

# HALIFAX

P.O. Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

**Item No. 11.1.2**  
**Halifax Regional Council**  
**July 20, 2021**

**TO:** Mayor Savage and Members of Halifax Regional Council

**SUBMITTED BY:**

Original Signed by 

\_\_\_\_\_  
Jacques Dubé, Chief Administrative Officer

**DATE:** June 15, 2021

**SUBJECT:** Award – RFP 21-066 Third Party Advertising

## **ORIGIN**

To establish an agreement for Third Party Advertising for Halifax Transit.

## **LEGISLATIVE AUTHORITY**

The Municipality may spend money for municipal purposes in accordance with section 79A of the HRM Charter. The recommended contract award complies with all of the pre-requisites for awarding contracts as set out in section 26 of Administrative Order 2020-004-ADM, the *Procurement Administrative Order*.

Section 28 of the *Procurement Administrative Order*, provides that Halifax Regional Council may approve contract awards of any amount.

## **RECOMMENDATION**

It is recommended that Halifax Regional Council award RFP No. 21-066, Third Party Advertising for Halifax Transit, to the highest scoring proponent, Pattison Advertising, to provide Third Party Advertising for Halifax Transit, for a five year period, plus options to extend for an additional five, one year periods. The total minimum guaranteed revenue over five years shall be \$2,410,000, as outlined in the Financial Implications section of this report.

## **DISCUSSION**

Terms of reference setting out the scope of work for qualified individuals and firms, to submit proposals for exclusive rights to sell advertising on Halifax Transit buses, and at Halifax Transit bus and ferry terminals were prepared, and a Request for Proposal was issued and posted to NS Tender/Procurement website on March 11, 2021 and closed on April 6, 2021.

Proposals were received from the following companies:

- Pattison Advertising
- Pinnacle Advertising

A team consisting of staff from Halifax Transit and Corporate Communications, facilitated by Procurement, evaluated the proposal using a two envelope process. Envelope one (1) was the technical component of the RFP (Capability, Understanding of HRM Needs, and Technical Solution). Envelope two (2) was the financial component (60/100 points) of the RFP. Only those proponents that received seventy-five (75%) or greater (30 points out of 40 points) from envelope one had their revenue envelope opened and evaluated.

Pattison is the highest scoring proponent.

## **FINANCIAL IMPLICATIONS**

The guaranteed revenue over five years is the greater of \$2,410,000 or 50 % of Gross billings.

The 4- year estimated financial implications are summarized as follows:

<b>Fiscal Year</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
<b>Operating – Cost Centre</b>	(361,000)	(482,000)	(482,000)	(482,000)

The advertising revenue will be recorded in R631-5503.

## **RISK CONSIDERATION**

There are no significant risks associated with the recommendations in this report. The risk is considered low. To reach this conclusion, consideration was given to financial, legal and compliance, and service delivery risks.

## **ENVIRONMENTAL IMPLICATIONS**

No environmental implications were identified.

## **ALTERNATIVES**

Regional Council could choose not to approve the recommendation.

## **ATTACHMENTS**

None.

A copy of this report can be obtained online at [halifax.ca](http://halifax.ca) or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Kimberley Cusack Coordinator, Halifax Transit, 902.490.6614

Report Approved by: Original Signed  
Dave Reage, Executive Director, Halifax Transit. 902.490.5138

Procurement Review: Original Signed  
Jane Pryor, Director, Procurement, 902.292.3128