

MOTION:

SECOND:

**RE: AUTHORIZATION TO PARTICIPATE IN WMATA’S COMPETITIVE PROCUREMENT FOR
REVENUE GENERATING ADVERTISING ON PRTC’S BUS FLEET**

ACTION:

WHEREAS, since 2009, PRTC has participated in WMATA’s competitive procurement to secure an advertising contractor to sell and manage the advertising space on PRTC’s bus fleet; and

WHEREAS, the current contract commenced July 1, 2014, with a five (5) year base plus an option for three (3) additional years – to be exercised either in one-year increments or any combination thereof; and

WHEREAS, a one-year option was exercised effective July 1, 2019; and

WHEREAS, although two option years remain, WMATA has recently decided to commence a new competitive procurement and invited PRTC to again be a participant, with the intent to secure a new contract before the expiration of the current contract year on June 30, 2020; and

WHEREAS, PRTC has been invited to participate in WMATA’s competitive procurement as a mandatory option, requiring proposers to submit a separate proposal for PRTC; and

WHEREAS, PRTC management has concluded that participating in WMATA’s competitive procurement will permit PRTC to maximize revenue potential as a source of operating funds; and

WHEREAS, PRTC management will evaluate the proposal WMATA’s selected offeror makes pertaining to PRTC to determine whether it’s in the agency’s best interest to keep the current contract or establish a new one.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby authorize the Executive Director to participate in WMATA’s competitive procurement for revenue generating advertising services.

BE IT FURTHER RESOLVED that the Executive Director shall seek the Commission’s authorization to award a contract if PRTC management determines that establishing a new revenue generating advertising contract would be in PRTC’s best interest.

Votes:

Ayes:

Abstain:

Nays:

Absent from Vote:


Alternate Present Not Voting:


Absent from Meeting:



September 5, 2019

TO: Madam Chair Anderson and PRTC Commissioners

FROM: Althea Evans
Director of Marketing 

THROUGH: Robert A. Schneider, PhD
Executive Director 

SUBJECT: Authorization to Participate in WMATA's Competitive Procurement for Revenue Generating Advertising on PRTC's Bus Fleet

Recommendation:

Authorize the Executive Director to participate in WMATA's competitive procurement for revenue generating advertising on PRTC's bus fleet.

Background:

Since 2009, PRTC has participated in a competitive procurement, led by WMATA, to secure an advertising contractor to sell and manage the available advertising space on PRTC's fleet. The current contract with OutFront Media (formerly CBS Outdoors) commenced July 1, 2014, with a five (5) year base plus an option for three (3) additional years – to be exercised either in one-year increments or any combination thereof. A one-year option was exercised, effective July 1, 2019. While two option years remain, WMATA has recently notified PRTC of its intent to commence a new competitive procurement and invited PRTC to again be a participant, with the intent to secure a new contract before the expiration of the current contract year on June 30, 2020.

Participating in WMATA's procurement (as a mandatory option that requires proposers to issue a separate proposal for PRTC) is seen by management as a means of maximizing PRTC's advertising revenue potential, in contrast to what PRTC might realize from a stand-alone procurement. This provides the advertising sales contractor the opportunity to bundle both WMATA and PRTC services as a regional sale, covering D.C. to the Prince William area, which is attractive to larger advertisers. On our own, PRTC's fleet simply isn't large enough to garner the best sales prices so therefore, there is less revenue potential. A contract resulting from this competitive procurement would be effective July 1, 2020.

WMATA would provide PRTC with the proposal from their chosen offeror for review and evaluation.

If the Commission authorizes management to participate in WMATA's procurement, the Commission will be asked separately to authorize the contract award at a future meeting. If management concludes that the proposal made by WMATA's selected offeror is not advantageous to PRTC, our recourse would be to continue the existing contract for some or all of the option years remaining.

Fiscal Impact:

Not applicable