



Legislation Details (With Text)

**File #:** 05280      **Version:** 1      **Name:** Transit Advertising Agreement with Adams Outdoor  
**Type:** Resolution      **Status:** Passed  
**File created:** 12/20/2006      **In control:** TRANSIT AND PARKING COMMISSION (ended 06/2018)  
**On agenda:** 1/16/2007      **Final action:** 1/16/2007  
**Enactment date:** 1/18/2007      **Enactment #:** RES-07-00156

**Title:** Authorizing the Mayor and City Clerk to enter into an agreement with Adams Outdoor Advertising Ltd. Partnership dba Adams Outdoor Advertising of Madison, for the right to sell and manage interior and exterior transit bus advertising for the transit utility for a three year period, with a single option to extend for three additional years in the third year.

**Sponsors:** Noel T. Radomski, Jed Sanborn

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
1/16/2007	1	COMMON COUNCIL	Adopt	Pass
1/9/2007	1	TRANSIT AND PARKING COMMISSION (ended 06/2018)	RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER	Pass
1/8/2007	1	BOARD OF ESTIMATES (ended 4/2017)	Return to Lead with the Recommendation for Approval	Pass
1/2/2007	1	COMMON COUNCIL	Refer	
1/2/2007	1	TRANSIT AND PARKING COMMISSION (ended 06/2018)	Refer	
12/21/2006	1	Finance Dept/Approval Group	Approved Fiscal Note By The Comptroller's Office	
12/21/2006	1	Transit Utility	Referred for Introduction	
12/20/2006	1	Transit Utility	Fiscal Note Required / Approval	

**Fiscal Note**

Fiscal Note: This contract will provide for guaranteed revenue of up to \$825,000, a 40% revenue sharing formula (which applies to revenue in excess of the minimum guarantee), and \$225,000 in media trade for a minimum value of up to \$1,050,000\* over a three-year period during which full wraps may be sold and evaluated, and with a single option to extend the contract for a three-year period with additional guaranteed revenue. The additional guaranteed revenue will vary, depending on whether or not full wraps may continue to be sold. It is anticipated that in 2007 revenues under this contract will yield an estimated \$250,000 to Metro Transit, as compared to \$380,000 included in the 2007 Metro Transit Adopted Operating Budget. Therefore, the Metro Transit 2007 budget may fall short in this revenue category by an estimated \$130,000.

**\*Assumes a contract is signed on or before 2/1/07**

**Title**

Authorizing the Mayor and City Clerk to enter into an agreement with Adams Outdoor Advertising Ltd. Partnership dba Adams Outdoor Advertising of Madison, for the right to sell and manage interior and exterior transit bus advertising for the transit utility for a three year period, with a single option to extend for three additional years in the third year.

**Body**

WHEREAS the transit utility requires the services of a qualified firm to oversee the sales and management of interior and exterior transit advertising space; and

WHEREAS a request for proposals was advertised nationally in order to obtain competitive bids for providing this service; and

WHEREAS six proposals for the right to sell and manage interior and exterior transit coach advertising space were received, reviewed, and evaluated using a point system, taking into account the proposers:

- responsiveness to the requirements of the request for proposals;
- revenue and financial capability;
- experience and qualifications related to current and past performance in transit advertising and other out-of-home media;
- demonstrated ability to manage all aspects of the contract, as well as qualifications of the organization and key staff;
- staffing proposal for project implementation;
- marketing plan and understanding of the Madison market; and
- added value proposal and innovative advertising revenue generation concepts for the transit utility to explore further; and

WHEREAS five proposals were scored in a manner such that oral presentations and interviews were conducted to gain additional information regarding the abilities and qualification of each firm;

WHEREAS Adam's proposal has scored highest among the proposers;

WHEREAS the revenue in the original term will be as set forth in the Fiscal Note above and the revenue in the option period, if exercised, will be alternatively as follows: EITHER a three-year period with additional guaranteed revenue of \$1,275,000, a 40% revenue sharing formula (which applies to revenue in excess of the minimum guarantee), and \$225,000 in media barter for a minimum value of \$1,500,000 over a three-year period IF full wraps may continue to be sold; OR a three-year period with additional guaranteed revenue of \$847,727, a 40% revenue sharing formula (which applies to revenue in excess of the minimum guarantee), and \$225,000 in media barter for a minimum value of \$1,072,727 over a three-year period IF the full wrap program is discontinued after the first three years.

NOW THEREFORE BE IT RESOLVED that the Common Council authorize the Mayor and Clerk to sign and execute an agreement between the City of Madison and Adams Outdoor Advertising Ltd. Partnership dba Adams Outdoor Advertising of Madison, for a three (3) year period with a single option to extend the contract for a three (3) year period.