



Baldwin County Commission

Legislation Text

File #: 20-1494, **Version:** 1

Meeting Type: BCC Regular Meeting

Meeting Date: 9/1/2020

Item Status: New

From: Wayne Dyess, County Administrator

Submitted by: Matthew Brown, Director of Transportation; Amanda Thweatt, Grants Technician

ITEM TITLE

McNutt and Company, LLC Contract - Discontinuation of the Baldwin Regional Area Transit System (BRATS) Third-party Advertising Program

STAFF RECOMMENDATION

For discussion only.

BACKGROUND INFORMATION

Previous Commission action/date: N/A

Background: On February 3, 2011, Baldwin Regional Area Transit System (BRATS) issued a Request for Proposal to establish an Advertising Program. The current contract was originally awarded in December 2011 to McNutt and Company, LLC, with an expiration date of December 2014. The contract was rebid and re-awarded in December 2014, with an expiration date of December 2017. The current contract was rebid and re-awarded in December 2017, with an expiration date of December 8, 2020.

Under the contract terms, the advertising company sells all ads and manages the production of materials and installation. The contract allows the advertising company monthly travel expenses and 50% of the gross receipts. Since its initial launch, the Advertising Program has only generated \$72,059.44 in BRATS revenue. Fiscal Year 2019 & Fiscal Year 2020 (to date) the program has only generated \$20,888.44 in BRATS revenue. At least three of the recent major sales (Eastern Shore Screens, GoForth Media, and Rouses) began with a contact to BRATS. BRATS then sent the information to the advertising company for their follow up. BRATS management feels that by operating the Advertising Program internally, BRATS would be able to generate at least the same amount of revenue, if not more. When the current contract is complete, BRATS plans to handle the program in-house. Below is a breakdown of the numbers from Fiscal Year 2019 & Fiscal Year 2020 to date.

Fiscal Year 19 Gross	\$25,967.50
Fiscal Year 19 Materials	\$1,303.64
Fiscal Year 19 McNutt Allowable Expenses	\$1,726.07
Difference	\$22,937.39
BRATS Portion (50% of Difference)	\$11,468.69

Fiscal Year 20 Gross	\$21,675.00
Fiscal Year 20 Materials	\$1,417.48
Fiscal Year 20 McNutt Allowable Expenses	\$1,418.03
Difference	\$18,839.49
BRATS Portion (50% of Difference)	\$9,419.75

BRATS has already been handling the interior advertising space on the buses for the past year and this is an informational item to let the Commission know of BRATS' intention to take over the exterior space as well.

FINANCIAL IMPACT

Total cost of recommendation: N/A

Budget line item(s) to be used: N/A

If this is not a budgeted expenditure, does the recommendation create a need for funding?
N/A

LEGAL IMPACT

Is legal review necessary for this staff recommendation and related documents?
N/A

Reviewed/approved by: N/A

Additional comments: N/A

ADVERTISING REQUIREMENTS

Is advertising required for this recommendation? N/A

If the proof of publication affidavit is not attached, list the reason: N/A

FOLLOW UP IMPLEMENTATION

For time-sensitive follow up, select deadline date for follow up: N/A

Individual(s) responsible for follow up: Tiffany Givens, Bookkeeper and Amanda Thweatt, Grants Technician

Action required (list contact persons/addresses if documents are to be mailed or emailed):
N/A

Additional instructions/notes: N/A