



Pinellas County

Staff Report

File #: 16-654A, Version: 1

Subject:

Second amendment to the agreement with Birdsall, Voss & Associates, Inc. for requirements of tourism marketing services on behalf of the Convention and Visitors Bureau.

Recommended Action:

Approve the second amendment to the agreement with Birdsall, Voss & Associates, Inc. (BVK) to extend the contract for twenty four (24) months for tourism marketing services on behalf of Convention and Visitors Bureau (CVB).

Approve an increase to the contract of \$3,639,235.00 through the end of Fiscal Year 2016.

Chairman to sign and Clerk to attest.

Contract No. 123-0268-P (JJ) in the amount of \$33,639,235.00 through September 30, 2018

Strategic Plan:

Foster Continual Economic Growth and Vitality

4.6 Support a vibrant community with recreation, arts and culture to attract residents and visitors

Summary:

This second amendment to the agreement executes the first and final term extension of twenty four (24) months. In addition, the Board of County Commissioners (Board) is requested to increase the expenditure with BVK by \$3,639,235.00, which is necessary to compensate BVK for fees associated with media buys and account services through the end of Fiscal Year 2016 for advertising and promotional services for the CVB.

Background Information:

On September 5, 2013 the Board approved the ranking of firms. Subsequently the Board approved the award and final contract on October 22, 2013. The County Administrator approved the first amendment on April 9, 2014.

The original contract expenditures were estimated at \$12 million per year. During each year of the contract, the Tourist Development Council (TDC) approved the CVB to make additional advertising expenditures. This was mainly due to the TDC's allocation of additional Tourist Development Tax Revenue to respond, in part, to industry needs/requests to boost marketing of the destination during an expected slight downturn, as well as the award of two Gulf Tourism and Seafood Promotional Fund grants (BP grants). Additional advertising expenditures include late summer and early fall television and radio campaigns focused on in-state and secondary markets such as Allegiant Air cities of origin, impromptu seasonal campaigns utilizing radio and digital media, a National Public Radio campaign, new air service development, promotion of the destination and seafood industries through the BP grants, and others. The cumulative effect has resulted in a shortage of funds available on the contract.

BVK develops and implements domestic and international marketing programs across a wide range of platforms (print, digital, out-of-home, broadcast, etc.).

Annual media buy expenditures are estimated and equal monthly payments are made to BVK with a reconciliation of amounts due in September of each fiscal year based on the true media purchases for the previous twelve (12) month term. The TDC has approved the increased expenditures to date.

Fiscal Impact:

Current approved thirty six (36) month expenditure:	\$36,000,000.00
Increase of funds through the end of fiscal year 2016: FY17 & FY18 expenditure not to exceed:	\$3,639,235.00
	<u>\$30,000,000.00</u>
Total estimated expenditure not to exceed:	\$69,639,235.00

Funding is derived from the Tourist Development Tax.

Staff Member Responsible:

David Downing, Director, CVB
Joe Lauro, Director, Purchasing

Partners:

N/A

Attachments:

Second Amendment