



City of
Peterborough

To: **Members of the General Committee**

From: **Sandra Clancy, Chief Administrative Officer**

Meeting Date: **May 3, 2021**

Subject: **Report CAOCS21-001**
Renewal of contract with Movingmedia Canada Inc. for supply and operation of a Digital Sign at Peterborough Memorial Centre

Purpose

A report to recommend renewing a corporate sponsorship agreement with Movingmedia Canada Inc. (MCI) for the supply and operation of an outdoor digital sign located at the Peterborough Memorial Centre (PMC) for a second five-year term as contemplated through RFP P-13-15 awarded by City Council on August 4, 2015.

Recommendation

That Council approve the recommendation outlined in Report CAOCS21-001 dated May 3, 2021, of the Chief Administrative Officer as follows:

That the corporate sponsorship agreement with Movingmedia Canada Inc., 550 Lansdowne St. W., Peterborough, ON K9J 8J8, for the supply and operation of a digital sign at the Peterborough Memorial Centre be renewed for a second five-year term from June 1, 2021 to May 31, 2026 for an estimated value of between \$180,500 to \$220,000 over the five-year term.

Budget and Financial Implications

Value to the City from the agreement will be realized through use of the sign to support communications of PMC activities as well as messaging for the Arena Division and broader City communication.

Under the agreement renewal, the City will gain the ability to monetize its unused allocation of time on the sign by selling the space through its corporate sponsorship activities. Revenue to the City will depend on the amount of space sold versus used for City communications. The estimated value of \$180,500 to \$220,000 reflects both used advertising space and sold advertising space and the split will depend on how the available space is utilized.

There are no budgetary costs to the City for maintenance, software, or hardware costs associated with the sign. The City is responsible for providing electricity for the sign.

Background

City Council awarded RFP P-13-15 to Supply, Install and Maintain LED Sign at the PMC to MCI for a term of five years plus a potential second five-year term through its approval of the following recommendation at its meeting on August 4, 2015:

That RFP document P-13-15, to Supply, Install and Maintain an LED sign at the Peterborough Memorial Centre, be awarded to Movingmedia, 1049 Crawford Drive, Peterborough, ON K9J 6X6 for a five-year period from November 1, 2015 to October 31, 2020 with a potential extension up to five years.

MCI paid for all costs to install, manage, and operate the sign, including the capital cost to purchase two 10 foot by 7-foot digital display panels. Through the agreement, the City was able to provide a digital sign outside the front entrance of the PMC at no cost to the City with the City receiving dedicated space/time on the sign for its use and the successful proponent being provided the rights to sell advertising on the sign. The digital panels are owned by MCI. The City owns the pylon structure where the screen is mounted. MCI has successfully managed and operated the digital sign during the initial five-year term providing communication services to the City and PMC tenants.

Following renewal discussions with MCI and the Arena Division based on the experience from the first five-year term and the option for a second five-year term as contemplated through RFP P-13-15 as approved by Council, the City has negotiated a renewal agreement with increased use of the sign for the City and the ability to sell unused space to generate revenue from the sign for the City. Through the initial five-year term, the City received almost no revenue from the sign as the value to the City was achieved through the supply, installation and maintenance of the sign. Through the second five-year term, the City will realize additional value.

When the City uses the sign for its own communications purposes, MCI will provide design service and the software application to place and manage video content on the screen.

The City has separate agreements in place with MCI for management and operation of a roadside digital sign at the Evinrude Arena, 911 Monaghan Rd., and for management and operation of the City's indoor digital signage network in City facilities.

MCI continues to be in good standing with the City in respect of all its agreements and continues to be a valued partner with the City in delivery of digital communications solutions and services.

MCI is a Peterborough-based business that specializes in Digital Out of Home advertising solutions. MCI provides indoor and outdoor digital advertising space across Peterborough and Kawarthas.

Approval Authority

Section 10.7 (a) of the City of Peterborough Sponsorship, Naming Rights and Advertising Policy requires Council approval for renewal options that have a value of more than \$150,000.

Summary

It is recommended that Council approve the renewal of an agreement with Movingmedia Canada Inc. for supply, management and operation of an outdoor digital sign at the Peterborough Memorial Centre.

Submitted by

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Chief Administrative Officer

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