

# CITY OF LONG BEACH

DEPARTMENT OF PUBLIC WORKS

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December 10, 2013

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

### **RECOMMENDATION:**

Authorize the City Manager, or designee, to execute a four-month extension of Contract No. 31215 with CBS Decaux Street Furniture, LLC (CBS), formerly known as CBS Outdoor, for ad-bearing bus shelters. (Citywide)

### DISCUSSION

Since January of 1998, CBS has had an agreement with the City of Long Beach that permits the installation and maintenance of ad-bearing bus shelters Citywide. In exchange for the authorization, CBS agreed to pay to the City a greater of 20 percent of net revenue, as defined for each shelter, or a guarantee base amount per month per shelter. The current agreement to construct, install and maintain ad-bearing bus shelters and refuse containers was entered into on January 1, 2009, and is scheduled to expire on December 31, 2013. If the agreement is not extended, CBS will be required to remove all ad-bearing shelters and cease operating in the City of Long Beach.

In anticipation of the expiring agreement, staff is preparing a "Request For Proposals" (RFP) in order to bid a new contract. Due to the length of time it takes to complete the bidding process, a four-month extension of the current CBS agreement is requested.

This matter was reviewed by Deputy City Attorney Linda Vu on November 14, 2013, and by Budget Management Officer Victoria Bell on November 18, 2013.

#### TIMING CONSIDERATIONS

City Council action is requested on December 10, 2013, to provide for uninterrupted shelter services and revenue.

#### FISCAL IMPACT

During this four-month extension, estimated monthly revenue of \$29,000 will continue to be deposited in the General Fund (GP) in the Department of Public Works (PW). There is no known local job impact associated with this recommendation.

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## SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

ARA MALOYAN, PE ACTING DIRECTOR OF PUBLIC WORKS

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APPROVED:

PATRICK H. WEST