



- Board of Directors  
*Communications and Education Committee*

8/16/2011 Board Meeting

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**7-5**

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## **Subject**

Authorize amendments to contract with Fraser Communications to extend the term for one year, modify scope of work and reduce the maximum payable amount

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## **Description**

In August 2008, the Metropolitan Board authorized the General Manager to enter into a three-year contract with Fraser Communications (Fraser) for services related to conservation advertising and payment for placement of the advertising for up to \$5 million annually, with a maximum amount payable of \$15 million. Continuance of the contract in second and third years was dependent upon board approval of funding for conservation advertising in each fiscal year budget. This contract expires in September 2011.

During the last three years, Fraser Communications has collaborated with staff on the development of several successful educational advertising campaigns including "Move the Needle" and "50 Percent Less" with ads appearing on broadcast television, cable networks, radio stations and websites. Radio ads were in English, Spanish, Chinese (Mandarin and Cantonese), Korean and Vietnamese. Online and social media included Google search advertising, a YouTube channel dedicated to water conservation and a Facebook page.

Budgeted funding for the water conservation advertising campaign was reduced during the past three fiscal years. Working with Fraser and within the reduced conservation budget, staff has adapted the campaign to focus on free or earned media alternatives, enhancing Metropolitan's social media tools, social media educational outreach efforts and the development of regional messaging based on information gained through focus groups and collaboration with member agencies.

Despite improved water supply conditions, Southern California and the entire state face ongoing long-term water supply and delivery challenges. Metropolitan continues to collaborate with its member agencies to develop and deliver regional messages to educate the public and encourage consumers to maintain conservation and water use efficiency practices. With continued budget constraints, it is essential that the most cost-efficient communication tools are utilized. Fraser's expertise in the communications field and experience of working with Metropolitan during the past three years of water supply and delivery challenges provides a unique perspective, skill set and consistency in providing strategic communication services that uniquely position Fraser to continue an effective educational outreach program in the coming year.

Staff recommends that the Board authorize the General Manager to amend the current contract with Fraser Communications to extend the termination date to September 2012, and expand the scope of work to include enhancing Metropolitan's websites (mwdh2o.com and bewaterwise.com) and social media outreach program, with the amount payable during the additional year not to exceed \$700,000 to be consistent with the board-adopted budgets for 2011/12 and 2012/2013.

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## **Policy**

Pursuant to Metropolitan Water District's Administrative Code, Section 4210, it shall be the policy of the District to undertake and support water conservation programs. To that end, the District may develop and implement such programs and enter into agreements with member public agencies and other organizations to make more efficient

use of water resources through water conservation programs so long as such agreements serve a beneficial purpose of the District.

### **California Environmental Quality Act (CEQA)**

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CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA because it involves continuing administrative activities, such as general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines). In addition, the proposed action is not subject to CEQA because it involves the creation of government funding mechanisms or other government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment (Section 15378(b)(4) of the State CEQA Guidelines).

The CEQA determination is: Determine that the proposed action is not subject to CEQA pursuant to Sections 15378(b)(2) and 15378(b)(4) of the State CEQA Guidelines.

CEQA determination for Option #2:

None required

### **Board Options**

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#### **Option #1**

Adopt the CEQA determination and amend the current contract with Fraser Communications to extend the termination date to September 2012, expand the scope of work to include enhancing Metropolitan's websites (mwdh2o.com and bewaterwise.com) and stronger use of social media, with the amount payable during the additional year not to exceed \$700,000.

**Fiscal Impact:** \$700,000 in 2011/12 budgeted Operations & Maintenance funds. The maximum amount payable under the agreement would be reduced from \$15 million to \$9 million.

**Business Analysis:** Continued communications strategy services will heighten awareness of the need for water conservation.

#### **Option #2**

Do not authorize the General Manager to amend the contract with Fraser Communications.



**Fiscal Impact:** None

**Business Analysis:** Staff would look to the Board for direction to either re-bid for consultant services or use existing staff and resources. Re-bidding will take six to eight months to bring a new firm under contract.

### **Staff Recommendation**

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Option #1

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|  | 8/1/2011 |
| Linda Waade<br>Deputy General Manager, External Affairs                              | Date     |
|  | 8/3/2011 |
| Jeffrey Kightlinger<br>General Manager   | Date     |