



Legislation Text

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Fiscal Note

The actual cost of the service from each company depends on ads sold. The estimated annual cost of production and installation services is \$170,000. Actual total costs will vary depending on number and type of ads produced. The cost of the production and installation service is passed through to advertisers as part of the cost of advertising. The projected revenue for the in-house transit advertising program in 2013 is \$435,000. Projected revenue for 2014 is \$530,000. Projected revenue for 2015 is \$645,000. Prices charged will depend on the service rendered and will follow prices in the bid documents that will be included in the contracts.

Title

Authorizing the Mayor and the City Clerk to enter into agreements with Monarch Media Designs, LLC, SpeedPro Imaging of Madison, LLC and Tingalls Dzyn, LLC for transit advertising production and installation services. Monarch will be the primary vendor; SpeedPro will be a secondary vendor and Tingalls Dzyn will be used on a project basis. These contracts will be for an initial term of two (2) years (2013 and 2014) with up to three options for one (1) year renewals by mutual agreement of the Parties.

Body

PREAMBLE

Metro Transit has received approval (Resolution RES-12-00325) to pilot an in-house transit advertising program. Advertising revenues for an in-house program are estimated to be substantially more those from a shared-revenue formula contracting with a third party. As part of the in-house transit advertising program, the City of Madison needs to contract for transit advertising production and installation services related to this program. A Request for Bids was advertised, and three bidders were deemed responsive and responsible bidders that could provide the necessary services at different levels to Metro Transit, Monarch Media Designs, LLC (Monarch), SpeedPro Imaging of Madison, LLC (SpeedPro) and Tingalls Dzyn, LLC (Tingalls Dzyn). Please see the attached Vendor Use memo for a description of when each vendor will be used.

WHEREAS, Metro Transit would like to increase advertising revenue in order to provide better service to our customers; and

WHEREAS, the Common Council has approved Metro Transit piloting an in-house transit advertising program; and

WHEREAS, a Transit Advertising Sales Representative has been hired to administer this program; and

WHEREAS, Metro Transit issued a Request for Bids and found three responsive and responsible bidders to provide the necessary advertising production and installation services to help carry out this program;

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and the City Clerk are authorized to enter into two year Agreements with Monarch Media Designs, LLC, SpeedPro Imaging of Madison, LLC and Tingalls Dzyn, LLC for an initial term of two years (calendar years 2013 and 2014) with three one-year options for renewal by mutual agreement of the Parties.