



CITY OF LONG BEACH

DEPARTMENT OF PUBLIC WORKS

R-32

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December 16, 2008

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute a five-year agreement for ad-bearing bus shelters with CBS Outdoor. (Citywide)

DISCUSSION

Since January of 1998, CBS Outdoor (formerly Viacom Outdoor/Outdoor Systems) has provided and maintained ad-bearing bus shelters along with refuse containers for the City of Long Beach. The current contract expires on December 31, 2008. In anticipation of this contract expiration, City staff issued a Request for Proposals for the installation and maintenance of ad-bearing bus shelters. The City only received one response, which was from the current contractor, CBS Outdoor. The proposal offered by CBS Outdoor matches their current contract which includes a revenue of \$140 per shelter per month, or 20 percent of the gross revenue for that shelter, whichever is greater. Based on the City's favorable past experience with both the maintenance and the ad revenues from this contractor, staff is recommending that a new five-year agreement be entered into with CBS Outdoor.

This matter was reviewed by Deputy City Attorney Linda Trang on December 2, 2008, and Budget Management Officer Victoria Bell on December 1, 2008.

TIMING CONSIDERATIONS

City Council action is requested on December 16, 2008, to provide for the continuance of bus shelter services and revenue through December 31, 2013.

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FISCAL IMPACT

The City of Long Beach will continue to receive approximately \$360,000 per year over the five-year term of this contract, which is budgeted in the General Fund (GP) in the Department of Public Works (PW). This revenue source was previously dedicated as a partial offset for the operating costs of the former North PAL facility, and will continue to support the remaining lease obligation and utility costs of approximately \$39,000 per month until the facility is subleased.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



MICHAEL P. CONWAY
DIRECTOR OF PUBLIC WORKS

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APPROVED:


PATRICK H. WEST
CITY MANAGER