

MEMORANDUM:

TO: MAYOR MUNSON  
COUNCIL MEMBERS

FROM: BONNIE HUGHES

SUBJECT: BUS ADVERTISING PANELS

DATE: MARCH 7, 2002

Oops, I failed to do, what I told you I would do and I apologize for my mistake. According to the minutes, I was to bring back a plan for selling advertising space on the rear panels of the Rapid Transit Buses. In an effort to get the program moving, the RTS staff proceeded to sell advertising to various companies without Council approval of the contracts for such advertising.

I have attached the listing of the advertisers who are presently on the buses or waiting completion of advertising panels for placement on the buses. Rich Sagen, manager of RTS, sold a REMAX realtor one space, and several other members of that firm contacted RTS about purchasing advertising space on vehicles. The entire process of selling the advertising ballooned very quickly and all spaces have been sold.

Total available space is as follows:

Rear panel of buses:	13
These vehicles operate daily	
Rear panel of back up buses:	4
These vehicles operate when regular buses are down for repair	
Left side panel of Bluebird buses:	6

Proposed advertising rates:

Rear panel of buses:	\$50/monthly
Advertiser pays for ad work and panel construction	
Left side panel of buses:	\$30/monthly
These panels are not as visible as rear panel	
Rear panel of backup buses:	\$25/monthly
These buses are used when regular buses are down for repair.	

Bus advertising provides local revenue into the RTS operation, and would be approximately \$11,160 annually if all panels were leased for the entire year. Additional revenue decreases the local funding that the City commits to the transit operation. Staff costs are minimal.

The bus advertising program will work efficiently if the staff has the flexibility to have the Mayor enter into contracts with advertisers. Action requested: **APPROVE THE BUS ADVERTISING PROGRAM AND AUTHORIZE MAYOR AND FINANCE OFFICER TO SIGN CONTRACTS FOR ADVERTISING ON RAPID TRANSIT VEHICLES.**