



CITY OF KINGSTON
REPORT TO COUNCIL

Report No.: 12-124

TO: Mayor and Members of Council

FROM: Denis Leger, Commissioner of Transportation, Properties and Emergency Services

RESOURCE STAFF: Sheila Kidd, Director of Transportation Services
Jeremy DaCosta, Transit Manager

DATE OF MEETING: April 17, 2012

SUBJECT: Award of RFP No. F31-TPES-TS-2012-1 - A License to Sell Third-Party Advertising on Kingston Transit Benches

EXECUTIVE SUMMARY:

Kingston Transit generates advertising revenue from advertising displayed on the benches located at Kingston Transit bus stops. The purpose of this report is to recommend the appointment of Creative Outdoor Advertising as the exclusive licensee to sell third-party advertising on bench amenities for a period of thirty-two (32) months, for a term ending December 31, 2014.

The agreement with the current supplier provides for 101 bench amenities located at bus stops. In the new agreement, the existing 101 benches will be provided along with an additional 20 benches to be installed during the term of the agreement. The additional 20 benches will be a model of bench that is consistent with the model being installed by the Engineering Department elsewhere within the City. Council approval is required as the City only received one response to the Request for Proposal.

RECOMMENDATION:

THAT RFP No. F31-TPES-TS-2012-1, A License to Sell Third-Party Advertising on the Kingston Transit Benches be awarded to Creative Outdoor Advertising, for a period of thirty-two (32) months, for a term ending December 31, 2014; and

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THAT Council authorize the Mayor and Clerk to enter into an agreement with Creative Outdoor Advertising, in a form satisfactory to the Director of Legal Services.

AUTHORIZING SIGNATURES:

ORIGINAL SIGNED BY COMMISSIONER _____ Denis Leger, Commissioner, <i>Transportation, Properties & Emergency Services</i>
ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER _____ Gerard Hunt, <i>Chief Administrative Officer</i>

CONSULTATION WITH THE FOLLOWING COMMISSIONERS:

Cynthia Beach, <i>Sustainability & Growth</i>	N/R
Lanie Hurdle, <i>Community Services</i>	N/R
Jim Keech, President and CEO, <i>Utilities Kingston</i>	N/R

(N/R indicates consultation not required)

OPTIONS/DISCUSSION:

Vendor Selection Process:

Kingston Transit generates advertising revenue from advertising displayed on the benches located at Kingston Transit bus stops. The management of advertising contracts is licensed to a third-party firm who specializes in this business. This is a common practice in the transit industry.

The contract with the current supplier expires on April 24, 2012. Staff issued a Request for Proposal in February 2012 to seek firms interested in providing this service.

The City received one (1) submission from Creative Outdoor Advertising, which is the City's current supplier.

This submission was evaluated by transit staff using the evaluation criteria contained within the RFP as follows:

Experience	10%
Personnel	10%
Proposed Method of Operation	15%
Financial Stability and Ownership	12%
Quality Control	5%
Compensation Proposal	35%
References for Services	5%
Environmental and Sustainability Performance	5%
<i>Ontarians with Disabilities Act, 2001 S.O. 2001, c.32 section 13</i>	3%

The submission received an evaluation score of 72.50 out of 100.

Creative Outdoor Advertising is being recommended as the preferred vendor because their proposal was the only one received and they met all of the mandatory requirements of the RFP.

Length of Agreement

Staff is recommending an agreement length of thirty-two (32) months, ending December 31, 2014. The City currently has other third-party advertising license agreements with different advertising firms for transit outdoor advertising including bus and shelters. These contracts expire in December 2014. Staff would like to align the expiry date of all of these contracts. Awarding the contract to Creative Outdoor Advertising on a thirty-two (32) month basis will provide the flexibility required to align the expiry dates of all advertising contracts as they reach their common expiry dates.

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EXISTING POLICY/BY LAW:

N/A

NOTICE PROVISIONS:

N/A

ACCESSIBILITY CONSIDERATIONS:

Ontarians with Disabilities Act was a component in the evaluation criteria applied to the submissions.

FINANCIAL CONSIDERATIONS:

Under the existing agreement the City realized an average revenue stream of \$1,273 per month over the 60-month term.

Under the proposed agreement, the City will realize an average revenue stream of \$1,873 per month over the 32-month term resulting in a total minimum guaranteed revenue of \$59,961.

CONTACTS:

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Ying Gilbert, Marketing Administrator	613-546-4291, Ext. 2528

OTHER CITY OF KINGSTON STAFF CONSULTED:

Janis Morrison, Purchasing Coordinator

EXHIBITS ATTACHED:

N/A