

PUBLIC WORKS AND UTILITIES COMMITTEE

10-0016R

RESOLUTION AWARDING A THREE YEAR PROFESSIONAL SERVICES AGREEMENT TO OUT THERE ADVERTISING, INC., FOR DEVELOPMENT AND PROMOTION OF PUBLIC AWARENESS ABOUT PRODUCT SAFETY AND UTILITY SERVICES FOR AN ANNUAL AMOUNT NOT TO EXCEED \$84,900 IN 2010, \$85,000 IN 2011 AND \$85,000 IN 2012.

CITY PROPOSAL:

RESOLVED, that city officials are hereby authorized to enter into a three-year professional services agreement, substantially in the form of that on file in the office of the city clerk as Public Document No. \_\_\_\_\_, with Out There Advertising, Inc., for furnishing strategic and tactical services to:

- (a) Develop messages to effectively promote public awareness of the Duluth public works and utilities department's services and product safety; and
  - (b) Provide media purchasing services for the natural gas utility;
- all in accordance with the firm's qualifications and proposal dated September 28, 2009; funding not to exceed \$84,900 in 2010, \$85,000 in 2011 and \$85,000 in 2012, and a total contract amount of \$254,900, payable from Gas Fund 520, Agency 500, Organization 1940-2430, Object 5340.

Approved:

Approved for presentation to council:

\_\_\_\_\_  
Department Director  
Purchasing Agent \_\_\_\_\_

\_\_\_\_\_  
Chief Administrative Officer

Approved as to form:

Approved:

\_\_\_\_\_  
Attorney

\_\_\_\_\_  
Auditor

STATEMENT OF PURPOSE: This resolution authorizes a professional services agreement with Out There Advertising, Inc., to coordinate the strategic and tactical details of public awareness campaigns for the natural gas utility. Tasks include the development and promotion of public awareness campaigns about product safety, utility services, and media purchases for the natural gas utility of the public works and utilities department. These functions were formerly carried out by Carlson Media until it went out of business.

This resolution will authorize a contract for the years 2010 (\$84,900), 2011 (\$85,000) and 2012 (\$85,000). Total funding would not exceed \$254,900. Funding will be budgeted in the normal annual city budgeting process and approved by the city council. Adequate funding is available for this expenditure to be paid from the gas fund and the public works and utilities website budget. It is estimated that Out There Advertising, Inc., would receive \$32,000 from the budgeted amount in fees and commissions. The balance of \$52,900 would be spent on media purchases and publicity materials. This expenditure is less than one percent of annual gas utility sales.

The purchasing division posted a request for proposals September 2, 2009, on the city's website. Five local firms responded by the September 29, 2009, closing date with statements of qualification and proposals. An internal team composed of the gas and energy coordinator, and manager of the customer service division reviewed proposals, evaluated the top two agencies, and finally selected Out There Advertising, Inc. Out There Advertising, Inc., is located in Duluth.

Firms who submitted proposals are listed below:

- (a) Advertising Network, Inc.
- (b) Blue Yonder Media, Inc.
- (c) Creative Marketing Communications, Inc., d.b.a. CMC, Inc.
- (d) Nelson & Company, Inc.
- (e) Out There Advertising, Inc.

Requisition No. 09-0493