INDIAN RIVER COUNTY, FLORIDA

MEMORANDUM

TO: Jason E. Brown; County Administrator

THROUGH: Phillip J. Matson, AICP; Community Development Director

Brian Freeman, AICP; MPO Staff Director

FROM: Jon Howard; Senior Transportation Planner

DATE: January 7, 2022

SUBJECT: Approval of Agreement Extension for Transit Advertising Services between Indian

River County and Sunup Advantage, LLC

It is requested that the information herein presented be given formal consideration by the Board of County Commissioners at its regular meeting of January 18, 2022.

DESCRIPTION AND CONDITIONS

Indian River County is the Designated Recipient of state and federal transit funding for the Sebastian-Vero Beach urbanized area. Those funds are passed through to the Senior Resource Association (SRA), Indian River County's designated transit service provider, which operates the GoLine (fixed-route) and the Community Coach (demand-response) transit services.

Throughout the United States, transit systems use advertising revenue as a potential additional source of funding. In 2012, the County began a program that allowed advertising to be placed on GoLine and Community Coach transit vehicles and used the revenues as an additional source of local funds to support the transit system. Management of the advertising program is performed by a third party, who is selected through a Request for Proposals (RFP) process.

In 2019, the Board approved the RFP selection of SunUp Advantage, LLC for management of the County's transit advertising program. County and SRA staff negotiated an agreement with SunUp Advantage, LLC (See Attachment #1). The term of the agreement was for three years with an optional three-year extension, at the County's discretion. Since then, the arrangement with Sunup Advantage has worked quite well. At this time, County staff, SRA, and SunUp Advantage are all interested in extending the agreement for three years until February 4, 2025.

Revenues from the transit advertising program are used as a second source, in addition to the County's General Fund, for the required local match to state and federal grants. According to the agreement extension, SunUp Advantage will continue submitting to the County each month a minimum payment of \$500 plus 34% of gross advertising revenues. The advertising program

generates about \$25,000 in annual revenue to support the County's public transportation system.

FUNDING

The transit advertising program is a revenue contract and does not require any County funds. The Federal Transit Administration (FTA) requires that funds received through transit advertising be used for the transit system. In previous years, transit advertising has generated an average of \$25,000 in annual revenues. These funds are used to supplement the county general funds for the required local match to state and federal grants.

RECOMMENDATION

Staff recommends that the Board of County Commissioners review the Agreement Extension (Attachment #2) for Transit Advertising Services between the County and SunUp Advantage, LLC, make any necessary changes, and authorize the Chairman to execute the agreement.

ATTACHMENTS

- 1. Agreement for Transit Advertising Services approved February 4, 2019
- 2. Transit Advertising Agreement Extension