These plans shall include recommendations related to media, creative, budgets, and the proper coordination with other Sound Transit communications, promotions, and public outreach efforts.
3. Assist in developing and implementing plans to launch new services and promote openings of new facilities. This could include helping plan, implement and staff special events and promotions.
4. Perform duties, subject to agency approval, necessary to develop and produce print advertising, broadcast advertising, transit advertising, outdoor billboard advertising, direct mail, collateral materials and audiovisual materials.
 - a. Create and prepare communications and advertising ideas and programs.
 - b. Prepare estimates of costs for the recommended programs.
 - c. Employ knowledge of available media and means that can be effectively and efficiently used to communicate department services and messages.
 - d. Order the space, time or other means to be used for advertising, securing the most advantageous rates available.
 - e. Incorporate the message in mechanical or other form and forward it with proper instruction to fulfill the order.
 - f. Check and verify insertions, displays, broadcasts or other means used, to such degree as is usually performed by agencies.
 - g. Evaluate and report on communications and advertising results as required.

- h. Audit invoices for space, time, material preparation and services. Maintain budget and records of project expenditures.
 - i. Submit invoices to Sound Transit for payment in a format that meets Sound Transit's reporting requirements.
5. Establish and maintain a system for client review and approval of all activities at appropriate stages of development.

Procurement and selection process

On August 5, 1998, Sound Transit announced a Request for Qualifications and Proposals No. RTA/PG 64-98 for marketing and advertising services on an as-needed basis. A pre-proposal conference was held August 13. Ten proposals were received and four firms were interviewed.

M/W/DBE participation

Disadvantaged Business Enterprise participation was strongly encouraged and proposals were required to address each firm's efforts to include DBE participation. Pacific Rim Resources is certified as a Minority, Woman owned Business Enterprise and is a certified DBE.

Cost

The contract for marketing and advertising services will be for an amount not to exceed \$5 million. Sound Transit's adopted 1998 budget includes \$90,000 for marketing and advertising services. The 1999 and 2000 annual budgets for marketing and advertising services will be set at levels appropriate to launch commuter rail, regional bus and Tacoma light rail services. Renewal of the contract will be subject to annual budget approval.

The maximum amount available for a contract pursuant to this RFP/Q is estimated to be \$4 million. A provision will be included in the contract that Sound Transit does not guarantee to the consultant that Sound Transit will expend the entire value of the contract.

CONSEQUENCES OF DELAY:

Delays in executing this contract have potential impacts on the 1999 budget if research required to develop marketing plans is delayed until next year. Delays could also affect pre-marketing of Regional Express and Sounder commuter rail service next year.

LEGAL REVIEW:

Upon review of the background and comments and the motion, the Legal Department finds both documents to be legally acceptable.

SOUND TRANSIT

MOTION NO. M98-80

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to execute a contract with COPACINO/Pacific Rim Resources for marketing and advertising services in an amount not to exceed \$4 million.

Background:

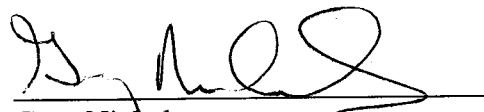
A primary goal of Sound Transit's marketing program is to build awareness of the agency and its services, and, as new services are launched, promote the new services and help build ridership. Sound Transit desires to enter into a contract with COPACINO/Pacific Rim Resources who will be asked, on an as-needed basis, to research and identify target markets; develop marketing strategies; develop and implement advertising campaigns, including media purchases, creative product development, and print and audio-visual production; plan and conduct public relations, and evaluate the effectiveness of the marketing program. Negotiations with COPACINO/Pacific Rim Resources are in progress. The contract is expected to extend for a two-year period. Sound Transit will have the option to renew the contract at the end of the two-year period for an additional period. The total contract length will not exceed five years.

One of the first tasks the consultant will be asked to perform is to help Sound Transit develop short- and long-term strategic marketing plans for the agency and each of its line departments.

Motion:


It is hereby moved by the Finance Committee of the Central Puget Sound Regional Transit Authority Board that the Executive Director is authorized to execute a contract for marketing and advertising services for Sound Transit on an as-needed basis with COPACINO/Pacific Rim Resources for an amount not to exceed \$4 million.

Approved by the Finance Committee of the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof on the 5 day of November, 1998.



Greg Nickels
Finance Committee Chair

ATTEST:



Marcia Walker
Board Administrator