

BEFORE THE METRO CONTRACT REVIEW BOARD

FOR THE PURPOSE OF CONSIDERING A )	RESOLUTION NO. 09-4058
CONTRACT AMENDMENT TO CONTRACT )	
NO. 926509 WITH PT3, INC. FOR )	Introduced by Chief Operating Officer
CONTINUATION OF THE TRAVEL OPTIONS )	Michael J. Jordan, with the concurrence of
MARKETING CAMPAIGN )	Council President David Bragdon

WHEREAS, beginning in 2005 Metro entered into Metro Contract No. 926509 with PT3, Inc., also known as Pac/West Communications, in the amount of \$840,025 to develop and implement a multi-year marketing campaign to increase public awareness of alternatives to driving alone and of techniques for driving wisely in the Portland metropolitan area; and,

WHEREAS, the original contract with PT3, Inc. was awarded as a result of an open competitive Request for Proposal (RFP) process in which PT3, Inc. was the highest ranked proposer as determined by the evaluation committee; and

WHEREAS, on December 15, 2005, the Metro Council adopted Resolution No. 05-3624, authorizing the Chief Operating Officer to execute Amendment 1 to Contract No. 926509 with PT3, Inc. for the provision of additional advertising for the travel options marketing campaign, thereby approving an increase in the amount of the contract to \$1,890,000.00; and

WHEREAS, on December 13, 2007, the Metro Council adopted Resolution No. 07-3870, authorizing the Chief Operating Officer to execute Amendment 3 to Contract No. 926509 with PT3, Inc. for the provision of additional advertising for the travel options marketing campaign, thereby approving an increase in the amount of the contract to \$3,495,165.00; and

WHEREAS, The Oregon Department of Transportation (ODOT) had planned to take over management of the travel options marketing campaign on July 1, 2009, but has requested that Metro continue management of the campaign and related consultant contracts from July 1, 2009 to June 30, 2010; and

WHEREAS, ODOT has agreed to provide revenue to Metro to support the continuation of the campaign through Intergovernmental Agreement No. 926234 and intends to amend that agreement to include funds to support Amendment 4 to the PT3, Inc contract; and

WHEREAS, the Regional Travel Options 2008-2013 Strategic Plan, adopted by the Metro Council in March 2008, calls for continuation of the Drive Less/Save More campaign and staff have determined that continuation of the campaign is in the best interests of Metro; and

WHEREAS, PT3, Inc. has effectively implemented the campaign resulting in increased public awareness of travel options and reported changes in travel behavior; and

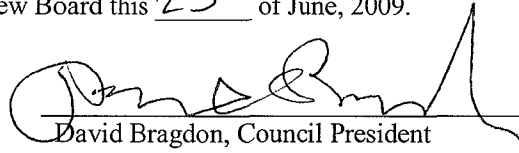
WHEREAS, pursuant to ORS 279A.060 and Metro Code 2.04.010 the Metro Council is designated as the Public Contract Review Board for the regional government; and

WHEREAS, Metro Code 2.04.046 requires Metro Council approval for contract amendments for personal services that exceed twice the amount of the original contract; and

WHEREAS, the Metro Procurement Officer believes that the amending the existing contract with PT3, Inc. is appropriate and that such action is in the best interests of Metro; and

BE IT RESOLVED that the Metro Council, acting as the Metro Contract Review Board, authorizes the Chief Operating Officer to negotiate and execute Amendment 4 to Metro Contract No. 926509 with PT3, Inc. in a form substantially similar to that set forth as the attached Exhibit "A," *provided that* the Chief Operating has first received written confirmation from the Oregon Department of Transportation of the intent of ODOT to provide funding for the additional services set forth in Amendment 4.

ADOPTED by the Metro Contract Review Board this 25<sup>TH</sup> of June, 2009.

  
David Bragdon, Council President

Approved as to Form:

  
Daniel B. Cooper, Metro Attorney



**AMENDMENT NO. 4 TO  
Personal Services Contract No. 24838 (Metro Contract #926509)  
Title: Travel Options Marketing Campaign**

1. This is Amendment No. 4 to Personal Services Contract No. 24838 (as amended from time to time) effective date June 24, 2005 between the Metro, a metropolitan service district organized under the law of the State of Oregon and the Metro Charter, hereafter called "Agency," and PT3, Inc., hereafter called "Contractor."
2. The Contract is hereby amended as follows:
  - Section 1, "Effective Date and Duration", of the Terms and Conditions shall be amended to extend the expiration date of this Personal Services Contract from June 30, 2009 until **June 30, 2010**.
  - Section 3, "Consideration," of the Terms and Conditions shall be amended to increase the maximum not to exceed sum by **\$900,000 to \$4,392,775**.
  - Exhibit H, "Contract Statement of Work," is hereby amended as set forth on the attached Exhibit H.
  - Exhibit I, "Delivery Schedule," is hereby amended as set forth on the attached Exhibit I.
3. Except as expressly amended above, all other terms and conditions of the original Contract and any previous amendments are still in full force and effect. Contractor certifies that the representations, warranties and certifications contained in the original Contract are true and correct as of the effective date of this Amendment and with the same effect as though made at the time of this Amendment.

Certification: **The individual signing on behalf of Contractor hereby certifies and swears under penalty of perjury: (a) the number shown on the above-referenced Contract is Contractor's correct taxpayer identification;** (b) Contractor is not subject to backup withholding because (i) Contractor is exempt from backup withholding, (ii) Contractor has not been notified by the IRS that Contractor is subject to backup withholding as a result of a failure to report all interest or dividends, or (iii) the IRS has notified Contractor that Contractor is no longer subject to backup withholding; (c) s/he is authorized to act on behalf of Contractor, s/he has authority and knowledge regarding Contractor's payment of taxes, and to the best of her/his knowledge, Contractor is not in violation of any Oregon tax laws, including any state tax imposed by ORS 401.792 to 401.816 (Tax For Emergency Communications), 118 (Inheritance Tax), 314 (Income Tax), 316 (Personal Income Tax), 317 (Corporation Excise Tax), 318 (Corporation Income Tax), 320 (Amusement Device and Transient Lodging Taxes), 321 (Timber and Forestland Tax), 323 (Cigarettes and Tobacco Products Tax), and the elderly rental assistance program under ORS 310.630 to 310.706, and any local taxes administered by the Department of Revenue under ORS 305.620; (d) Contractor is an independent contractor as defined in ORS 670.600, and (e) if required by 40 CFR 1506.5(c), Contractor has no financial or other interest in the outcome of the Project.

**CONTRACTORS: PAYMENT SHALL NOT BE ISSUED FOR SERVICES RENDERED PRIOR TO NECESSARY STATE APPROVALS**

**CONTRACTOR**

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Name/Title	(PT3, Inc.)	Date
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**LEGAL REVIEW**

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Approved for Legal Sufficiency by	Date
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**AGENCY**

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Approved by or designee	Date
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Approved by or designee

Date

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Concurrence as to Process by ODOT Procurement Manager or designee

Date

**EXHIBIT H**  
**Contract Statement of Work**  
**July 2009 through June 30, 2010**

**Introduction**

This is the Statement of Work (SOW) for Amendment 4 to Metro Personal Services Contract 926509. All twelve tasks authorized in the original contract as amended are complete or will be complete by the original contract expiration date of June 30, 2009. The following tasks are within the advertised scope of RFP No. 05-1144-PLAN. Because the following tasks are not the same as their original counterparts, that is, Task 2A below is similar to but not the same as Task 2 in the original SOW, an "A" has been assigned to each Task number to designate the uniqueness of the Task.

**Task 2A - Develop ongoing project evaluation and measurement; conduct awareness survey(s)**  
**Contractor shall:**

Develop methods to measure outcomes. Maintain system of gathering statistical data to report monthly progress on each task. Seek evaluation and measurement opportunities through partner research. Develop project evaluation and/or campaign awareness instrument(s) with Metro's approval and conduct post-campaign mail, or telephone surveys as needed with a representative sample of residents to obtain reliable information. Develop a reporting mechanism to match up with on-going, independent member agencies' measurement systems. Provide overall progress reports on a monthly basis. Provide Metro with a copy of all raw survey responses in an Excel spreadsheet.

***Task 2A deliverables: monthly progress reports to Metro project manager; evaluation and measurement plan; report on results of relevant partner research; report on results of project evaluation and/or campaign awareness survey(s); Excel spreadsheet copies of all raw data.***

**Task 4A - Develop partners and recruit sponsors****Contractor shall:**

Identify potential sponsors, partners and in-kind contributors to provide additional resources for the campaign. Develop a cover letter and supporting information that describes sponsorship benefits. Contact and, when appropriate, meet with potential sponsors, partners and in-kind contributors, and prepare needed meeting materials. When evaluating possible sponsors or partners, look to establish long-term involvement fostering participating through the course of the multi-year program.

***Task 4A deliverables: partnership/sponsorship recruitment plan; sponsorship benefits cover letter and supporting information***

**Task 6A - Create and test campaign message and materials, and purchase paid media****Contractor shall:**

Develop a paid media strategy and schedule that includes placement of television and radio advertising. Develop media strategies concurrently to provide maximum impact and cost efficiency. Leverage schedules for maximum exposure, based on the best practice of realizing effective reach/frequency targets. Negotiate partnerships and value-added media support with each placement opportunity. Paid media may include radio, newspapers, outdoor, transit, original branded programming, and other out-of home media. Materials may include newsletters, posters, point-of purchase displays, door hangers, direct mail, fact sheets, videos, and other presentations including print and PowerPoint applications. Recommend how to apply the campaign theme to the campaign partner's existing marketing programs and materials. Maintain and enhance web site that provides information to support the campaign call to action.

***Task 6A deliverables: campaign advertising and collateral materials; media strategy and***

*schedules; web site enhancements*

**Task 7A - Earned media implementation and outreach**

**Contractor shall:**

Review earned media possibilities and plans for all appropriate transportation agencies. Generate editorial and news coverage. Create pro-active earned media opportunities to frame and convey key messages. Develop shared media calendar and provide consultation on what transportation agencies already have planned. Expand the earned media plan and calendar to include generation of earned media coverage in key markets outside of the Portland metropolitan area. Earned media includes opinion editorials, news releases and working with television, print and radio outlets throughout the duration of campaign. Develop and implement an outreach strategy that involves businesses, retail stores, local neighborhoods and communities and employers in the campaign.

***Task 7A deliverables: earned media plans; progress reports on earned media activities; shared media calendar; outreach strategy and related collateral materials***

**Task 13 - Implement years five and six of the campaign**

**Contractor shall:**

Provide administrative support for years five and six of the campaign. Maintain communication with Metro and campaign partners. Schedule and conduct ODOT Travel Options Marketing Steering Committee meetings to review overall program goals, activities and expenditures. Develop meeting agendas and meeting reports for Metro review and approval. Recommend adjustments to the campaign plan based on results. Provide monthly progress reports.

***Task 13 deliverables: monthly progress reports; agendas and reports.***

**EXHIBIT I**  
**Delivery Schedule**  
**July 2009 through June 30, 2010**

**Task 2A – Develop ongoing project evaluation and measurement**

Progress reports - monthly; evaluation and measurement plan - 30 days from Notice to Proceed (NTP); report on results of relevant partner research - 45 days from conclusion of research; report on results of campaign awareness surveys – 45 days from end of surveys; Excel spreadsheet copies of all raw survey responses – 45 days from end of surveys.

**Task 4A - Develop partners and recruit sponsors**

Estimated time requirement for plan development: 60 to 90 days from NTP, to be implemented on a continual basis throughout the campaign.

**Task 6A - Create and test campaign message and materials, and purchase paid media**

Estimated time requirement for plan development: 60 to 90 days from NTP, to be implemented on a continual basis throughout the campaign.

**Task 7A - Earned media implementation and outreach**

Estimated time required for development: Earned media activities will be developed concurrently with paid media and creative materials, and implemented on a continual basis throughout the campaign.

**Task 13 - Implement years three and four of the campaign**

Estimated time for development: Ongoing administrative services; ODOT meeting agendas drafted and submitted to Metro Project Manager no later than seven days prior to meeting; meeting minutes provided to Metro within seven work days following meeting.

**(PT3 / Travel Options Marketing Campaign / ODOT Contract No. PSK # 24838/ Metro Contract No. 926509)**

**2009-2010 Costs by Task**

<u>Classifications</u>	<u>Task Description</u>	<u>Pac/West</u>	<u>Expenses</u>	<u>Cappelli Miles Spring</u>	<u>DBE/ESB Contractor***</u>	<u>Amendment #4 Total (cost plus expenses)</u>
Task 2*	Project evaluation and measurement	\$900.00	\$7,100.00	-	-	\$8,000.00
Task 4	Develop partnerships and recruit sponsors	\$2,000.00	-	-	PDX: \$3,000.00 Other \$3,000.00	\$8,000.00
Task 6	Paid media, collateral, web site	PDX:\$45,000.00 OTHER:\$4,000.00	PDX:\$0.00 OTHER:\$11,000.00	PDX: \$392,900.00 OTHER:\$107,000.00	\$35,000.00	\$594,900.00
Task 7	Earned media and outreach	PDX: \$190,000.00 OTHER:\$18,000.00	PDX:\$0.00 OTHER:\$10,000.00	-	\$31,000.00	\$249,000.00
Task 13	Implement year five and six of the campaign	\$40,100.00	-	-	-	\$40,100.00
<b>Subtotals</b>		\$300,000.00	\$28,100.00	\$499,900.00	\$72,000.00	\$900,000.00
				<b><u>New Contract Not-To-Exceed = \$4,392,775.00</u></b>		
<u>Direct Non-labor Costs</u> Mileage: 2,880 miles @ .58 = \$1,670.40 Copies/reproduction = \$1,325.00 Subtotal = \$2,995.40		<u>Soft Match (estimated)</u> Minimum required in donated media for soft match = \$99,980.00		<u>Estimated Budget Breakdown by Fiscal Year</u> July 1, 2009 through June 30, 2010=		

**Total Budget Estimate = \$999,980.00**

Budget Notes

- **Task 2\*** Pac/West will contract as needed with Moore Information, the research firm that has conducted previous surveys and focus groups on behalf of the campaign.
- **Task 3\*\*** Includes the placement of existing television ads and paid sponsorship of radio traffic reports. Pac/West is responsible for any additional collateral materials, as well as web site maintenance and updates.
- **DBE/ESB Contractor\*\*\*** Factored at 8 percent of total budget.



## STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 09-4058, RESOLUTION OF METRO COUNCIL, ACTING AS THE METRO CONTRACT REVIEW BOARD, FOR THE PURPOSE OF APPROVING A CONTRACT AMENDMENT FOR CONTINUATION OF THE DRIVE LESS/SAVE MORE CAMPAIGN

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Date: June 15, 2009

Prepared by: Darin Matthews (x. 1626)  
Pam Peck (x. 1866)

### BACKGROUND

The Drive Less/Save More campaign was launched in February 2006 and is combined effort of Metro, the Oregon Department of Transportation (ODOT), TriMet, Washington County and other regional and local partners. A statewide steering committee co-chaired by Metro Councilor Rex Burkholder and Washington County Commission Chair Tom Brian provides campaign oversight. Metro is managing the campaign and related consultant contracts on behalf of the campaign partners. ODOT provides revenue to support the campaign through an intergovernmental agreement (IGA #22211) with Metro.

A Request For Proposals (RFP) was issued for the development and implementation of a marketing campaign to promote travel options and change travel behavior in March 2005. The published RFP included an initial cost estimate of \$840,025. Metro and ODOT project staff reviewed all proposals and conducted interviews with finalists, selecting Pac/West Communications (PT3, Inc.) as the preferred candidate.

In December 2005, the project steering committee directed an additional \$1,040,000 to the campaign effort for the purpose of purchasing television and radio advertising. ODOT's IGA with Metro was amended to include the additional funds and amended scope of work. A subsequent amendment was made to the PT3, Inc. contract to reflect the amended scope of work. In December 2007, the steering committee directed an additional \$1,615,140 to the campaign to support implementation in the Portland metropolitan area through June 30, 2009. The ODOT IGA with Metro and PT3, Inc. contracts were amended to continue implementation of the campaign.

ODOT planned to take over management of the campaign on July 1, 2009 and to expand the campaign to additional cities in Oregon. However, ODOT has determined that they do not have the staff capacity to take on management of the campaign at this time and have requested that Metro continue management of the campaign and related consultant contracts from July 1, 2009 to June 30, 2010.

It would be impractical and inefficient to conduct a competitive procurement process for the additional year of campaign implementation and is in the best interest of Metro to amend the existing agreement with PT3, Inc. Therefore, it is recommended that a contract amendment of \$900,000 for the full contract amount of \$4,392,775 be awarded without an additional competitive RFP process.

Metro will act as contract administrator for the PT3, Inc. contract and will be compensated ODOT for the services provided by PT3, Inc. through an intergovernmental agreement.

A summary of the scope of services to be performed and related costs is included as Attachment 1.

## **ANALYSIS/INFORMATION**

1. **Known Opposition** None known.
2. **Legal Antecedents** Metro Code 2.04.046, 2.04.010, ORS 279A.060, ORS 279B.060.
3. **Anticipated Effects** The Drive Less/Save More campaign will continue to be implemented in the Portland metropolitan region under Metro's management.
4. **Budget Impacts** None.

## **RECOMMENDED ACTION**

Metro Council, acting as Public Contract Review Board, approves the contract amendment with PT3, Inc.