

#8

FEB 26 2009



MEMORANDUM

Public Works Department – Memo No. TN09-14

DATE: FEBRUARY 26, 2009

TO: MAYOR AND COUNCIL

THRU: W. MARK PENTZ, CITY MANAGER
R. J. ZEDER, PUBLIC WORKS DIRECTOR
DANIEL W. COOK, DEPUTY PUBLIC WORKS DIRECTOR

FROM: MIKE NORMAND, TRANSPORTATION SERVICES & PLANNING
MANAGER

SUBJECT: RESOLUTION NO. 4232 APPROVING AN EXTENSION OF A BUS
SHELTER ADVERTISING, INSTALLATION AND MAINTENANCE
AGREEMENT WITH CBS OUTDOOR, INC. THROUGH JUNE 2015.

RECOMMENDATION: Staff recommends approval of Resolution No. 4232, approving and authorizing the City to extend the bus shelter advertising installation and maintenance agreement with CBS Outdoor, Inc. through June 2015.

BACKGROUND/DISCUSSION: The City of Chandler currently contracts with CBS Outdoor to install and maintain bus shelters and associated furniture in exchange for their right to advertise at select sites. On November 20, 2003 Council approved a contract with an optional five-year extension.

Under the existing contract, CBS Outdoor cleans all shelters, including the shelters without advertising kiosks, which the City owns. To date, CBS Outdoor has installed 97 bus shelters at various locations throughout the City. The shelters are cleaned an average of 1.5 times per week, and damaged shelters are typically repaired within 24 hours.

The current contract will expire in July 2010. All bus shelter installations required under the current contract have been completed. With the extension of three bus routes in July 2008 and other bus stop improvements made in the last year, proactive measures are being taken through this contract extension to provide more shelters now, in lieu of waiting until the current contract expires in July 2010. This final contract extension will allow for an additional 55 bus shelters to be installed throughout the city to support current and new bus routes. Over the course of the current contract's remaining one and

one-half years and additional five-year extension, the contract will provide the City with approximately \$ 515,700 in advertising revenues. The total value of the extended contract including advertising revenue, installation of 55 new shelters, cleaning and maintenance of bus stops, the Chandler Fashion Center Transit Plaza, and the Tumbleweed Park and Ride is estimated at \$2,380,000.

Replacement of approximately 30 older bus shelters is planned over the next two years under a separate Capital Improvement Program utilizing Proposition 400 funds.

FINANCIAL IMPLICATIONS:

Cost:	N/A
Savings:	\$2,380,000
Long Term Costs:	N/A

PROPOSED MOTION: Move to approve Resolution No. 4232, approving and authorizing the City to extend the bus shelter advertising installation and maintenance agreement with CBS Outdoor, Inc. through June 2015.

Attachment:

Resolution 4232
Agreement

RESOLUTION NO. 4232

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, AUTHORIZING THE MAYOR TO SIGN THE BUS SHELTER INSTALLATION AND MAINTENANCE AGREEMENT BETWEEN THE CITY OF CHANDLER AND CBS OUTDOOR, INC.

WHEREAS, the City of Chandler ("City") and Viacom Outdoor, Inc. entered a Bus Installation and Maintenance Agreement dated August 28, 2001 and assigned by Viacom Outdoors, Inc. to CBS Outdoor, Inc. ("Contractor") on November 24, 2003; and

WHEREAS, under the Agreement between City and Contractor, the Contractor maintained all of the City's bus shelters, erected additional bus shelters and sold advertising on selected bus shelters; and

WHEREAS, the City and Contractor want to extend the term of their prior agreement to June 30, 2015 and otherwise replace and enhance certain provisions thereof; and

WHEREAS, it is in the best interests of the City to enter this new Bus Shelter and Installation Agreement with CBS Outdoor, Inc., which will supercede and replace the previous Agreement.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Chandler, Arizona, as follows:

Section 1. That the City Mayor is authorized to execute *Bus Shelter and Maintenance Agreement Between the City of Chandler and CBS Outdoor, Inc.*, and

Section 2. That the various City officers and employees are hereby authorized and directed to perform all acts necessary to give effect to this Resolution.

PASSED AND ADOPTED by the City Council of the City of Chandler, Arizona this _____ day of _____, 2009.

ATTEST:

CITY CLERK

MAYOR

APPROVED AS TO FORM:

CITY ATTORNEY

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Resolution No. 4232 was duly passed and adopted by the City Council of the City of Chandler, Arizona at a regular meeting held on the ____ day of _____, 2009, and that a quorum was present thereat.

City Clerk

BUS SHELTER INSTALLATION AND MAINTENANCE AGREEMENT

This contract is made and entered into by and between the City of Chandler, Arizona, a municipal Corporation, hereinafter called the CITY, and CBS Outdoor Inc., a Delaware corporation, hereinafter called the CONTRACTOR.

WITNESSETH:

THAT WHEREAS, the Mayor and City Council/City Manager of the CITY are authorized and empowered by the provisions of the CITY Charter to execute contracts for Specialized and Consultant Services;

THAT WHEREAS, the CITY and the CONTRACTOR entered into an agreement dated November 24, 2003, where under the CONTRACTOR maintained all of the CITY's bus shelters, erected additional bus shelters and sold advertising on selected bus shelters;

THAT WHEREAS the parties wish to extend the term of said prior agreement and otherwise replace and enhance some of the provisions thereof;

NOW THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter contained and for the exchange of valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed by and between the CITY and the CONTRACTOR, as follows:

1. DEFINITION OF TERMS

1.1. "Agreement" shall be interchangeable with and have the same meaning as the word "contract" throughout the document.

1.2. "Contract" shall be interchangeable with and have the same meaning as the word "agreement" throughout this document.

1.3. "Gross receipts" shall mean monies received by CONTRACTOR for advertising on bus Shelters located in the CITY, less taxes.

1.4. "NTP" shall mean a Notice to Proceed.

1.5. "Permit" means applicable CITY, County, State, and Federal permits and conditions as are and will be required by the CITY, other local jurisdictions, the State of Arizona, and the Federal Government.

1.6. "Shelter" means a structure constructed for maximum screening and surface airflow to provide shade for bus passengers, and shall include the Shelter, bench, and trash receptacle, except as otherwise specified.

1.6.1. "Ad Shelter" means a Shelter that includes a three-sided kiosk, two sides of which are reserved for advertising materials to be supplied by CONTRACTOR and one side of which is reserved for the CITY or a two sided kiosk of which both sides are reserved for advertising materials to be supplied by the CONTRACTOR or one side which may be reserved by the CITY.

1.6.2. "Non-ad Shelter" means a Shelter, upon which no CONTRACTOR advertising whatsoever is attached, including any kiosk.

1.7. "Work" shall mean the furnishing of all labor, materials, equipment, and other incidentals necessary for the successful completion of this Agreement and the carrying out of all duties and obligations imposed by this Agreement.

2. REPLACEMENT OF PREVIOUS AGREEMENT

This Agreement completely supercedes and replaces the previous agreement between the parties, which agreement was styled CONTRACT AGREEMENT BETWEEN CITY OF CHANDLER AND Viacom Outdoor, Inc. FOR THE PROVISION OF ADVERTISING BUS SHELTERS; CITY PROJECT NO. 90-3019 and dated August 28, 2001; assigned to CBS Outdoor, Inc. on November 24, 2003.

3. TERM OF AGREEMENT

3.1. This Agreement, which supercedes all prior agreements, shall commence as of February 26, 2009 and shall expire June 30, 2015.

3.2. Whenever this Agreement terminates and is not renewed or replaced so that CONTRACTOR is no longer performing Work for the CITY, at the CITY's election exercisable no later than thirty (30) days prior to the expiration of this Agreement, or thirty (30) days after CONTRACTOR ceases doing work for any reason, other than the expiration of this Agreement, all Shelters installed by CONTRACTOR shall become the property of the CITY and title shall be transferred by bill of sale free and clear, as-is, where is.

4. SCOPE OF WORK

4.1. CONTRACTOR shall furnish all necessary labor, tools, equipment, and supplies to perform the routine remedial maintenance to maintain Shelters (both Ad Shelters and existing Non-Ad Shelters) and the Transit Center located at the Chandler Fashion Center, in an attractive, structurally sound, and safe condition. Such services shall include basic cleaning of all such Shelters (i.e. policing for litter in and around each Shelter location area at least 1.5 times per week or twice per week if necessary, cleaning the bus platform at the Park and Ride on a weekly basis, and the plaza area at the Transit Center, removing trash from trash cans and replacing trash can liners) at least 3 times per week. CITY shall be responsible for landscape maintenance and janitorial services at the Chandler Fashion Center Transit Center. In addition, CONTRACTOR shall provide the following

maintenance to the Shelters on an “as needed” basis in order to maintain the Shelters in an attractive, structurally sound, and safe condition:

- a) Inspection of Shelter for damage;
- b) Wash down trash containers and lid, brick pavers and concrete pads;
- c) Examination and adjustment as necessary of Shelter posters, route information, and Shelter graphics;
- d) Cleaning of all glass and polycarbonate faces; insure all decals are in place;
- e) Cleaning of Shelter, gutter, accessories, interior sidewalk, and bus platform with high-pressure water and wiping down to prevent water spots;
- f) Paint touch-up and parts replacement, as required;
- g) Pruning, weed abatement, raking of leaves;
- h) Removal of all graffiti as required; and
- i) Major Shelter repair or replacement as required.

4.2. For those shelters that are unique or are specially designed, built, and installed by a third party developer, the ownership of said shelters are dedicated to the CITY. CONTRACTOR shall maintain and treat said Shelters as it does other advertising Shelters except for damage and structural repair to the Shelter. The CITY shall be responsible for the costs associated with repairing any damage to such structures. CONTRACTOR will remain responsible for repairs or replacement of the advertising display cases, which are a part of the shelter.

4.3. CONTRACTOR shall initiate remedial maintenance involving major repair or replacement of Shelters within five (5) working days from date of notification from the CITY. CONTRACTOR shall further clean and/or provide maintenance service to Shelters within 24 hours when requested by the CITY in response to a citizen complaint or a field observation.

4.4. All such cleaning and maintenance shall be performed at CONTRACTOR’s expense.

4.5. In addition to the foregoing, CONTRACTOR shall construct at its expense, new Advertising Shelters and/or kiosks at locations mutually agreed to by the CITY and CONTRACTOR on the streets designated in the Section 4.8. Mutual agreement on these locations will be based on what best supports ridership with a safe and clean environment as well as those locations best suited for advertising. This may result in shelters being installed without an advertising component.

4.6. The CITY shall have the right on an ongoing basis to issue NTP’s in order to establish locations and priority areas for new bus Shelters upon consultation with and approval by CONTRACTOR. Shelters shall be installed pursuant to the schedule in Attachment B, which is based on current bus stop locations with existing concrete pads, existing/newly implemented routes and routes to be implemented in the near future. CITY reserves the right to alter shelter locations designated in Attachment B.

4.7. Shelters are to be installed according to the timeframe agreed to by the parties. If Shelters are not installed within this timeframe, CONTRACTOR is still liable to install

Shelters before the contract term expires, regardless of capital investment costs to the CONTRACTOR. The terms and conditions associated in installation and maintenance of such additional Shelters shall be the same as set forth in this agreement and the contract documents unless otherwise agreed upon in writing by contract amendment.

4.8. New Shelters which are agreed to by the parties will be installed wholly within CITY-owned right-of-way at transit stops designated by the CITY on the following roads:

- Alma School Road
- Arizona Avenue
- Chandler Boulevard
- Dobson Road
- Elliot Road
- Frye Road
- Gilbert Road
- Price Road
- Ray Road
- Rural Road
- Warner Road
- Kyrene Road
- Basha Road
- Ocotillo Road
- Riggs Road
- McClintock Road
- Queen Creek Road
- Pecos Road
- Germann Road

4.9. Such new Shelters shall be located a minimum of six (6) feet from the curb. Measurements shall be from back of curb to vertical pole support. No part of new Shelter canopy(s) shall extend over the sidewalk. Deviation from this setback will require a waiver from the CITY. All new Shelters are to match in color scheme, size, and shall be of the same quality and design as Shelters previously installed within the CITY, unless otherwise mutually agreed by CONTRACTOR and CITY.

4.10. CONTRACTOR shall ensure that all new kiosks installed are on the far side of the bus stops so as not to obscure waiting passengers from the vision of the bus driver.

4.11. CONTRACTOR agrees to remove all dated advertising materials promptly after any date cited in the advertisement has passed. Old advertising must be completely removed before new materials are applied.

4.12. CONTRACTOR will temporarily remove, store and reinstall at CONTRACTOR'S expense shelters when necessary during periods of City street construction that may affect said shelters. If construction is performed by a developer, CONTRACTOR reserves the right to be compensated for costs by developer.

5. GENERAL TERMS AND CONDITIONS

5.1. Work on Shelters to be constructed in the first 150-days of the Term of Agreement shall commence upon receipt of a mutually agreed to NTP issued by the CITY and shall be completed no later than the terms listed in Attachment B. Said NTP will be issued after this agreement has been fully executed by both parties.

5.2. Whenever a change in the scope of work contemplated in this Agreement is determined to be necessary in the CITY's sole discretion, the change in Work will be performed in accordance with the Agreement provisions. However, before such work is started, the CITY and CONTRACTOR shall execute an amendment or change order to this Agreement, which shall set forth any reimbursement from the CITY to CONTRACTOR for such change order. Amendments or change orders shall be executed in a form acceptable to the parties.

5.3. It is distinctly understood and agreed that no claim for extra work done, or materials furnished by the CONTRACTOR will be allowed by the CITY except as provided herein.

5.4. The CITY's designated representative shall administer this Agreement. This representative shall make all determinations on behalf of the CITY with regard to all questions regarding the Agreement compliance and acceptability of any work performed under the Agreement.

6. BREACH AND TERMINATION OF AGREEMENT

6.1. General

All plans, specifications, schedules, conditions, and terms of this Agreement are considered material, and failure to perform any part of the Agreement shall be considered a breach of this Agreement.

6.2. Bankruptcy

In the event CONTRACTOR shall be adjudged bankrupt, either by voluntary or involuntary proceedings, the CITY may immediately terminate the Agreement, and, in no event shall the Agreement be, or be treated as, an asset of CONTRACTOR either after adjudication or bankruptcy.

6.3. Remedies

In the event of termination of the Agreement for breach, default, or bankruptcy, in addition to any other remedies available at law or in equity, the CITY shall have the right to assume title to, and immediately take possession of all the Shelters and equipment in place subject to the requirement that it reimburse CONTRACTOR for the unamortized cost of constructing Shelters and/or Kiosks.

6.4. Waiver

Any waiver by the either party of a breach of any provisions of this Agreement shall not be construed as a waiver of any subsequent breach.

6.5. Severability

If any provision of this Agreement is held invalid by a court of competent jurisdiction, the other provisions shall not be affected thereby.

7. INDEMNITY

To the fullest extent permitted by law, CONTRACTOR shall defend, indemnify and hold harmless the CITY of Chandler, its agents, representatives, officers, directors, officials and employees from and against all claims, damages, losses and expenses (including, but not limited to, attorney fees, court costs, and the cost of appellate proceedings) relating to, arising out of or alleged to have resulted from the acts, errors, mistakes, omissions, work or services of the CONTRACTOR, its employees, agents, or any tier of subcontractors in the performance of this Contract. CONTRACTOR'S duty to defend, hold harmless and indemnify the CITY of Chandler, its agents, representatives, officers, directors, officials and employees shall arise in connection with any claim, damage, loss or expense relating to, arising out of or alleged to have resulted from any acts, errors, mistakes, omissions, work or services in the performance of this contract including any employee of the CONTRACTOR or any tier of subcontractor or any other person for whose acts, errors, mistakes, omissions, work or services for which the CONTRACTOR may be legally liable.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

8. INSURANCE REQUIREMENTS

8.1. CONTRACTOR, at its own expense, shall purchase and maintain insurance of the types and amounts required in this section, with companies possessing a current A.M. Best, Inc. rating of B++6, or better and legally authorized to do business in the State of Arizona with policies and forms satisfactory to CITY.

8.2. Policies written on a "Claims made" basis are not acceptable without written permission from the City's Risk Manager.

8.3. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of CITY, constitute a material breach of this Agreement and may result in termination of this contract.

8.4. If any of the insurance policies are not renewed prior to expiration, payments to the CONTRACTOR may be withheld until these requirements have been met, or at the option of the City, the City may pay the Renewal Premium and withhold such payments from any monies due the CONTRACTOR.

8.5. All insurance policies, except Workers' Compensation and Professional Liability required by this Agreement, and self-insured retention or deductible portions, shall name,

to the fullest extent permitted by law for claims arising out of the performance of this contract, the City of Chandler, its agents, representatives, officers, directors, officials and employees as Additional Insureds.

8.6. CONTRACTOR's insurance shall be primary insurance over any insurance available to the CITY and as to any claims resulting from this contract, it being the intention of the parties that the insurance policies so effected shall protect both parties and be primary coverage for any and all losses covered by the described insurance.

8.7. The insurance policies, except Workers' Compensation, shall contain a waiver of transfer rights of recovery (subrogation) against CITY, its agents, representatives, officers, directors, officials and employees for any claims arising out of CONTRACTOR's acts, errors, mistakes, omissions, work or service.

8.8. The insurance policies may provide coverage which contain deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall be assumed by and be for the account of, and at the sole risk of CONTRACTOR. CONTRACTOR shall be solely responsible for the deductible and/or self-insured retention. The amounts of any self-insured retentions shall be noted on the Certificate of Insurance. CITY, at its option, may require CONTRACTOR to secure payment of such deductibles or self-insured retentions by a Surety Bond or an irrevocable and unconditional letter of credit. Self-insured retentions in excess of \$25,000 will not be accepted except with permission of the Management Services Director/designee.

8.9. All policies and certificates shall contain an endorsement providing that the coverage afforded under such policies shall not be reduced, canceled or allowed to expire until at least thirty (30) days prior written notice has been given to CITY.

8.10. Information concerning reduction of coverage on account of revised limits or claims paid under the General Aggregate, or both, shall be furnished by the CONTRACTOR with reasonable promptness in accordance with the CONTRACTOR's information and belief.

8.11. In the event that claims in excess of the insured amounts provided herein, are filed by reason of any operations under this contract, the amount of excess of such claims, or any portion thereof, may be withheld from payment due or to become due the CONTRACTOR until such time as the CONTRACTOR shall furnish such additional security covering such claims as may be determined by the CITY.

8.12. Proof of Insurance - Certificates of Insurance

8.12.1. Prior to commencing work or services under this Agreement, CONTRACTOR shall furnish to CITY Certificates of Insurance, issued by CONTRACTOR's insurer(s), as evidence that policies providing the required coverages, conditions and limits required by this Agreement are in full force and effect and obtain from the City's Risk Management Division approval of such Certificates.

8.12.2. If a policy does expire during the life of this Agreement, a renewal certificate must be sent to the City of Chandler five (5) days prior to the expiration date.

8.12.3. All Certificates of Insurance shall identify the policies in effect on behalf of CONTRACTOR, their policy period(s), and limits of liability. Each Certificate shall include the job site and project number and title. Coverage shown on the Certificate of Insurance must coincide with the requirements in the text of the contract documents. Information required to be on the certificate of Insurance may be typed on the reverse of the Certificate and countersigned by an authorized representative of the insurance company.

8.12.4. CITY reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and/or endorsements. CITY shall not be obligated, however, to review same or to advise CONTRACTOR of any deficiencies in such policies and endorsements, and such receipt shall not relieve CONTRACTOR from, or be deemed a waiver of CITY's right to insist on, strict fulfillment of CONTRACTOR's obligations under this Agreement.

8.13. Required Coverage

8.13.1. Such insurance shall protect CONTRACTOR from claims set forth below which may arise out of or result from the operations of CONTRACTOR under this Contract and for which CONTRACTOR may be legally liable, whether such operations be by the CONTRACTOR or by a Sub-consultant or subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. Coverage under the policy will be at least as broad as Insurance Services Office, Inc., policy form CG00011093 or equivalent thereof, including but not limited to severability of interest and waiver of subrogation clauses.

8.13.2. Claims under workers' compensation, disability benefit and other similar employee benefit acts which are applicable to the Work to be performed;

8.13.3. Claims for damages because of bodily injury, occupational sickness or disease, or death of the Contractor's employees;

8.13.4. Claims for damages because of bodily injury, sickness or disease, or death of any person other than the Contractor's employees;

8.13.5. Claims for damages insured by usual personal injury liability coverage;

8.13.6. Claims for damages, other than to Work itself, because of injury to or destruction of tangible property, including loss of use resulting there from;

8.13.7. Claims for damages because of bodily injury, death of a person or property damage arising out of ownership, maintenance or use of a motor vehicle; Coverage will be at least as broad as Insurance Service Office, Inc., coverage Code "I" "any auto" policy form CA00011293 or equivalent thereof.

8.13.8. Claims for bodily injury or property damage arising out of completed operations;

8.13.9. Claims involving contractual liability insurance applicable to the Contractor's obligations under the Indemnification Agreement;

8.13.10. Claims for injury or damages in connection with one's professional services;

8.13.11. Claims involving construction projects while they are in progress. Such insurance shall include coverage for loading and off loading hazards. If any hazardous material, as defined by any local, state or federal authorities are to be transported, MCS 90 endorsement shall be included.

8.14. Amount of Coverage

8.14.1. Commercial General Liability - Minimum Coverage Limits:

The Commercial General Liability insurance required herein shall be written for not less than \$1,000,000 limits of liability or ten percent (10%) of the Contract Price, whichever coverage is greater. Any combination between general liability and excess general liability alone amounting to a minimum of \$1,000,000 per occurrence (or 10% per occurrence) and an aggregate of \$2,000,000 (or 20% whichever is greater) in coverage will be acceptable. The Commercial General Liability additional insured endorsement shall be as broad as the Insurance Services, Inc's (ISO) Additional Insured, Form B, CG 20101001, and shall include coverage for CONTRACTOR's operations and products, and completed operations.

8.14.2. Automobile Liability

CONTRACTOR shall maintain Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to any owned, hired, and non-owned vehicles assigned to or used in performance of the CONTRACTOR's work. Coverage shall be at least as broad as coverage code 1, "any auto", (Insurance Service Office, Inc. Policy Form CA 00011293, or any replacements thereof). Such insurance shall include coverage for loading and off loading hazards if hazardous substances, materials or wastes are to be transported and a MCS 90 endorsement shall be included with coverage limits of \$5,000,000 per accident for bodily injury and property damage.

8.14.3. Workers' Compensation and Employer's Liability:

8.14.3.1. CONTRACTOR shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over CONTRACTOR's employees engaged in the performance of the work or services; and, Employer's Liability insurance of not less than \$1,000,000 for each accident, \$1,000,000 disease coverage for each employee, and \$1,000,000 disease policy limit.

8.14.3.2. In case any work is subcontracted, CONTRACTOR will require the Subcontractor to provide Workers' Compensation and Employer's Liability to at least the same extent as required of CONTRACTOR.

9. NO KICK-BACK CERTIFICATION

9.1. The CONTRACTOR warrants that no person has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee; and that no member of the CITY Council or any employee of the CITY has any interest, financially or otherwise, in the CONTRACTOR firm.

9.2. For breach or violation of this warranty, the CITY shall have the right to annul this Contract without liability, or at its discretion to deduct from the consideration, the full amount of such commission, percentage, brokerage or contingent fee.

10. FEDERAL IMMIGRATION LAWS AND REGULATIONS

Compliance with A.R.S. § 41-4401. Pursuant to the provisions of A.R.S. § 41-4401, the Contractor hereby warrants to the City that the Contractor and each of its subcontractors ("Subcontractors") will comply with all Federal Immigration laws and regulations that relate to the immigration status of their employees and the requirement to use E-Verify set forth in A.R.S. §23-214(A) (hereinafter "Contractor Immigration Warranty").

A breach of the Contractor Immigration Warranty (Attachment C) shall constitute a material breach of this Contract that is subject to penalties up to and including termination of the contract.

The City retains the legal right to inspect the papers of any Contractor or Subcontractor employee who works on this Contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty. The Contractor agrees to assist the City in the conduct of any such inspections.

The City may, at its sole discretion, conduct random verifications of the employment records of the Contractor and any Subcontractors to ensure compliance with Contractors Immigration Warranty. The Contractor agrees to assist the City in performing any such random verifications.

The provisions of this Article must be included in any contract the Contractor enters into with any and all of its subcontractors who provide services under this Contract or any subcontract. "Services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

In accordance with A.R.S. §35-397, the Contractor hereby certifies that the offeror does not have scrutinized business operations in Iran.

In accordance with A.R.S. §35-397, the Contractor hereby certifies that the offeror does not have scrutinized business operations in Sudan.

11. ADVERTISING STANDARDS

11.1 The CITY reserves the right to review all materials placed in advertising panels including public service programs promoted by CONTRACTOR. The CITY standards for advertising are intended to promote a positive community image by the CITY. In conformance with CITY standards, advertising materials may not be displayed which:

- a) Are false, misleading, or deceptive.
- b) Relates to an illegal activity.
- c) Is explicit sexual material, obscene material, or material harmful to minors as these terms are defined in Title 13, Chapter 35, Arizona Revised Statutes.
- d) Depicts violence and/or anti-social behavior.
- e) Holds up individuals or groups of people to public ridicule, derision, or embarrassment.
- f) Includes language, which is obscene, vulgar, profane, or scatological.
- g) Supports or opposes a candidate, issue, or cause, or which advocates or opposes a religion, denomination, religious creed, tenant, or belief.
- h) Advertises alcohol or tobacco products.

11.2 Nothing in this section shall be deemed to restrict the CITY from using its advertising space to advertise public events, which are sponsored or promoted, either wholly or in part, by an entity whose advertisements would otherwise be prohibited.

11.3 The CITY shall be guaranteed use of ten (10) percent of all advertising space to promote CITY functions and programs with the understanding that, when there is no other space available for an advertising client of the CONTRACTOR, CONTRACTOR may request permission of CITY to utilize the space reserved for the CITY, and the CITY shall not unreasonably withhold permission for such use. Additional unsold space may be made available to the CITY upon request.

12. PERMITS/LICENSES/AGREEMENTS

CONTRACTOR agrees to perform all services in accordance with current applicable statutes, ordinances, and regulations, including CITY zoning requirements and designations, licensing, sales tax, and insurance regulations and requirements, and shall be responsible for obtaining and retaining the necessary permits, licenses, and approvals throughout the term of this Agreement. This includes, but is not limited to, building permits, zoning and site plan approvals, permits to work in the public right-of-way, business privilege license and sales tax reports.

13. CONTRACTOR PERFORMANCE

The Contract Administrator/designee and CONTRACTOR shall meet from time to time to evaluate performances and compliance with this Agreement.

13.1 Upon notification of unsatisfactory performance or Agreement of noncompliance, CONTRACTOR shall have five (5) working days from the date of written notification, or

within other mutually agreed time period, to correct the specific and verified instances of non-compliance. If a correction is not made within the specified time frame, the CITY shall have the immediate right to make, or have made, the necessary correction or compliance to its satisfaction and shall submit an invoice for the cost to CONTRACTOR. All corrective work performed by the CITY employees will be invoiced in accordance with CITY regulations. Said invoice shall be payable to the CITY within thirty (30) calendar days from date of issuance.

13.2 If nonperformance or noncompliance is not corrected in the time period agreed upon, and the CITY elects not to undertake correction or compliance action, the CITY may terminate the Agreement at its option and sole discretion.

13.3 At the discretion of the CITY, repeated incidents (i.e. no less than ten (10) incidents in any twelve (12) month period) of non-compliance shall be sufficient cause for the termination of this contract. Failure by CONTRACTOR to comply with any condition or to perform any action required by the terms of this Agreement may result in the CITY pursuing the remedies for failure to perform, or breach and termination remedies specified in this agreement.

14. OWNERSHIP

Ownership of all shelters and transit furniture that will be purchased and installed by the Contractor during the term of this Agreement shall revert to the City at no cost upon termination or end of the agreement. During the term of the agreement, new shelters and transit furniture shall remain the property of the Contractor. Existing shelters that are now the property of the City shall remain City property with the Contractor being provided the exclusive rights to use those structures under the term of this Agreement.

In the event the City should decide to cancel the shelter and transit furniture Agreement for any reason prior to the end of the term, the City shall have the right to purchase new shelters and transit furniture from the Contractor at the cost of fabrication, design and installation of these devices less depreciation at a rate of 10% annually. If the agreement is terminated at the default of the Contractor, all assets shall become the property of the City without compensation to the Contractor.

15. QUALIFIED PERSONNEL

CONTRACTOR agrees to:

- a) Furnish such supervision and labor as necessary for installation of advertising Shelters in an acceptable and timely manner.
- b) Maintain a trained professional sales staff to promote advertising.
- c) Furnish adequately trained personnel for maintenance work.

16. RESERVATION OF RIGHTS

Every right and power of the CITY, which is required herein to be reserved or is provided by an ordinance of the Charter or Code of the CITY is hereby reserved to the CITY and

CONTRACTOR agrees to be bound thereby and to comply with any action of requirements of the CITY in the exercise of such rights or powers heretofore or hereafter enacted or established. Execution of this Agreement shall not constitute a waiver or bar to the exercise of any governmental right or power of the CITY. No right or exemption shall be granted to CONTRACTOR except those specifically described herein.

17. ADVERTISING RATES AND CONTRACTS

CONTRACTOR shall establish and publish all advertising rates and keep an updated copy thereof on file with the CITY at all times.

18. ADVERTISING REVENUES

18.1 As consideration for the Work and services performed hereunder, the CITY hereby grants CONTRACTOR the sole and exclusive right to sell advertising space on all Ad Shelters and related kiosks not reserved for use by the CITY. Except as provided in this Section, CONTRACTOR shall retain all revenue from such sales. The CITY shall receive the greater amount the minimum monthly payment or the percentage of advertising revenues as shown in Attachment A, which by this reference is incorporated herein and made a part of this Agreement. Revenues shall be computed on gross receipts CONTRACTOR receives from advertisers for advertising displays located within the CITY, less taxes.

18.2. Each month the CONTRACTOR will calculate and submit gross receipts, and pay to the CITY the proper amount (the greater of the guaranteed amount per installed unit per month, or the percentage of revenue per unit as set forth in Attachment A).

19. PAYMENT/REPORTING SCHEDULE

19.1 CONTRACTOR will pay the CITY on a monthly basis, and checks for the preceding monthly revenues shall be received no later than the 15th of each month.

19.2. Reports will also be submitted to the CITY on the 15th of each month. Reports will include, but not be limited to the following information:

- Monthly Advertising Receipts Collected
- Monthly Sales Occupancy
- Monthly Public Service Announcement Occupancy
- Operations/Maintenance Information
- Shelter Damage Amounts

19.3. CONTRACTOR will be required to supply additional report information to the CITY upon request.

20. ASSIGNMENT

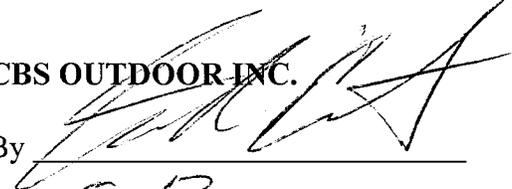
This Agreement shall not be assignable except at the written consent of the parties hereto and it shall extend to and be binding upon the heirs, executors, administrators, successors, and assignees of the parties hereto. Notwithstanding the foregoing, CONTRACTOR may assign this Agreement to any entity controlled, controlling or under common control with it, without the consent of the CITY.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this _____ day of _____, 2008.

CITY OF CHANDLER

CBS OUTDOOR INC.

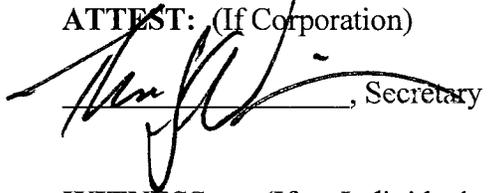
By: _____
Mayor

By: 

EVP
(Title)

ATTEST:

City Clerk

ATTEST: (If Corporation)

_____, Secretary

APPROVED AS TO FORM:

City Attorney *CTH for*

WITNESS: (If Individual or Partnership)

SEAL

ATTACHMENT A

ADVERTISING REVENUE PAID TO CITY

Fiscal Year	Percentage Payments Of Gross Proceeds*	Monthly Minimum Per Shelter*	Minimum Annual Guarantee Per Shelter
08-09	17%	\$ 45.00	\$ 540.00
09-10	17%	\$ 45.00	\$ 540.00
10-11	17%	\$ 45.00	\$ 540.00
11-12	17%	\$ 45.00	\$ 540.00
12-13	17%	\$ 45.00	\$ 540.00
13-14	17%	\$ 45.00	\$ 540.00
14-15	17%	\$ 45.00	\$ 540.00

*Whichever (Gross Proceeds or Monthly Minimum) is greater

**ATTACHMENT B
TRANSIT SHELTER INSTALLATION SCHEDULE**

CONTRACTOR shall install transit passenger shelters, benches, trash receptacles, and advertising kiosks at the following locations within 150-days after NTP has been issued:

LOCATION	DIRECTION
Elliot Road/ Summit	WB (Far side)
Elliot Road/Sycamore Street	WB (Far side)
Elliot Road/Carriage	WB (Far side)
Chandler Blvd/Intel Way	WB (Far side)
Alma School Road/Knox	NB (Far side)
Dobson Road/Queen Creek Road	SB (Far side)
Dobson Road/Elliot Road	NB (Far side)
Dobson Road/Elliot Road	SB (Far side)
Chandler Blvd/Pennington	WB (Far side)

CONTRACTOR shall install transit passenger shelters, benches, trash receptacles, and advertising kiosks at the following locations within 240-days after NTP has been issued:

LOCATION	DIRECTION
Alma School Road/Galveston Street	NB (Far side) no split screen
Dobson Road/Pecos Road	NB (Far side)
Dobson Road/Pecos Road	SB (Far side)
Dobson Road/Germann Road	NB (Far side)
Dobson Road/Ocotillo Road	NB (Far side)

CONTRACTOR shall install transit passenger shelters, benches, trash receptacles and advertising kiosks at the following locations within one (1) year after NTP has been issued:

LOCATION	DIRECTION
Dobson Road/Germann Road	SB (Far side)
Arizona Avenue/Knox Street	NB (Far side)
Arizona Avenue/Palimino Street	NB (Far side)
Arizona Avenue/Palimino Street	SB (Far side)
Elliot Road/Ellis Street	WB (Far side)
Elliot Road/Carriage Street	EB (Near side)
Alma School Road/Barrow Drive	SB (Far side)
Kyrene Road/Chandler Blvd	SB (Far side)
Kyrene Road/Chandler Blvd	NB (Far side)
Kyrene Road/Ray Road	SB (Far side)
Kyrene Road/Ray Road	NB (Far side)

CONTRACTOR shall install transit passenger shelters, benches, trash receptacles and advertising kiosks at the following locations within two (2) years after NTP has been issued:

LOCATION	DIRECTION
Alma School Road/Ray Road	NB (Far side)
Arizona Avenue/Chilton Street	NB (Far side)
Elliot Road/Summit	EB (Far side)
Elliot Road/Sycamore Street	EB (Far side)
Gilbert Road/Pecos Road	SB (Far side)
Gilbert Road/202 Freeway	SB (Far side)
Gilbert Road/Germann Road	NB (Far side)
Gilbert Road/Queen Creek Road	SB (Far side)
Gilbert Road/Queen Creek Road	NB (Far side)
Gilbert Road/Ocotillo Road	SB (Far side)
Gilbert Road/Ocotillo Road	NB (Far side)
Gilbert Road/Chandler Heights Road	SB (Far side)
Gilbert Road/Chandler Heights Road	NB (Far side)
Gilbert Road/Riggs Road	NB (Far side)
Riggs Road/Lindsay Road	EB (Far side)
Riggs Road/Lindsay Road	WB (Far side)
Arizona Avenue/Germann Road	SB (Far side)
Arizona Avenue/Queen Creek Road	SB (Far side)
Arizona Avenue/Queen Creek Road	NB (Far side)
Arizona Avenue/Ocotillo Road	NB (Far side)
Arizona Avenue/Appleby Road	SB (Far side)
Arizona Avenue/Appleby Road	NB (Far side)
Elliot Road/Colorado Street	EB (Far side)

The above installation schedules are predicated on planned implementation of new bus routes as well as existing routes. City reserves the right to modify the location as well as timing of shelter installation from the above schedules when found to be in the best interests of either the CITY or CONTRACTOR. Some locations may not be suitable for advertising kiosks due to restricted Right-of-Way constraints.

During the first thru second year of the five (5) year extension, the CONTRACTOR may be required to install up to an additional seven (7) transit passenger shelters, benches, trash receptacles and advertising kiosks at mutually agreed upon bus stop locations after NTP has been issued. These additional requirements will be to accommodate new bus routes that are planned. The number, location, and installation time period will depend upon newly implemented routes and additional bus stops that would be appropriate for advertising or non-advertising transit furniture.

ATTACHMENT C

Contractor Immigration Warranty

To Be Completed by Contractor Prior to Execution of Contract

A.R.S. § 41-4401 requires as a condition of your contract verification of compliance by the contractor and subcontractors with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of its employees.

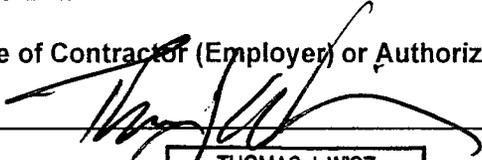
By completing and signing this form the contractor shall attest that it and all subcontractors performing work under the cited State contract meet all conditions contained herein.

Project Number/Division:	90-3019
Name (as listed in the contract):	CBS Outdoor Inc.
Street Name and Number:	3150 S. 48 TH STREET # 200
City: Phoenix State: Az Zip Code:	85040

I hereby attest that:

1. The contractor complies with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of those employees performing work under this contract;
2. All subcontractors performing work under this contract comply with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of their employees; and
3. The contractor has identified all contractor and subcontractor employees who perform work under the contract and has verified compliance with Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214.

Signature of Contractor (Employer) or Authorized Designee:



Printed Name:

THOMAS J. WISZ
VP GENERAL ADMIN.
AND HUMAN RESOURCES

Title: _____
Date (month/day/year): 12/18/08