

Memorandum



Date: May 7, 2013

To: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor

Subject: Resolution Authorizing Execution of Third Amendment to Contract TR03-ADV with CBS Outdoor Group, Inc. (formerly known as Viacom Outdoor Group, Inc.)

Agenda Item No. 8(N)(1)

RECOMMENDATION

It is recommended that the Board of County Commissioners (Board) approve the Third Amendment (Amendment) to Contract TR03-ADV with CBS Outdoor Group, Inc. (CBS Outdoor). This is a non-exclusive contract for the purpose of selling advertising space on transit vehicles, Metrorail stations, and the South Miami-Dade Busway.

Miami-Dade Transit (MDT) maintains that its vehicles and facilities are non-public and proprietary in nature and are not intended for use as a zone of free speech and expression. The attached Amendment updates the policy contained in Contract TR03-ADV relating to advertisements on transit vehicles, Metrorail stations, and the South Miami-Dade Busway.

SCOPE

The policy change recommended in this Amendment, will have a countywide impact.

FISCAL IMPACT/FUNDING SOURCE

This Amendment provides a revenue source for MDT and has the potential to increase MDT's net advertising revenues; therefore, this item will have no negative fiscal impact on current or future budgets.

TRACK RECORD/MONITOR

MDT has entered into Contract TR03-ADV with CBS Outdoor on September 2004. To date, the contractor's overall performance and submission of monthly reports and revenue payments, has been satisfactory. The staff responsible for monitoring this Contract TR03-ADV is Rosemary Cortes, MDT Contracts Administrator.

BACKGROUND

On July 13, 2004, the Board awarded Contract TR03-ADV to Viacom Outdoor Group, Inc. for the purpose of selling advertising space on transit vehicles, Metrorail stations, and the South Miami-Dade Busway advertising kiosks for MDT (R-862-04). The contract had an initial five (5) year term with two options-to-renew (OTR) for up to five additional years; the first OTR was for three (3) years and the second is for two (2) years. On December 29, 2005, Viacom Outdoor Group, Inc. changed its name to CBS Outdoor Group, Inc.

Under the current Contract, CBS Outdoor sells, installs, and maintains all advertising on Metrobus, Metromover and Metrorail vehicles, Metrorail passenger stations, and the South Miami-Dade Busway advertising kiosks.

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CBS Outdoor pays Miami-Dade County (County) a monthly Annual Minimum Guarantee (AMG), or 60% of its net billings, whichever is greater. Total advertising revenues received from CBS Outdoor since the inception of Contract TR03-ADV through November 2012 is approximately \$22,788,505.00.

On December 16, 2008, the Board approved the First Amendment to Contract TR03-ADV, which increased the AMG from \$1,000,000.00 to \$2,000,000.00 and exercised the first OTR (R-1424-08). On May 25, 2012, the second and final OTR was approved and is scheduled to end September 2014.

Through Resolution R-976-10, the Board approved a Second Amendment allowing advertising of alcoholic beverages (with some restrictions) and updating the regulations relating to non-commercial advertisements contained in Contract TR03-ADV. However, the current regulations limiting, with few exceptions, advertisements to only those which are commercial in nature have had unintended consequences. Specifically, paid advertisements promoting federal, state, municipal, and/or not-for-profit agencies are ineligible to be placed at any of the above sites, unless they promote a commercial activity. As such, several of these ads have been rejected by MDT. For example, the Florida Department of Transportation (FDOT) requested the placement of paid advertisements which promoted an anti-littering campaign. However, since the ads were non-commercial in nature, they were ineligible for placement. Other advertisements paid for by government agencies and/or not-for-profit entities have likewise been deemed ineligible.

This Amendment would eliminate the current requirement that advertisements be commercial in nature, by allowing non-commercial advertisements, but prohibiting political advertisements for all interested entities. Finally, in an effort to avoid the perception of bias or approval of any particular political views or candidates, this Amendment would also prohibit political advertisements on transit vehicles, Metrorail stations, and the South Miami-Dade Busway.

All other terms and conditions contained in Contract TR03-ADV shall remain the same.



Alina T. Hudak
Deputy Mayor



MEMORANDUM
(Revised)

TO: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

DATE: May 7, 2013

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

SUBJECT: Agenda Item No. 8(N)(1)

Please note any items checked.

- "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
- Ordinance creating a new board requires detailed County Mayor's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous ____) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor

Agenda Item No. 8(N)(1)
5-7-13

Veto _____

Override _____

RESOLUTION NO. _____

RESOLUTION AUTHORIZING EXECUTION OF A THIRD AMENDMENT TO CONTRACT TR03-ADV WITH CBS OUTDOOR, INC. (FORMERLY KNOWN AS VIACOM OUTDOOR GROUP, INC.) FOR TRANSIT ADVERTISING SERVICES FOR TRANSIT VEHICLES, METRORAIL STATIONS, AND THE SOUTH MIAMI-DADE BUSWAY ADVERTISING KIOSKS BY ALLOWING NON-COMMERCIAL ADVERTISEMENTS BUT DISALLOWING POLITICAL ADVERTISEMENTS; AND AUTHORIZING THE COUNTY MAYOR OR MAYOR'S DESIGNEE TO EXERCISE THE PROVISIONS CONTAINED THEREIN

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 approves this Third Amendment to Contract TR03-ADV between Miami-Dade County and CBS Outdoor, Inc. (formerly known as Viacom Outdoor Group, Inc.) to provide transit advertising services in substantially the form attached hereto and made a part hereof by allowing non-commercial advertisements but disallowing political advertisements; and authorizes the County Mayor or Mayor's Designee to execute same for and on behalf of Miami-Dade County, and to exercise the provisions contained therein.

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:

Rebeca Sosa, Chairwoman
Lynda Bell, Vice Chair

Bruno A. Barreiro	Esteban L. Bovo, Jr.
Jose "Pepe" Diaz	Audrey M. Edmonson
Sally A. Heyman	Barbara J. Jordan
Jean Monestime	Dennis C. Moss
Sen. Javier D. Souto	Xavier L. Suarez
Juan C. Zapata	

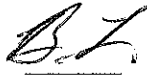
The Chairperson thereupon declared the resolution duly passed and adopted this 7th day of May, 2013. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

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.



Bruce Libhaber

THIRD AMENDMENT TO CONTRACT TR03-ADV

BETWEEN

MIAMI-DADE COUNTY, FLORIDA

AND

CBS OUTDOOR GROUP, INC.

THIS THIRD AMENDMENT, made and entered into this _____ day of _____, 2013, by and between MIAMI-DADE COUNTY, FLORIDA, a political subdivision of the State of Florida (hereinafter referred to as "COUNTY"), and CBS Outdoor Group, Inc. (f/k/a Viacom Outdoor Group, Inc.) (hereinafter referred to as the "CONTRACTOR").

WITNESSETH:

WHEREAS, by Resolution No. R-862-04 passed and adopted on July 13, 2004, the Board of County Commissioners (the BOARD) authorized Contract TR03-ADV between the above named parties for the purpose of providing advertising services for transit vehicles; Metrorail stations and South Miami-Dade Busway advertising kiosks (the "CONTRACT"); and

WHEREAS, the CONTRACTOR formerly known as Viacom Outdoor Group, Inc. is now known as CBS Outdoor Group, Inc.; and

WHEREAS, by R-1424-08, December 16, 2008, the party entered into the first amendment to Contract TR03-ADV; and

WHEREAS, by R-976-10, October 5, 2010, the party entered into the second amendment to Contract TR03-ADV; and

WHEREAS, the COUNTY and the CONTRACTOR agree to amend certain provisions of the CONTRACT as described below.

NOW, THEREFORE, in consideration of the premises and mutual covenants expressed herein the parties hereto agree as follows:

1. Article 4, Advertising Content, Section 4.03, shall be amended in its entirety to read: Political or political campaign advertising shall not be allowed.

All other terms and conditions shall remain the same.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to CONTRACT to be executed as of the date first above written.

CBS Outdoor Group, Inc.

ATTEST:

BY: *[Signature]*
Assistant Secretary

BY: *[Signature]*
Executive Vice President
(Seal)

ATTEST:

MIAMI-DADE COUNTY, a
political Subdivision of the State of
Florida

HARVEY RUVIN, CLERK

By Its Board of County
Commissioners

BY: _____
Deputy Clerk

BY: _____
Mayor

Approved as to form
and legal sufficiency

[Signature]