

**Board Report**

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**File #:** 2016-0560, **File Type:** Contract**Agenda Number:** 43.

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**REVISED**  
**EXECUTIVE MANAGEMENT COMMITTEE**  
**AUGUST 18, 2016**

**SUBJECT: MEDIA PLANNING AND PLACEMENT SERVICES****ACTION: APPROVE CONTRACT AWARD****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to award a firm fixed unit rate Contract No. PS5603300, pending the resolution of a protest, for **media planning and placement services that include strategy, planning, placement, and optimization of traditional, digital, and social media advertising** with Civilian, Inc., for a not-to-exceed amount of \$1,804,590 for the three-year base period, and a not-to-exceed amount of \$1,245,179 for the two-year option term, for a combined not-to-exceed total of \$3,049,769, effective September 1, 2016 through August 31, 2021.

**ISSUE**

Metro Communications is charged with helping to increase ridership, improve the customer experience and educate the public about the Long Range Transportation plan. To this end, Metro needs to keep pace with changes in how our customers choose to receive information, and employ new technologies and tools that allow for more effective communications. In an effort to reach our audiences at scale with greater efficiency, Metro Communications is recommending awarding a contract to Civilian to provide traditional, digital and social media ad planning and placement services.

**DISCUSSION**

The Metro Communications department has, through the procurement process, identified advertising agency Civilian as the ideal firm for media planning and buying services. The firm has the capacity to provide detailed audience research, cross-platform placement, real-time optimization, conversion tracking and detailed reporting on advertising return on investment (ROI). Communications has deemed the firm's capabilities to satisfy broadcast, print, digital and social media services, as well as their capacity to leverage new technologies to develop custom media mixes for promoting each of Metro's programs and initiatives. In addition, having trusted relationships with media partners enhances Civilian's position to negotiate favorable rates for Metro.

**Considerations**

The benefits of hiring Civilian as Metro Communications' media planning and placement services agency include: having a team of experts dedicated to researching, developing and executing Metro's media plans; having enhanced negotiating power with media dollars due to solid relationships with media partners; having the expertise and tools to do advanced targeting, optimization and reporting for Metro initiatives, and has an existing working relationship with Metro on digital advertising campaigns.

### **DETERMINATION OF SAFETY IMPACT**

There are no safety issues or impact associated with this procurement.

### **FINANCIAL IMPACT**

In assessing Metro's potential budget for the life of the Contract, Metro Communications and Civilian will be responsible for approximately \$1.85 million for media planning and placement. Should the two-year option be exercised, the contract's budget would increase by an additional \$1.245 million.

#### Impact to Budget

Funding for these costs will parallel the allocated benefiting projects funding and may include operating eligible sources like fares, sales tax, federal and state source. The impact will vary year-to-year based on advertising dollars budgeted to support Metro programs and initiatives. Since this is a multi-year contract, the head of communications and the project managers will be responsible for budgeting funds in future years.

### **ALTERNATIVES CONSIDERED**

Alternatives to Board approval include bringing the media planning and placement services in-house, which would require two to three full-time employees with expertise in media strategies plus procurement of enterprise level advertising placement, optimization and reporting software tools, or procuring a sole source media buyer (which is what Metro had for several years) rather than an integrated marketing agency. Either alternative would limit Metro's ability to leverage new media in a rapidly changing advertising market, reduce our ability to leverage the buying power of a full service advertisement agency, and reduce our access to the strategic advice and expertise that comes with an integrated full-service ad agency.

### **NEXT STEPS**

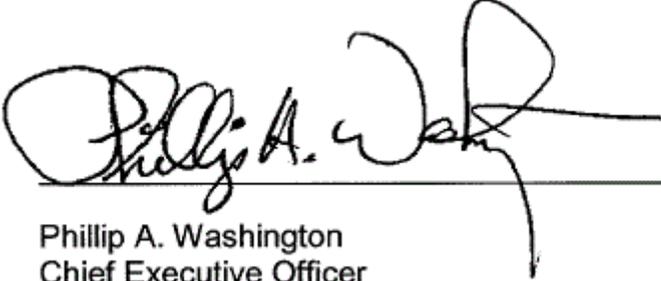
Upon Board approval, staff will execute Contract No. PS5603300 with Civilian as Metro Communications' agency-of-record for media planning and placement services.

### **ATTACHMENTS**

Attachment A - Procurement Summary  
Attachment B - DEOD Summary

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Chief Executive Officer