

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2005-95

Contract for advertising consultant services

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	9/1/05	Discussion/Possible Action	Ric Ilgenfritz, Chief Corporate and Strategic Communications Officer Tim Healy, Marketing Manager, Communications	(206) 398-5239 (206) 398-5062

Contract/Agreement Type:	✓	Requested Action:	✓
Competitive Procurement	✓	Execute New Contract/Agreement	✓
Sole Source		Amend Existing Contract/Agreement	
Agreement with Other Jurisdiction(s)		Budget Amendment	

PROPOSED ACTION

Authorizes the Chief Executive Officer to execute a one-year contract with two, one-year options to extend the contract term with Copacino + Fujikado to provide advertising and media buying services, for a total authorized contract amount not to exceed \$1,000,000.

KEY FEATURE of PROPOSED ACTION

- The proposed contract's scope of work includes providing general business counsel related to placing advertising media; analyzing present and potential markets for Sound Transit services; and developing plans and implementing advertising campaigns.
- All work will be performed on an "as-needed" basis. Each project will require a scope of work and work order before any work is authorized by the project manager.
- The proposed contract amount is expected to cover all three years, if options to extend the contract are exercised.

BUDGET IMPACT SUMMARY

Project Name: Advertising and Media Buying services

Current Project Phase: Pending

Projected Completion Date: Ongoing

Action Outside of Adopted Budget:	✓	Comments on Checked Items
This Project		
This Phase		
This Task		
Budget Amendment Required		

Key Financial Indicators:	✓	Comments on Checked Items
Contingency Funds Required		
Funding required from other parties (other than what is assumed in financial plan)		

Not checked = action is assumed in current Board-adopted budget. No budget action or adjustment to financial plan required.

BUDGET and FINANCIAL PLAN DISCUSSION

The previous two contracts for advertising and media buying services were budgeted in both the Communication department staff budget, as well in projects by each department. This contract is expected to follow that same process.

A total service cost of \$378,000 is to be allocated from this contract directly to departments. Total lifetime spending is well below planned lifetime budgets as established through the internal direct charge process. When services from this contract are needed, a work order will be generated authorizing direct charges to the individual project.

BUDGET TABLE

Summary for Board Action

Action Item: Contract with Copacino + Fujikado for advertising and media buying services.

	(A)	(B)	(C)	(D)
	Current Approved Contract Value	Spent to Date	Proposed Action	Proposed Total Contract Value
Copacino + Fujikado				
Marketing and Public Opinion Research	0	-	1,000,000	1,000,000
Contingency	0	-	-	-
Total	0	-	1,000,000	1,000,000
Percent Contingency	0%	-	0%	0%

	This Action 2005 Staff Budget	Future Staff Budget	Direct Charges to Project	Total
Copacino + Fujikado Contract				
Marketing Services- Agency	11,500	420,000	195,000	626,500
Graphic Desing Services	10,000	30,000	-	40,000
Video/Audio Production Services		60,000	80,000	140,000
Printing/Binding		45,000	103,000	148,000
Photography Services		30,500		30,500
Other Services				
TOTAL CONTRACT CHARGES:	21,500	585,500	378,000	985,000

Overall Staff Budget Summary	2005 Staff Budget	Actuals YTD, 2005	This Action for 2005	2005 Surplus (Shortfall)
Marketing Services- Agency	130,000	118,500	11,500	(0)
Graphic Desing Services	30,000	-	10,000	20,000
Video/Audio Production Services	20,000	4,986	-	15,014
Printing/Binding	18,000	6,837	-	11,163
Photography Services	12,000	10,333	-	1,667
Other Services	10,000	2,932	-	7,068
TOTAL CONTRACT CHARGES:	220,000	143,589	21,500	54,911

Direct Charge Budget	Adopted Lifetime Capital Budget for Item	Spent to Date	This Action	Suplus (Shortfall)
OPP	93,000	-	93,000	-
ST Express		73,416	225,000	-
Tacoma Link		12,554	60,000	-
Sounder		288,560	-	
TOTAL DIRECT CHARGES:		374,530	378,000	

Budget Shortfall

Level	\$	Potential Revenues	Funding Source
NA	-	-	NA

M/W/DBE – SMALL BUSINESS PARTICIPATION

Prime Consultant/Contractor

Copacino + Fujikado is the prime consultant for this contract and will be performing 100% of the work. It is a small business with 50% ownership by a minority woman and is committed to the utilization of other Small Businesses and M/W/DBE firms whenever feasible.

EEO Commitment

Copacino + Fujikado's workforce demographics are 46% women and 23% minorities.

Apprentice Utilization Commitment

Not applicable to this action.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

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.

On June 16, 2005, Sound Transit advertised a request for proposals from firms qualified and interested in providing advertising and media buying services. Copacino + Fujikado was selected out of six proposals that were submitted and reviewed.

The services provided under this contract include developing and producing print, broadcast, transit, outdoor billboard, and direct mail advertising to support Sound Transit's marketing objectives of building ridership and agency awareness. In particular, Copacino + Fujikado will provide the following services:

- a. Creating and preparing communications and advertising ideas and programs.
- b. Preparing estimates of costs for the recommended programs.
- c. Employing knowledge of available media and means that can be effectively and efficiently used to communicate department services and messages.
- d. Ordering the space, time or other means to be used for advertising, securing the most advantageous rates available.
- e. Incorporating the message in mechanical or other form and forwarding it with proper instruction to fulfill the order.
- f. Checking and verifying insertions, displays, broadcasts or other means used, to such degree as is usually performed by agencies.
- g. Evaluating and reporting on communications and advertising results as required.

Prior Board/Committee Actions on this Project and Relevant Board Policies

Motion Number	Summary of Action	Date of Action
M2002-102	Executed a contract with COPACINO for advertising and media buying services for a term of three years and for a total authorized contract amount not to exceed \$1,000,000	9/5/02
M98-80	Executed a contract with COPACINO/Pacific Rim Resources for marketing and advertising services in an amount not to exceed \$4,000,000	12/13/98

CONSEQUENCES of DELAY

A delay in executing this contract could affect implementation of advertising to support Sound Transit's public education program for long-range transportation plan development. It could also affect planning for the year 2006 advertising program.

PUBLIC INVOLVEMENT

Not applicable to this action.

LEGAL REVIEW

JW 8/24/05

SOUND TRANSIT

MOTION NO. M2005-95

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the Chief Executive Officer to execute a one-year contract with two, one-year options to extend the contract term with Copacino + Fujikado to provide advertising and media buying services, for a total authorized contract amount not to exceed \$1,000,000.

Background:

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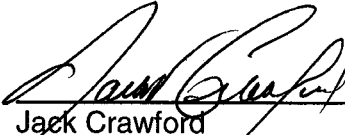
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Motion:

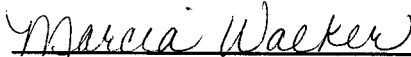
It is hereby moved by the Finance Committee of the Central Puget Sound Regional Transit Authority that the Chief Executive Officer is authorized to execute a one-year contract with two, one-year options to extend the contract term with Copacino + Fujikado to provide advertising and media buying services, for a total authorized contract amount not to exceed \$1,000,000.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on September 1, 2005.



Jack Crawford
Finance Committee Chair

ATTEST:



Marcia Walker
Board Administrator