

RESOLUTION NO. 2016-95

AUTHORIZING CONTRACT NO. 2016-086 WITH BROKAW, INC. TO PROVIDE MARKETING & ADVERTISING SERVICES FOR A PERIOD OF THREE YEARS WITH TWO, ONE-YEAR OPTIONS IN AN AMOUNT NOT TO EXCEED \$2,475,000.00 FOR THE BASE THREE YEARS AND IN AN AMOUNT NOT TO EXCEED \$825,000.00 FOR EACH OF THE TWO OPTION YEARS FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$4,125,000.00 FOR THE FIVE YEAR PERIOD (GENERAL FUND, MARKETING & COMMUNICATIONS DEPARTMENT BUDGET)

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

WHEREAS, the proposal of Brokaw, Inc. located at 425 West Lakeside Avenue, Cleveland, Ohio 44113 to provide marketing and advertising services for a period of three years in an amount not to exceed \$2,475,000.00, with two, one-year options in an amount not to exceed \$825,000.00 per year, for a total contract amount not to exceed \$4,125,000.00 for the five year period, was received on August 30, 2016; and

WHEREAS, the CEO, General Manager/Secretary-Treasurer deems the offer of Brokaw, Inc., as negotiated, to be the most advantageous to the Authority 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 proposal submitted by Brokaw, Inc., as modified by negotiations, to provide marketing and advertising services for a period of three years with two, one-year options, 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 enter into a contract with Brokaw, Inc. for marketing and advertising services for a period of three years, and to exercise two, one-year options.

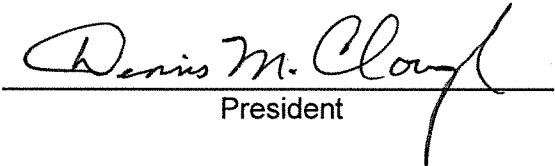
Section 3. That said contract shall be payable from the General Fund, Marketing & Communications Department budget in an amount not to exceed \$2,475,000.00 for the base three years, and in an amount not to exceed \$825,000.00 for each of the two option years, for a total contract amount not to exceed \$4,125,000.00 for the five year period. Funding is contingent upon annual Board approval of the Operating Budget for each year of the contract.

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon future funding and compliance by the contractor to the Specifications and Addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution No. 2015-76; bonding and insurance requirements and all applicable laws relating to contractual obligations of the Authority.

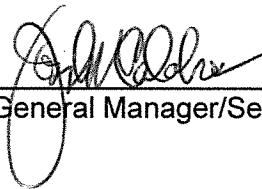
Section 5. That the Greater Cleveland Regional Transit Authority's Board of Trustees expects that Brokaw, Inc. will attempt to exceed the 15% DBE goal assigned to this procurement.

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

Adopted: October 18, 2016



President

Attest: 

CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: CONTRACT: MARKETING & ADVERTISING SERVICES FOR A PERIOD OF THREE YEARS WITH TWO, ONE-YEAR OPTIONS VENDOR: BROKAW, INC. AMOUNT: \$825,000.00 ANNUALLY	Resolution No.: 2016-95
	Date: October 13, 2016
	Initiator: Marketing & Communications Department
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 will allow the Authority to enter into a contract to obtain marketing & advertising services for a period of three years with two, one-year options.
- 2.0 **DESCRIPTION/JUSTIFICATION:** The Authority has identified a need to retain the services of a professional advertising agency to assist in promoting the GCRTA. These services include consulting in the development of advertising campaigns and the supervision of sub-contractors/vendors to ensure effective implementation of the campaign. This contract includes the purchase of all services related to the Authority's advertising, including the purchase of media time and other items identified in the scope of services.
- 3.0 **PROCUREMENT BACKGROUND:** The Request for Proposals was posted on the GCRTA website and advertised in the local newspapers, as required. On August 30, 2016, five proposals were received. After evaluation by a panel of Authority employees in accordance with established Procurement Department policies and procedures, and after negotiations, the proposal of Brokaw, Inc. to provide Marketing and Advertising Services for a period of three years in an amount not to exceed \$2,475,000.00, with two one-year options in an amount not to exceed \$825,000.00 per year, for a total contract amount not to exceed \$4,125,000.00 was determined to be in the best interest of the Authority.

A cost analysis has been performed by the Procurement Department and the proposal of Brokaw, Inc. has been determined to be fair and reasonable to the Authority.
- 4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** All Affirmative Action requirements have been met. A 15% DBE participation goal was established for this procurement. Of the \$825,000 annual contract amount, \$445,000 represents advertising fees paid directly to Brokaw as opposed to purchased services. Based on direct fees, Brokaw has committed to the utilization of Media Impressions (Female-owned) in the amount of \$36,750 and DAR Public Relations (African American Female-owned) in the amount of \$30,000 for a total of \$66,750 annually or 15%, which represents 8.1% of the total annual contract amount.
- 5.0 **POLICY IMPACT:** Does not apply.
- 6.0 **ECONOMIC IMPACT:** The contract will be funded through the General Fund, Marketing & Communications Department budget in an amount not to exceed \$2,475,000.00 for the base three years, and in an amount not to exceed \$825,000.00 for each of the two option years, for a total contract amount not to exceed \$4,125,000.00 for the five year period. Funding is contingent upon annual Board approval of the Operating Budget for each year of the contract. This is within the budgeted amount for these services.

- 7.0 ALTERNATIVES: Reject this offer. Rejection of this offer would delay the procurement of advertising services and disrupt the scheduled planning and implementation of future marketing and advertising campaigns.
- 8.0 RECOMMENDATION: This procurement was discussed by the Finance Committee at the October 4, 2016 meeting. It is recommended that the offer of Brokaw, Inc. be accepted and the resolution passed authorizing the CEO, General Manager/Secretary-Treasurer to enter into a contract.
- 9.0 ATTACHMENTS: None.

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



CEO, General Manager/Secretary-Treasurer