# Memorandum

MIAMI-DADE COUNTY

| | |
|---|---|
| **Date:** | December 2, 2008 |
| **To:** | Honorable Chairman Bruno A. Barreiro and Members, Board of County Commissioners |
| **From:** | George M. Burgess<br>County Manager |
| **Subject:** | Resolution Establishing Seaport Terminal Advertising Pilot Program Rate Card for Advertising inside Cruise Terminal Facilities; and authorizing the Mayor or designee to execute standard Port of Miami Advertising Contracts |

Agenda Item No. 8(Q)(1)(D)

**RECOMMENDATION**

It is recommended that the Board approve the accompanying resolution establishing the Seaport Terminal Advertising Pilot Program Rate Card for advertising inside cruise terminal facilities at the Dante B. Fascell Port of Miami-Dade ("Port"); and authorizing the Mayor or designee to execute standard Port of Miami Advertising Contracts.

**SCOPE**

The Port is located within Commission District 5. The impact of this agenda item is countywide as the Port of Miami is a regional asset and generates employment for residents throughout Miami-Dade County.

**FISCAL IMPACT/FUNDING SOURCE**

The Port will retain one hundred percent (100%) of all net revenues derived from the advertising sales under this pilot program, which will be implemented with the collaboration of the Miami-Dade Transit Department (MDT). Due to the current state of the economy, and, as most advertising dollars are committed a year in advance, the net revenue goal for the pilot program has been set at $100,000. The primary goal for the first six (6) months to one year of the program will be to introduce this new product to the market and to solicit national brand advertising commitments for the coming year. From these revenues, the Port will reimburse MDT for staff time expended on this project.

**TRACK RECORD/MONITOR**

The Seaport Department staff members responsible for monitoring this program are Juan Kuryla, Assistant Port Director, Maritime Services, and Andria Muniz-Amador, Public Relations Manager.

**BACKGROUND**

On September 4, 2007, the Board approved Resolution R-1005-07, sponsored by Commissioner Dorrin D. Rolle, urging the Mayor to utilize murals and similar signage within the terminal buildings at the Port of Miami. In response to this directive, in January 2008, the Port issued RFP No. 605, soliciting qualified firms to provide advertising concession services for the purpose of financing, designing, developing, installing, maintaining, and operating the Port's advertising concession program. No proposals were received under this solicitation. A subsequent review of the lack interest at that time revealed that the Minimum Annual Guarantee of $700,000 required in the RFP was too high for any firm to be profitable without the availability of outdoor advertising, particularly at locations facing Downtown Miami or the MacArthur Causeway.

Due to the lack of interest by private firms for the reasons set forth above, the Port continued exploring feasible options to implement a terminal advertising sales program. Toward this end, the Port and MDT recently entered into a Memorandum of Understanding (MOU) to develop the cruise terminal advertising

pilot program. The selection of MDT as a partner for this program is ideal as it already has in-house staff with experience in the implementation of a similar program for its facilities and fleet.

Under the MOU, MDT will assist in developing and executing the pilot program, including identifying potential local and national vendors; assisting in publicizing the availability of advertising opportunities at the Port; coordinating production with MDT's graphic design unit; acting as a sales representative; managing the installation and maintenance of sold advertising devices; and responding to inquiries related to the pilot program. The Port will provide personnel to support the management of the pilot program and execute standard agreements with vendors.

A significant component of this pilot program is the establishment of individual rates for the different advertising locations and placement throughout the Port's terminals; and the execution of such contracts with advertisers. As a regular course of business, the Port requests the Board's approval of new or revised rates through the County's budget process or through changes to the Port of Miami Terminal Tariff No. 010 ("Port Tariff"), for rate categories anticipated to remain permanently. However, due to the "pilot" nature of this project as well as the related rates, we are requesting the Board's approval of the attached rate card ("Attachment A") for the advertising placements as well authorization for the Mayor or designee to execute the standard contracts ("Attachment B"). The pilot program is anticipated to remain in effect for a period of 18 months, commencing in January 2009; however, the rates will be reviewed nine (9) months after inception of the program to determine marketability. Towards the end of the 18 month term, both the Port and MDT will review the program to determine whether to continue in a more permanent format. Should the decision be made to continue the project, the proposed rates will be submitted for your consideration through the budget process as part of the Port Tariff.

**DELEGATED AUTHORITY**

In accordance with Section 2-8.3 of the Miami-Dade County Code related to identifying delegation of Board authority, there are no authorities beyond that specified in the resolution.

Assistant County Manager

Attachments

# MEMORANDUM

(Revised)

TO: Honorable Chairman Bruno A. Barreiro and Members, Board of County Commissioners

DATE: December 2, 2008

FROM: R. A. Cuevas, Jr. County Attorney

SUBJECT: Agenda Item No. 8(Q)(1)(D)

**Please note any items checked.**

_____ **"4-Day Rule" ("3-Day Rule" for committees) applicable if raised**

_____ **6 weeks required between first reading and public hearing**

_____ **4 weeks notification to municipal officials required prior to public hearing**

_____ **Decreases revenues or increases expenditures without balancing budget**

_____ **Budget required**

_____ **Statement of fiscal impact required**

_____ **Bid waiver requiring County Manager's written recommendation**

_____ **Ordinance creating a new board requires detailed County Manager's report for public hearing**

_____ **Housekeeping item (no policy decision required)**

_____ **No committee review**

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(Q)(1)(D)
12-2-08

RESOLUTION NO. _____

RESOLUTION APPROVING SEAPORT TERMINAL ADVERTISING PILOT PROGRAM RATE CARD FOR ADVERTISING INSIDE CRUISE TERMINALS FACILITIES; AND AUTHORIZING THE MAYOR OR DESIGNEE TO EXECUTE STANDARD PORT OF MIAMI ADVERTISING CONTRACTS FOR AND ON BEHALF OF MIAMI-DADE COUNTY

**WHEREAS,** this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA,** that this Board:

Section 1. Approves the establishment of the Seaport Terminal Advertising Pilot Program Rate Card for advertising inside cruise terminal facilities, in substantially the form attached hereto and made a part hereof.

Section 2. Authorizes the Mayor or designee to execute the attached standard Port of Miami Advertising Contracts after review and approval by the County Attorney's Office; and to exercise any cancellation and renewal provisions.

The foregoing resolution was offered by Commissioner ,

who moved its adoption. The motion was seconded by Commissioner

and upon being put to a vote, the vote was as follows:

Bruno A. Barreiro, Chairman
Barbara J. Jordan, Vice-Chairwoman

| | |
|---|---|
| Jose "Pepe" Diaz | Audrey M. Edmonson |
| Carlos A. Gimenez | Sally A. Heyman |
| Joe A. Martinez | Dennis C. Moss |
| Dorrin D. Rolle | Natacha Seijas |
| Katy Sorenson | Rebeca Sosa |
| Sen. Javier D. Souto | |

The Chairperson thereupon declared the resolution duly passed and adopted this 2nd day of December, 2008. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By:_____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency. JMM

Jess M. McCarty

# MIAMI-DADE SEAPORT ADVERTISING PILOT PROGRAM

## TERMINAL ADVERTISING DEVICES

(Production and installation costs are not included.)

### Terminals D and E First Floor Lobby

2 devices per terminal
12' x 22' Poster Printed on Styrene
Anchored to all

| Unit | 6-month Contract | 12-month Contract |
|---|---|---|
| 1 | $600 unit/month (Total: $3,600) | $550 unit/month (Total: $6,600) |
| 2 | $550 unit/month (Total: $6,600) | $500 unit/month (Total: $12,000) |
| 3 | $500 unit/month (Total: $9,000) | $400 unit/month (Total: $14,400) |
| 4 | $400 unit/month (Total: $9,600) | $350 unit/month (Total: $16,800) |

### Terminals D and E Entrance to Terminal Inside-Door Frame

1 device per terminal
18" x 14' Poster Self-adhesive vinyl Direct application

| Unit | 6-month Contract | 12-month Contract |
|---|---|---|
| 1 | $300 unit/month (Total: $1,800) | $250 unit/month (Total: $3,000) |
| 2 | $250 unit/month (Total: $3,000) | $200 unit/month (Total: $4,800) |

### Terminals D and E First Floor Lobby

1 device per terminal
12' x 20' Poster Printed on Styrene Anchored to wall

| Unit | 6-month Contract | 12-month Contract |
|---|---|---|
| 1 | $500 unit/month (Total: $3,000) | $400 unit/month (Total: $4,800) |
| 2 | $400 unit/month (Total: $4,800) | $320 unit/month (Total: $7,680) |

### Terminals D and E Entrance to Second Floor Lobby

7 devices per terminal
4' x 6' Poster Installed in frames

| Unit | 6-month Contract | 12-month Contract |
|---|---|---|
| 1-5 | $125 unit/month | $100 unit/month |
| 6 or more | $100 unit/month | $75 unit/month |

### Terminals D and E Entrance to Second Floor Lobby

1 device per terminal
4' x 22' Poster Self-adhesive vinyl direct application

| Unit | 6-month Contract | 12-month Contract |
|---|---|---|
| 1 | $750 unit/month (Total: $4,500) | $600 unit/month (Total: $7,200) |
| 2 | $600 unit/month (Total: $7,200) | $450 unit/month (Total: $10,800) |

# MIAMI-DADE SEAPORT ADVERTISING PILOT PROGRAM

## Terminals D and E Entrance to Second Floor Lobby

7 devices per terminal
4' x 6' Poster installed in frames

| Unit | 6-month Contract | 12-month Contract |
|---|---|---|
| 1-5 | $125 unit/month | $100 unit/month |
| 6 or more | $100 unit/month | $75 unit/month |

## Terminals D and E Entrance to Second Floor Lobby

1 device per terminal
8' x 24' Poster Self-adhesive vinyl direct application

| Unit | 6-month Contract | 12-month Contract |
|---|---|---|
| 1 | $750 unit/month (Total: $4,500) | $600 unit/month (Total: $7,200) |
| 2 | $600 unit/month (Total: $7,200) | $450 unit/month (Total: $10,800) |

## Terminals D and E Second Floor Lobby

4 devices per terminal
12' x 50' Poster Mounted on Styrene Anchored to wall

| Unit | 6-month Contract | 12-month Contract |
|---|---|---|
| 1 | $2,000 unit/month (Total: $12,000) | $1,750 unit/month (Total: $21,000) |
| 2-4 | $1,750 unit/month | $1,500 unit/month |
| 5-8 | $1,500 unit/month | $1,250 unit/month |

## Terminals D and E Second Floor Lobby Boarding Gate Wall

4 devices per terminal
12' x 20' Poster Print on vinyl Direct application

| Unit | 6-month Contract | 12-month Contract |
|---|---|---|
| 1 | $1,500 unit/month (Total: $9,000) | $1,250 unit/month (Total: $15,000) |
| 2-4 | $1,250 unit/month | $1,000 unit/month |
| 5-8 | $1,000 unit/month | $750 unit/month |

## Terminals F and G First Floor, Main Entrance

6 devices per terminal
58" x 90" Window poster
Contravision applied directly to inside of window.
Backlit with natural sunlight

| Unit | 6-month Contract | 12-month Contract |
|---|---|---|
| 1 | $150 unit/month (Total: $900) | $100 unit/month (Total: $1,200) |

## Terminals F and G First Floor, Main Entrance

1 six-panel device per terminal
29' x 7' - 6" Window poster
Contravision applied directly to inside of glass window.
Backlit with natural sunlight

| Unit | 6-month Contract | 12-month Contract |
|---|---|---|
| 1 | $500 unit/month (Total: $3,000) | $400 unit/month (Total: $4,800) |

# MIAMI-DADE SEAPORT ADVERTISING PILOT PROGRAM

## Terminals F and G Second Floor Entrance and Lobby

4 devices per terminal
6' x 52' Print on vinyl - Direct application

| Unit | 6-month Contract | 12-month Contract |
|---|---|---|
| 1 | $1,250 unit/month (Total: $7,500) | $1,000 unit/month (Total: $12,000) |
| 2-4 | $1,000 unit/month | $750 unit/month |

## Terminals F and G Arch Column Wrap Second Floor Lobby

Column wrap, three or four sides
Print on vinyl - Direct application

| Unit | 6-month Contract | 12-month Contract |
|---|---|---|
| 1 | $125 unit/month (Total: $750) | $100 unit/month (Total: $1,200) |
| 2-8 | $100 unit/month | $75 unit/month |

## Terminals D and E Baggage Claim Area

6 devices per terminal
6' x 20' Print on vinyl Direct application

| Unit | 6-month Contract | 12-month Contract |
|---|---|---|
| 1 | $400 unit/month (Total: $2,400) | $300 unit/month (Total: $3,600) |
| 2-12 | $300 unit/month | $200 unit/month |

## Total POM Terminal Domination

Terminal Domination allows saturating a selected passenger terminal with customized advertising opportunities in various quantites, sizes and locations.

All advertising is subject to pre-approval from the POM Director or designee.

| Unit | 12-month Contract |
|---|---|
| 1 terminal | $95,000 |

**NOTES -**

***Discounted rates will be offered as follows:**

Miami-Dade County agencies - 50% discount of net contract value
Not-for-Profit Organizations - 25% discount of net contract value
Advertising Agencies: 15% commission discount to registered advertising agencies

***All materials/installation methods are listed for pricing purposes only and can be substituted upon approval by the Port Director.**

# PORT OF MIAMI ADVERTISING CONTRACT

Contract Number: _____

Advertisement: _____ ☐New ☐Renew ☐Local ☐National

Start of Contract (Posting) Date: _____ End of Contract (Posting) Date: _____

| Quantity | Device | Dimensions | Total Months | Cost per Month | Total Cost |
|---|---|---|---|---|---|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

**Total Cost of Contract** _____

We the undersigned client(s) hereby accept and agree to be bound by this contract and authorize Miami-Dade County to post advertising materials set forth above in Miami-Dade County, upon the terms and conditions of this contract shown on back.

**CLIENT/ADVERTISING AGENCY**

Name: _____ Address: _____

Telephone: _____ Billing Address: _____

FAX: _____ E-mail: _____

Authorized Representative: _____ Title: _____
(Print Name)

Signature: _____ Date: _____

**SPECIAL INSTRUCTIONS:**

**Port of Miami Representative:** _____ Signature: _____
(Print Name)
Date: _____

**DEFINITIONS**

- The word "Client" to mean the person, more than one person, firm, entity, corporation, or organization that comes to a Contract with Miami-Dade County for the purchase of Port of Miami (POM) advertising spaces as agreed and signed under this Contract.
- The word "County" to mean Miami-Dade County, a political subdivision of the State of Florida.
- The word "Service" to mean all or any of the POM advertising services provided by Miami-Dade County and as agreed by all parties under this Contract.
- The word "Contract" to mean the formal agreement between the County and Client that is written and enforceable by law and describes the posting periods in which advertising services will be provided as agreed between Client and County.
- The word "Contractor" to mean one who agrees to perform installation and/or removal of advertising materials as contracted and paid for by the Client independently from this Contract between County and Client.
- The word "Posting" to mean a time measuring unit of four weeks during which the advertising material is installed in the spaces/devices agreed by both parties under this Contract.

# TERMS AND CONDITIONS

1. The printed and written provisions of this Contract contain all of the Contracts, conditions and representations made by either party hereto. Any additions to, alterations of, or changes to this Contract, in order to be binding, must be made in writing and signed by both parties.

2. Loss of advertising service due to strike, lockout, fire, flood, hurricanes, riot or other causes beyond the control of Miami-Dade County shall not constitute a breach of this Contract. In such events, the Client may be entitled to a pro rata credit for services paid in advance for such loss or an extension of the service term equivalent to the service lost, at the option of the County. It is agreed that no claim resulting from the County's failure to properly execute the display of advertising devices included under this Contract, shall be valid unless reported to the County by the Client. Credit for loss of service, if any, under this Contract will be based on average daily space cost per panel to the Client.

3. If advertising materials are damaged, defaced, mutilated, or spoiled by reason of storm, flood, strike, fire, ordinary wear and tear, or any other cause beyond the control of Miami-Dade County, or if lost or stolen, it is the Client's sole responsibility to hire the services of an Contractor at the Client's own expense and in addition to and independently to any costs under this Contract, to install such material replacements without liability or expense to the County.

4. Client shall indemnify, defend and save harmless the County from and against any liability, or expense to which the County may be subjected by reason of the advertising material displayed under this Contract, including, but not limited to, liability for infringement of trademarks, trade names, copyrights, invasion of rights of privacy, defamation, illegal competition or trade practices, as well as all reasonable expenses, including attorney's fees, in defending any action or actions.

5. Unless otherwise specifically agreed to by the Client and the County, a posting is to be considered four (4) weeks. Furthermore, there will be thirteen (13) posting periods per year. It is understood that posting may commence as early as 5 days prior to the posting dates stipulated in this Contract and completed within a period of 5 working days after such posting dates.

6. The County has the right to refuse posting of any advertising material which the County deems objectionable and/or undesirable or for any reason whatsoever. In such a case, the Client continues to be responsible for device costs set forth in Contract. Tobacco advertisements are prohibited.

7. The County reserves right to cancel this Contract at any time upon default by the Client in payment or other breach, or in the event of any violation on the part of the Client of any of the conditions or obligations set forth in this Contract. Upon such cancellations, all charges under this Contract which remain unpaid shall become immediately due and payable. The Client agrees to pay for the advertising services covered by this Contract and agrees to be liable for payment thereof, including expenses for collection, attorney's fees and court costs. The County, at its option, may decide not to terminate this Contract, but instead, considers the entire balance of payments to be made under this Contract accelerated and immediately due and payable. Upon the Client's breach of this Contract, the County may, at its option, be discharged from any obligation to further display the Client's advertising materials and may terminate this Contract. In the event of demand, legal action, claim or suit for the collection of unpaid accounts, all cost of suit, including attorney's fees, may be added to the monies owed to the County. If there is more than one Client, then the County shall hold Client liable in the event of any default of payment. Should any of the Client parties become bankrupt, or be delinquent in payment, the County may proceed hereunder against Client (if there is more than one Client, then any one of the Clients), without relieving any party of its liabilities to the County.

8. The County must receive the first monthly payment from the Client prior to the County issuing the POM Access Permit allowing the Contractor to begin installation of the advertising materials/devices. The County shall not be made liable or responsible for any loss of service caused by the Client's failure to make its first payment on time causing a delay in the installation of advertising devices. Furthermore, the County will not allow any extension to the posting period as agreed under this Contract, due to the inability of the Client to make payment on time. Remaining invoices will be rendered monthly by the County in advance from commencement date of this Contract. Client agrees to make payment within 30 days of receipt of monthly invoice. Default shall be deemed to occur whenever any monthly bills shall be unpaid for thirty (30) days from date of billing.

9. The County, following commencement of service, will bill the Client at the address indicated hereof. Client shall pay County thereon at address on bill, within 30 days from date of billing. If the Client fails to make payment to the County within 30 days from date of billing, a finance charge of 1.5% per month (annual percentage rate of 18%) will be applied until payment is made in full. If payments due under this Contract are not timely paid, the County may discontinue services rendered under this Contract. Any dispute must be reported in writing to County no later than 30 days from the date that Client receives invoice containing such disputed items or such items will deemed correct and conclusively accepted by Client. Client waives any claims after said 30-day period. Submission of a written dispute notice by Client shall not relieve Client of its obligations to timely pay all undisputed amounts. The County reserves the right to resell such contracted advertising devices upon discontinuance of service or termination of this Contract. The County will charge the Client $50.00 for each returned check.

10. Client agrees thaf if the County ceases to have the right to display advertising material in or on any of the devices covered by this Contract, the County shall have the right to discontinue all or portion of the service in/on such devices thereof, without prejudice to this Contract. In such case, the Client shall be given credit pro rata for the omitted service which had been paid in advance. The County will have the right to collect all fees up to and including the date this Contract terminates for whatever reasons.

11. If during the term of this Contract, any federal, state, or municipal taxes are imposed upon POM advertising affecting this Contract, the undersigned agrees to pay the amount of such taxes in addition to the amount above specified or, in the event of electing not to pay such taxes, the undersigned agrees that the County shall have the right to cancel this Contract.

12. It is expressly agreed that the County shall not be held liable for loss or damage due to delay of services included under this Contract caused by strikes, fires, governmental municipal laws, rules or regulations, or acts of providence, nor for inability to secure specified materials, or to maintain said devices or any part thereof by reason of any regulation hereto fore or hereafter enacted by the federal, state, or municipal government, or any rules or regulations made by any department of the federal, state, or municipal government, or for other cause.

13. The Client is responsible for hiring and paying separately from this Contract a Contractor for the installation and removal of advertising materials sold under this Contract. The County is not responsible for the production of advertising materials nor for the installation and or removal of such materials. Contractor must be pre-approved by County prior to County authorizing the commencement of installation of advertising materials on County property.

14. Advertising Agencies: 15% advertising agency commission discount available for registered advertising agencies.

15. No cash discounts will be allowed under this Contract.

16. Trade allowance – No trade or barter of advertising space will be permitted unless pre-approved by the County and mutually agreed as to the terms and condtions of such trade or barter by Client and County and made part of this Contract.

17. All political advertisements shall be paid in full in advance of the date of showing.

18. If there is more than one Client, the "Client" shall read plural, as well as the singular. If there is more than one Client, all of the Clients' obligations, and indemnifications under this Contract are joint and several.