

RIVERSIDE TRANSIT AGENCY  
1825 Third Street  
Riverside, CA 92507

June 23, 2005

TO: BOARD OF DIRECTORS

THRU: Larry Rubio, Chief Executive Officer

FROM: Vince Rouzaud, Director of Purchasing and Materials Management

SUBJECT: Authorization to Award Multiple, On-Call Service Contracts for Bus Marketing, Community Outreach for Bus Rapid Transit Infrastructure Improvement Project (BRTIIP), Web-Site Design and Printing Services

Summary: The Agency utilizes the services of outside marketing agencies to assist in developing and promoting its annual Marketing and Community Outreach Programs. These programs are designed to increase community awareness of RTA services; communicate the benefits of public transit; and, encourage non-transit riders to try public transit as a viable means of transportation.

The use of outside marketing agencies augments internal capabilities and provides specialized expertise that is needed only on a periodic basis or is not cost effective to bring in-house. Examples are desktop publishing, website maintenance, creative design and other marketing-related functions.

Additional objectives of the Agency's marketing and outreach program are identified below:

- Increase fixed-route bus use among current riders;
- Encourage trial and repeat use among residents who currently do not use the fixed-route bus, targeting discretionary riders, especially working commuters;
- Increase ridership along routes that have excess capacity;
- Continue to introduce the benefits of the Day Pass and 31-Day Pass, increase sales of prepaid fare media, and expand the network of bus pass vendors;
- Create a favorable perception of RTA through a planned branding and image campaign targeting current riders, potential riders, opinion leaders, community leaders, employers, and elected officials;
- Position RTA as a necessary part of the community that provides freedom and increases the quality of life for all residents. Differentiate RTA as something other than just another government agency;
- Increase public perception that RTA is efficiently managed, friendly, and customer-oriented;
- Develop effective communication and partnerships with target markets;

- Ensure public awareness and education for new and expanded bus service, including the BRTIIP; and
- Create innovative ways to assure the public has accurate, timely, and accessible information about RTA services.

On February 21, 2005, the Agency issued Request for Proposals (RFP) 05-003 for “Bus Marketing, Community Outreach, Design and Printing Services”. On March 28, 2005, fifteen proposals were received. All proposals submitted were within the competitive range and the established budget.

Since it is common practice for marketing firms to provide services in specific areas of expertise, the RFP allowed respondents to submit proposals for one or more of the specific marketing activities listed below:

**1. General marketing and advertising**

Create and implement small and large campaigns that include a mix of print, radio and television advertisements, freestanding direct mail inserts, co-op advertising, and targeted marketing efforts.

**2. Public Relations**

Create and/or advise on public relations campaigns including, planning, material creation, special events, press contacts, and execution.

**3. Graphic Design**

Design and produce art for logos, brand development of bus service products, collateral materials, and miscellaneous graphic needs.

**4. Video and radio production**

Create, edit, and produce video and radio spots for cable television and radio stations, as well as for internal staff and website uses.

**5. Special event marketing**

Assist RTA staff with the preparation and staffing of booths at special events (e.g., fairs, festivals, etc.).

**6. Web Site design and maintenance**

Design and maintenance of the RTA web site, [www.RiversideTransit.com](http://www.RiversideTransit.com).

**7. Photography**

Take photos and deliver proofs, 35mm prints, negatives, and high-resolution digital files.

**8. Mailing services**

Provide mail lists and mail house services.

**9. Printing**

Provide printing for project brochures, flyers, newsletters, and miscellaneous collateral materials. Special projects will also require printing and

installation/removal of vinyl materials for exterior bus wraps.

Respondents were further advised that the evaluation process would take into account each area of expertise specified in their respective proposals and that the Agency reserved the right to award contract(s) for one or more of those activities. This arrangement enables the Agency to select from among several different qualified firms as project specific requirements arise.

The proposals were evaluated by a committee representing the Purchasing and Marketing departments. Upon conclusion of the evaluation process, the following firms were selected for multiple-award, on-call service contracts:

- O'Reilly Public Relations, Inc. – lead public relations and marketing agency
- Wash Creative – general marketing and advertising services
- Zhappo – website design and maintenance, Ride Guide development, graphic support, and photography
- DocuMedia Group – brochure, flyer printing

The evaluation committee selected these firms for the following reasons:

- Prior experience working with Public Transit agencies and local governments;
- Qualifications of project staff, particularly key personnel.
- Creative design and production of marketing campaign materials, brand development, artwork, and miscellaneous graphic needs;
- Success in planning, script writing, development, editing and final production of media materials; and,
- Cost competitiveness

The Agency intends to have one lead firm for public relations and marketing coordination for the image/branding campaign and BRTIIP introduction and promotion. Additionally, the Agency will have one firm for general marketing and advertising; one firm for website design/maintenance and graphics design; and, one firm for general printing (brochures, flyers, etc.) When project specific requirements are needed, the Agency will have the flexibility to select the firm(s) that specialize in that area of expertise.

Additional project-based marketing support will be required of these firms as the Agency moves forward with the BRTIIP project. Much of the public relations effort in the base contract year will be focused on marketing efforts and community outreach for that project.

One factor that could delay or cancel community outreach efforts altogether is the Agency's ability to guarantee uninterrupted funding for BRTIIP operations.

It is important to note that in September 2004, the Board approved

\$4,000,000 in Local Transportation Fund (LTF) reserves to fund the BRTIIP project. However, because the Transportation Equity Act (TEA 21) legislation has not been approved, the Agency has been required to use LTF reserves to fund existing operations in each of the past two fiscal years. In the event that the passing of the TEA 21 legislation is further delayed, it is likely that LTF reserves would again be needed to fund existing operations causing a delay in the implementation of BRTIIP which could include delaying the community outreach and marketing efforts.

On the other hand, if TEA 21 legislation is approved and the BRTIIP project moves forward as planned, the current projected expenditures for each vendor for year one are as follows:

O'Reilly Public Relations	\$170,000
Wash Creative	\$130,000
Zhappo	\$ 62,000
DocuMedia Group	\$ 11,000
Total	<u>\$373,000</u>

The above budgetary numbers for both O'Reilly Public Relations and Wash Creative include costs for radio, television, and print media placement. Both agencies have media buyers that are able to negotiate more favorable pricing because they purchase media in bulk for multiple clients.

Fiscal Impact:

Funding for this project will be a combination of the Agency's FY 2006 operating budget for bus marketing programs and Federal Transit Administration (FTA) capital grant CA 90-Y537 for BRT Transit Enhancements. A detailed breakdown of available funding is as follows:

FTA (CA 90-Y37)	\$262,000
FY 2006 Operating Funds	\$111,000
Total	<u>\$373,000</u>

Recommendation:

Authorize staff to award multiple, on-call service contracts to the above-mentioned firms for a total not-to-exceed amount of \$373,000 for the initial contract period with two one-year option periods. Option year funding will be requested in future year budgets.