

RESOLUTION NO. 2016-62

AUTHORIZING AN INCREASE IN THE CONTRACT AMOUNT AND A TWO AND ONE HALF MONTH EXTENSION TO CONTRACT NO. 2011-080 WITH BROKAW, INC. FOR ADVERTISING SERVICES, AS SPECIFIED, IN AN AMOUNT NOT TO EXCEED \$328,940.10, FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$4,453,940.10 (GENERAL AND RTA DEVELOPMENT FUNDS, MARKETING & COMMUNICATIONS DEPARTMENT BUDGET)

WHEREAS, the Greater Cleveland Regional Transit Authority determined the need to obtain the services of a professional advertising agency to provide advertising services for a period of three years with two, one-year options; and

WHEREAS, by Resolution No. 2011-074, the Board of Trustees authorized Contract No. 2011-080 with Brokaw, Inc., with an office located at 425 West Lakeside Avenue, Cleveland, Ohio 44113, to provide advertising services in an amount not to exceed \$2,325,000.00 for a period of three years with two, one-year options in an amount not to exceed \$775,000.00 per year for a total contract amount not to exceed \$3,875,000.00; and

WHEREAS, due to an extraordinary level of activity undertaken by the Authority, the process for awarding a new Advertising Services contract has been delayed, and;

WHEREAS, a change order is now required to extend the current contract to allow for a new solicitation; and

WHEREAS, Brokaw, Inc. has offered to provide additional services and to extend the contract from October 13, 2016 through December 31, 2016, in an amount not to exceed \$328,940.10, for a total contract amount not to exceed \$4,453,940.10; and

WHEREAS, the CEO, General Manager/Secretary-Treasurer deems this change order to increase and extend the contract with Brokaw, Inc. to be in the best interest of the Authority, price and other factors considered, and recommends acceptance thereof by the Board of Trustees.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the offer of Brokaw, Inc. to provide additional advertising services and to extend Contract No. 2011-080 through December 31, 2016 be and the same is hereby accepted.

Section 2. That the CEO, General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to issue a change order to Contract No. 2011-080 with Brokaw, Inc. to provide additional advertising services and to extend said contract with Brokaw, Inc. through December 31, 2016, and is further authorized to execute all documents necessary for this transaction.

Section 3. That said increase shall be payable from the General Fund, Marketing & Communications Department budget for additional marketing services, in an amount not to exceed \$209,855.10 and through the RTA Development Fund, Marketing & Communications Department budget, including but not limited to, 100% Local funds and pending FTA Grant OH-2016-041 in the amount of \$119,085.00 for way finding signage (\$95,268.00 in Federal funds which represents 80% of the Federal share), for an amount not to exceed \$328,940.10, resulting in a total contract amount not to exceed \$4,453,940.10.

Section 4. That said contract, as amended, shall be binding upon and an obligation of the Authority contingent upon future funding, compliance by the contractor to the Specifications and Addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution 2015-076; bonding and insurance requirements; and all applicable laws relating to the contractual obligations of the Authority.

Section 5. That all other terms and conditions of the original contract shall remain unchanged.

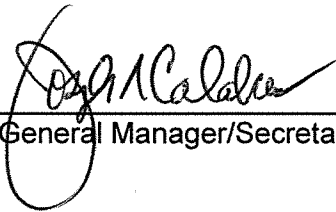
Section 6. That this resolution shall become effective immediately upon its adoption.

Adopted: August 16, 2016



President

Attest:



CEO, General Manager/Secretary-Treasurer



TITLE/DESCRIPTION: CONTRACT: INCREASE IN THE CONTRACT AMOUNT AND A TWO AND ONE-HALF MONTH EXTENSION FOR ADVERTISING SERVICES VENDOR: BROKAW, INC. AMOUNT: NTE \$328,940.10	Resolution No.: 2016-62
	Date: August 11, 2016
	Initiator: Marketing & Communications
ACTION REQUEST: <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 **PURPOSE/SCOPE:** This action is to authorize a change order to Contract 2011-080 with Brokaw, Inc. to increase the contract amount and extend it from October 13, 2016 to December 31, 2016.
- 2.0 **DESCRIPTION/JUSTIFICATION:** Growth in ridership is necessary to ensure the long-term viability of any transit authority. Effectively communicating GCRTA's key marketing messages contributes greatly to our efforts to solicit and establish new customer relationships as well as nurture relationships with current riders.

The process for awarding a new Advertising Services contract has been delayed due to the extraordinary level of activity undertaken by the Authority this year. Because of this activity, the Authority required Brokaw, Inc., the current contractor, to provide additional advertising services to meet these demands. These efforts included, but were not limited to; the extensive public involvement program related to service cuts and fare increase, implementation of the final service and fare modifications, the Cavaliers playoff run and World Title, the development and implementation of the 2016 marketing plan, and preparation for the Republican National Convention.

Due to all of these factors, the current contract needs to be extended for an additional two and one-half (2-1/2) months, from October 13, 2016 to December 31, 2016. This will allow the Authority the necessary time to solicit for a new contract.

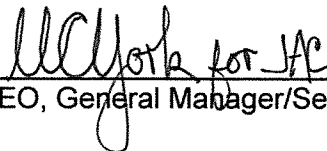
- 3.0 **PROCUREMENT BACKGROUND:** In September, 2011, the Board of Trustees by Resolution No. 2011-074 authorized Contract No. 2011-080 for Advertising Services to Brokaw, Inc. in an amount not to exceed \$2,325,000.00 for a period of three years, with two, one-year options in an amount not to exceed \$775,000.00 per option, for a total contract amount not to exceed \$3,875,000.00. The CEO, General Manager/Secretary-Treasurer exercised both one-year options in February, 2014. The CEO, General Manager/Secretary-Treasurer has approved two previous change orders as identified on the attached Change Order Log. The Change Order Committee reviewed this request to both increase and extend the term of the contract in the amount of \$328,940.10, for a total contract amount not to exceed \$4,453,940.10.

A price analysis was performed to determine that this price is fair and reasonable to the Authority.

- 4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** All Affirmative Action requirements have been met. A 15% DBE goal was established for this procurement in May, 2011. Brokaw, Inc. has agreed to maintain the established DBE participation goal through the use of its existing DBE firms.

- 5.0 POLICY IMPACT: Does not apply.
- 6.0 ECONOMIC IMPACT: This increase shall be payable through the General Fund, Marketing & Communications Department budget, in an amount of \$209,855.10 and through the RTA Development Fund, Marketing & Communications Department budget, including but not limited to, 100% Local funds and pending FTA Grant OH-2016-041 in an amount of \$119,085.00 (\$95,268.00 in Federal funds which represents 80% of the Federal share), for an amount not to exceed \$328,940.10, resulting in a total contract amount not to exceed \$4,453,940.10.
- 7.0 ALTERNATIVES: Reject this request. Rejection of this increase would disrupt the Authority's scheduled planning and implementation of future marketing and advertising campaigns.
- 8.0 RECOMMENDATION: It is recommended that this change order be accepted and the resolution passed authorizing the CEO, General Manager/Secretary-Treasurer to modify and extend the contract.
- 9.0 ATTACHMENTS: Change Order Log.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.



CEO, General Manager/Secretary-Treasurer

CHANGE ORDER LOG

CONTRACT NO. 2011-080 Advertising Services

Contract No. 2011-080

Contractor: Brokaw, Inc.

Original Contract Amount \$ 2,325,000.00

Total G.M. C.O. Authority \$ 250,000.00

Total Change Order Amount To Date: \$250,000.00

Total G.M. C.O. Authority Remaining \$0.00

ITEM NO.	NOTE No.	APPROVAL DATE	CHANGE ORDER AMOUNT	APPROVAL AUTHORITY	NEW CONTRACT AMOUNT
1	1	November 14, 2013	\$ 14,838.90	CEO, General Manager/Secretary-Treasurer	\$2,339,838.90
2	2	February 5, 2014	\$1,550,000.00	CEO, General Manager/Secretary-Treasurer	\$3,889,838.90
3	3	April 6, 2016	\$ 235,161.10	CEO, General Manager/Secretary-Treasurer	\$4,125,000.00
4	4	August 16, 2016 (Pending)	\$ 328,940.10	Board of Trustees	\$4,453,940.10

NOTES/CHANGE ORDER DESCRIPTION:

1. Change Order #1 - Sustainable Commuting Brochure for UH Main Campus
2. GM exercised two, one-year options (\$775,000.00 each)
3. Change Order #2 - Increase to contract, including but not limited to, Wayfinding Signage award \$119,085.00 under Grant OH-2016-041 (City of Cleveland & Destination Cleveland)
4. Change Order #3 - Pending BOT approval - Increase for additional services and extension of contract from October 13, 2016 to December 31, 2016.