OFFICE OF THE CITY ATTORNEY ROBERT E. SHANNON, City Attorney 333 West Ocean Boulevard, 11th Floor Long Beach, CA 90802-4664

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AGREEMENT

31186

THIS AGREEMENT ("Agreement") is made and entered into as of November 1, 2008, by and between Shoreline Media, LLC, a California limited liability company ("Shoreline") and the City of Long Beach, a municipal corporation ("City").

WHEREAS, the City wishes to engage Shoreline to provide and maintain adbearing trash/recyclable receptacles ("Green Bins") on City property and Shoreline wishes to provide such materials and services.

NOW, THEREFORE, in consideration of the mutual terms and conditions contained herein, the parties agree as follows:

1. Definitions.

"Green Bin A" means a Green Bin with the dimensions and appearance set forth in Exhibit A.

"Green Bin B" means a Green Bin with the dimensions and appearance set forth in Exhibit B.

"Green Bins" means collectively Green Bin A and Green Bin B.

"Gross Advertising Revenues" shall mean payments received by Shoreline with respect to the placement of advertising material on the Green Bins.

"Guaranteed Annual Base Fee" shall have the meaning set forth in Exhibit C.

2. Services.

- 2.1. Provision of Green Bins.
- (a) Shoreline shall provide and install a minimum of seventy-nine (79) Green Bins on the City's beaches, marinas, esplanades, parking lots, run/walk paths and parks adjacent to the City's beaches (collectively, the "City Property").
- (b) The exact location, type, and allocation of Green Bins shall be determined by the City Manager or his designee within the areas as set forth on Exhibit D, and shall be amended as warranted based upon the operational needs of the City.

- (d) Shoreline shall collect, remove and dispose, or shall cause the collection, removal and disposal, of the recyclables from the Green Bins on a regular basis as recommended by Shoreline and approved by the City Manager or his designee. Shoreline may engage the services of a sub-contractor for such services as recommended by Shoreline and, subject to the approval of the City Manager or his designee. Such approval shall not to be unreasonably withheld or delayed; provided, however that the California Conservation Corps of Long Beach shall be deemed to be an approved sub-contractor. Shoreline shall provide the trash can liners for the collection of recyclables.
- (e) The City shall remove, or shall cause the removal of, all refuse from the refuse-only portion of the Green Bins on a regular basis. The City shall provide the trash can liners for the collection of non-recyclable refuse in the refuse-only portion of the Green Bins.
- (f) In the event that the City requires, as determined by the City Manager's or his designee's sole discretion, that any of the Green Bins be removed or relocated for any reason, Shoreline will effect such removal or relocation within seven (7) days of receipt of the City's request, and restore the site to its former condition to the extent reasonably practicable.
- (g) Shoreline shall have the right to remove and/or temporarily relocate Green Bins only for the purposes of maintaining and/or repairing them, replacement of Green Bins or to protect Green Bins from exposure to undue hazards, upon giving the City ten (10) days' prior written notice and upon the approval of the City Manager or his designee.
- 2.2. <u>Exclusive Right of Advertising</u>. Shoreline shall have the exclusive right during the Term (as defined below) to sell and place advertising on the Green Bins. The City shall not grant any advertising rights to any other provider utilizing the same or

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similar advertising platforms as the Green Bins on City Property as defined herein; provided, however that the foregoing limitation shall not prevent the City from allowing or licensing other parties to sell and place advertising on bus and park benches; signs and placards placed on or adjacent to private or public buildings; signs, labels or placards that are displayed on vending machines; signs and placards that are displayed on telephone booths and/or stations; or advertising signs and placards associated with special event venues that are temporary and/or transient, and any other reasonable location where such City advertising and/or City announcements are displayed.

2.3. Maintenance.

- Shoreline shall be solely responsible for the maintenance of the (a) Shoreline shall be required to repair, remove or replace any and all Green Bins. encumbrances to the Green Bins within forty-eight (48) hours of documented notice from the City with respect to graffiti and general cleanliness, and within seventy-two (72) hours of documented notice from the City with respect to weather damage or damage from tampering, defacement or vandalism.
- The City, its employees and agents will maintain a level of (b) reasonable care in its use of Shoreline's property, including the Green Bins and shall assist Shoreline as reasonably appropriate in protecting and safeguarding Shoreline's property.
- (c) At a minimum of two times during each calendar year of the term of this agreement, Shoreline shall provide training to the City regarding care for the Green Bins. Such training shall be conducted at the sole expense of Shoreline and shall include written notice that the City acknowledges and is fully aware of the extent of its responsibility for the reasonable care of the Green Bins.
- (d) Shoreline shall install and maintain at its sole expense a reporting system ("Trouble Ticketing") to facilitate the reporting, tracking and monitoring of problems pursuant to the operation and/or deployment of the Green Bins including, but not limited to; blight, graffiti, vandalism and/or maintenance issues as defined in Section

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2.3 (a), throughout the term of this Agreement. Shoreline at its sole discretion may choose the format of the Trouble Ticketing System, as long as the following conditions are met;

- (i) Trouble Ticketing System shall operate and have the appropriate monitorial capability to be reasonably available twenty-four (24) hours a day, seven (7) days a week to the general public.
- Trouble Ticketing System shall have the capability to track receipt, (ii) status of reports and store such information to be produced to the City within ten (10) days of demand by notice in writing from the City Manager or his designee.
- 2.4. Inventory; Storage. Shoreline shall maintain throughout the term of this agreement and at its sole expense a minimum inventory of Green Bins equivalent to thirty (30%) of the total number of Green Bins deployed on City property for the purpose of; additional placement needs of the City, repair, removal or replacement of Green Bins. The City shall not provide storage space to Shoreline at any time during the term of this agreement for the purposes of storing such inventory.
- 2.5. The City shall give Shoreline and its Use of City Property. employees, agents, and sub-contractors full access to, and the reasonable use of, City Property, including the beach and adjacent properties, for the purposes of performing the services hereunder, including the installation of advertising from time to time. ΑII necessary identification cards, permits and car passes will be provided by the City to Shoreline upon request.

3. Consideration.

- 3.1. In consideration for the grant of rights set forth in Sections 2(a) and 2(b) above, and subject to Section 2.1(g), Shoreline shall pay to the City on an annual basis the greater of:
- a Guaranteed Annual Base Fee per Green Bin (Five-Hundred (a) Dollars (\$500.00) per A-Bin and Seven-Hundred Fifty (\$750.00) per B-Bin) multiplied by the number of Green Bins deployed from the first day of the term year to the last day of

(b) a tiered percentage of the aggregate Gross Advertising Revenues received by Shoreline with respect to the Green Bins ("Advertising Fee") calculated as follows:

Percentage	Gross Annual Advertising Revenues
17% on the first	\$0 - \$1,000,000
19% on the next	\$1,000,001 - \$2,000,000
21% on the next	\$2,000,001 - \$3,000,000
23% on the next	\$3,000,001 - \$4,000,000
25%	Over \$4,000,000

- 3.2. Shoreline shall submit a statement to the City within thirty (30) days of the end of each calendar quarter identifying (i) the location of each Green Bin, (ii) the apportioned amount of the Guaranteed Annual Base Fee attributable to each Green Bin for the preceding calendar quarter, (iii) the amount of gross advertising revenue received by Shoreline with respect to each Green Bin during the preceding calendar quarter, and (iv) the aggregate Gross Advertising Revenues received by Shoreline during the preceding calendar quarter.
- 3.3. In kind contributions in lieu of advertising revenue shall be subject to review and approval at the discretion of the City Manager or his designee. Contributions shall be valued based upon the retail price of the applicable service and/or commodity and shall be credited against Shoreline's payment obligations in this Section 3. Services and/or commodities including but not limited to vehicles, donated products and/or monetary donations shall be evaluated and reviewed by the City Manager or his designee on a case-by-case basis. Shoreline acknowledges that it shall abide by the

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decision of the City Manager or his designee and that such acceptance or refusal of the service and/or commodity under review shall not constitute precedence for acceptance or refusal of subsequent future in kind contributions.

- 3.4. The Guaranteed Annual Base Fee shall be payable on or before March 1st of each year of the Term for the preceding calendar year and shall include an apportioned amount for any additional Green Bins deployed or removed for less than a full calendar vear.
- The Advertising Fee shall be payable within thirty (30) days of the 3.5. end of each calendar quarter with respect to the aggregate Gross Advertising Revenue received by Shoreline during the preceding calendar quarter.

4. Term; Termination.

- 4.1. The term of this Agreement shall be for five (5) years beginning on January 1, 2009 and terminating on December 31, 2013 (the "Initial Term"). The City Manager shall have the option at his sole discretion to extend the term of this Agreement for two (2), additional five (5) year periods, provided Shoreline submits a written request no later than one hundred twenty (120) days prior to the expiration of the Initial Term.
- 4.2. Notwithstanding Section 4.1 above, this Agreement may terminated as follows:
- In the event that either party is in material breach of the provisions (a) herein, the non breaching party shall give the breaching party written notice that it is in material breach of its obligations. The breaching party shall have sixty (60) days from the post date of the written notice to remedy its material breach prior to termination. Upon the expiration of the sixty (60) day remedy period, if the material breach has not been fully cured, the breaching party shall be terminated as specified in Section 5.1, 5.2 and/or 5.3 of this Agreement; or
- by either party at any time by giving thirty (30) days written notice to (b) the other party in the event such other party becomes the subject of any voluntary or involuntary bankruptcy, receivership or other insolvency proceedings or makes an

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assignment or other arrangement for the benefit of its creditors.

5. Consequences of Termination.

- Upon Termination of this Agreement by Shoreline, City shall receive immediate and full ownership of all Green Bins, deployed and/or otherwise stored offsite, as required by this Agreement unless notified to the contrary in writing by the City Manager or his designee. Within thirty (30) days of the termination of this Agreement, Shoreline shall deliver, cause to be delivered or make available at the discretion of the City Manager or his designee to the City all Green Bins stored offsite unless notified to the contrary by the City Manager or his designee. Upon termination, notwithstanding the above, Shoreline shall immediately cease and desist from all operations defined herein in this Agreement.
- 5.2. Within ninety (90) days of the termination or expiration of this Agreement, Shoreline shall deliver final payment to the City pursuant to Section 3, through the date of termination or expiration.
- In the event that this Agreement is terminated by the City pursuant to 5.3. Section 4.2 (a) or (b), then the Green Bins installed by Shoreline pursuant to this Agreement shall become the property of the City.

6. Nondiscrimination.

- 6.1. During its use of the permit areas and operations, Shoreline, its employees and agents shall not discriminate on the basis of race, religion, color, ancestry, sex, sexual orientation, sexual identity, gender identity, AIDS, AIDS relation condition, HIV status, age, national origin, handicap or disability.
- 6.2. Shoreline acknowledges that it is the policy of the City to encourage the participation of minority and women-owned business enterprises in the City's procurement process, and the use of approved subcontractors.

7. Advertising.

7.1. City Manager or his designee shall have oversight over all advertising content presented by Shoreline.

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7.2. No advertisement, on any Green Bin, shall contain any reference to or depiction of the specified anatomical areas defined in Section 21.15.110 (as amended or replaced) of the Long Beach Municipal Code, any obscene act, gesture, or word as defined in any federal, state, county, or municipal law or ordinance, any sale or use of alcohol or tobacco products or any sale or use of illegal drugs or drug paraphernalia. If Shoreline installs or permits the installation of advertising in violation of this Section, then Shoreline shall remove such advertising within twenty-four (24) hours after receiving a request from the City. If Shoreline fails to remove such advertising within that time, then the City reserves the right to do so and Shoreline shall pay the costs incurred by the City for such removal, upon receipt of an invoice of those costs from the City.

- 7.3. No advertisement on any Green Bin shall contain any rotating, revolving or flashing lighting device.
- 7.4. Shoreline shall make available to the City for a period of eight (8) months each year the advertising panel on certain Green Bins as identified in Exhibit B. The City shall be solely responsible for the cost of producing the advertising placed by the City. Once installed, the advertising shall be maintained by Shoreline, as specified in Section 2.3 (a) herein. The City may reserve such advertising space at its discretion by providing six (6) months' prior written notice to Shoreline. In those instances where the City is unable to provide six (6) months notice, Shoreline will make a good faith effort to accommodate the City's advertising requirements on an as needed basis. The parties also acknowledge that the aforementioned advertising panel on certain Green Bins identified in Exhibit D will be offered to civic and local environmental groups for advertisements when not being used by the City.
- 8. Security/Access. Shoreline shall incorporate and maintain at its sole cost, security features, including but not limited to, locking mechanisms, on each Green Bin. The City shall have full access to the Green Bins at all times. At no time shall either party or its employees, officers, agents or sub-contractors prevent or encumber either party or its employees from having access to the Green Bin signage.

9. Indemnity.

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- Shoreline shall, with respect to services performed in connection with 9.1. this Agreement, defend, indemnify, hold, protect and save harmless the City of Long Beach, its officials, commissioners, employees, and agents ("City") from and against any and all actions, suits, proceedings, claims, demands, damages, losses, liens, costs, expenses or liabilities of any kind or nature whatsoever ("claims"), which may be brought, made, filed against, imposed upon or sustained by the indemnified parties, or any of them, alleging injury to or death of persons or damage to property, including property owned by or under the care and custody of Shoreline:
- 9.2. City shall notify Shoreline of any claim, tender its defense to Shoreline, and shall assist Shoreline as may reasonably be requested in the defense thereof. Upon such notification and tender, Shoreline shall have independent duties to defend such claim, and to indemnify the indemnified parties except to the extent that such injury, death or damage is determined by a Court of competent jurisdiction to have been caused by the active negligence or willful misconduct of City. Payment of a claim by City shall not be a condition precedent to recovery under this indemnity.
- 9.3. City shall, with respect to services performed in connection with this Agreement, defend, indemnify, hold, protect and save harmless Shoreline from and against any and all actions, suits, proceedings, claims, demands, damages, losses, liens, costs, expenses or liabilities of any kind or nature whatsoever ("claims"), which may be brought, made, filed against, imposed upon or sustained by the indemnified parties, or any of them, alleging injury to or death of persons or damage to property, including property owned by or under the care and custody of City:
- 9.4. Shoreline shall notify City of any claim, tender its defense to City, and shall assist City as may reasonably be requested in the defense thereof. Upon such notification and tender, City shall have independent duties to defend such claim, and to indemnify the indemnified parties except to the extent that such injury, death or damage is determined by a Court of competent jurisdiction to have been caused by the active

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negligence or willful misconduct of Shoreline. Payment of a claim by Shoreline shall not be a condition precedent to recovery under this indemnity.

10. Insurance.

- 10.1. As a condition precedent to the effectiveness of the Agreement, Shoreline shall procure and maintain at its sole expense for the entire term of the Agreement from an insurance carrier that is admitted to write insurance in California or from authorized non-admitted insurance companies that have ratings of or equivalent to A:VIII by A.M. Best Company: Commercial general liability insurance (equivalent in scope to ISO form CG 00 01 11 85 or CG 00 01 11 88) (including products and at least Fifty Thousand Dollars [\$50,000] fire legal liability) in an amount not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) general aggregate. Such coverage shall include but not be limited to broad form contractual liability, cross liability, independent contractors liability, and products and completed operations liability, and at least \$50,000 fire legal liability. The City, its officials, employees and agents shall be named as additional insureds by endorsement (on the City's endorsement form or on an endorsement equivalent in scope to ISO form CG 20 10 11 85 or CG 20 26 11 85), and this insurance shall contain no special limitations on the scope of protection given to the City, its officials, employees and agents.
- (a) Workers' compensation coverage as required by the California Labor Code and employer's liability insurance in an amount not less than One Million Dollars (\$1,000,000) per accident or occupational illness.
- (b) "All risk" property insurance, covering the full replacement value of the installation of the Green Bins provided pursuant to this Agreement.
- (c) Automobile liability insurance equivalent in coverage scope to ISO CA 00 01 06 92 in an amount not less than Five Hundred Thousand Dollars (\$500,000) combined single limit per accident for bodily injury and property damage covering Symbol 1 ("all autos").
 - 10.2. Any self-insurance program or self-insurance retention must be

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approved separately in writing by the City's Risk Manager and shall protect the City, its officials, employees and agents in substantially the same manner and to the same extent as they would have been protected had the policy or policies not contained retention provisions. Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided or canceled by Shoreline except after thirty (30) days' prior written notice to the City, and shall be primary and not contributing to any other insurance or selfinsurance maintained by the City.

- 10.3. Shoreline shall deliver to the City certificates of insurance and original endorsements for approval as to sufficiency and form prior to the commencement of the services hereunder. The certificates and endorsements shall contain the original signature of a person authorized by that insurer to bind coverage on its behalf. "Claims made" policies of insurance are not acceptable unless the City Risk Manager determines that "occurrence" policies are not available in the market for the risk being insured. If a "claims made" policy is accepted, it must provide for an extended reporting period of not less than one hundred eighty (180) days. Such insurance as required herein shall not be deemed to limit Shoreline's liability relating to performance under this Agreement. City reserves the right to require complete certified copies of all said policies at any time. Any modifications or waiver of the insurance requirements herein shall only be made with the approval of the City's Risk Manager. The procuring of insurance shall not be construed as a limitation on liability or as full performance of the indemnification provisions of this Agreement.
- 11. Assignment. Shoreline shall not assign its rights hereunder, or any interest herein, or any portion hereof, without the prior written approval of the City Manager or his designee, such approval not to be unreasonably withheld or delayed, except that Shoreline may assign any monies due or to become due to it without the prior approval of the City. Shoreline shall not subcontract any portion of the performance of the services hereunder without the prior approval of the City Manager or his designee, nor substitute an approved subcontractor without the prior written approval of the City Manager or his

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designee, such approval not to be unreasonably withheld or delayed. Any attempted assignment, delegation or subcontracting shall be void and any assignee, delegate or subcontractor shall acquire no right or interest in this Agreement by reason of such attempted assignment, delegation or subcontracting.

- 12. Inspection of Records. The City shall have the right at all reasonable times, by giving not less than seventy-two (72) hours prior notice by telephone and/or facsimile during the Term and for a period of four (4) years after the termination or expiration of this Agreement, to examine, audit, inspect, review, extract information from, and copy all books, records, accounts, and other documents of Shoreline, to the extent they are related to this Agreement.
- 12.1. Shoreline shall immediately remit to the City all related audit costs, if an audit of Shoreline books, records, accounts and/or other applicable documents finds an underpayment of the Advertising Revenue or Annual Base Fee that is three percent (3%) or greater of any applicable amount owed.
- Governing Law. This Agreement shall be governed by and construed 13. pursuant to the laws of the State of California and no rules pertaining to conflict of laws shall apply. Shoreline shall comply in all respects with all laws, ordinances, rules and regulations of, and obtain such permits, licenses, and certificates required by, all federal, state and local governmental authorities having jurisdiction over the subject matter of this Agreement, including but not limited to 23 U.S.C. Sec. 131 and regulations promulgated therewith, California Business and Professions Code, Section 5200 et seq., and the Long Beach Municipal Code, including the requirements for a business license.
- 14. Right of First Refusal. The City agrees that Shoreline shall have the right of first refusal for expansion of its services outlined herein into other areas throughout the City.
- 15. Entire Agreement; Severability; Waiver; Survival. This Agreement, together with the Exhibits hereto, constitutes the entire agreement between Shoreline and the City with respect to the subject matter hereof and supersedes all prior proposals and

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agreements, oral or written, and all other communications between Shoreline and the City relating to the subject matter hereof. If any provision of this Agreement shall be held to be invalid, illegal, or unenforceable, in whole or in part, such provision shall be modified to the minimum extent necessary to make it legal, valid and enforceable, and the remaining provisions shall not in any way be affected or impaired. No delay or omission to exercise any right or remedy accruing to either party upon any breach or default of the other party shall impair such right or remedy, or be construed to be a waiver of any such breach or default. Any waiver by a party of any breach or default under this Agreement or modification to this Agreement must be made in writing referring to this Agreement, specifically stating its intention to effect a waiver or modification, and executed by an authorized corporate officer of the waiving party. The provisions of this Agreement which by their nature are intended to survive termination of the Agreement shall so survive, including, without limitation, Sections 5, 9, and 12-15 and 17-18.

- 16. Possessory Interest. This Agreement may create a possessory interest subject to property taxation and Shoreline may be liable for the payment of property taxes levied on such possessory interest. Shoreline shall pay or cause to be paid, prior to delinquency, all taxes, assessments and other governmental and district charges that may be levied or assessed for buildings, improvements or property located on the permit areas and upon possessory interests created by this Agreement. Satisfactory evidence of such payments shall be delivered by Shoreline upon demand therefore.
- 17. Notice. Any notice, demand, request, consent, or communication that either party desires or is required to give to the other party or any other person shall be in writing and either personally delivered or deposited in the U.S. Postal Service, first class, postage prepaid, addressed to Shoreline at the address first stated above and to the City at 2760 Studebaker Road, Long Beach, CA 90815 Attn: Director. Notice of change of address shall be given in the same manner as stated herein for other notices. Notice shall be deemed given on the date personal delivery is made or forty-eight (48) hours after deposit in the mail.

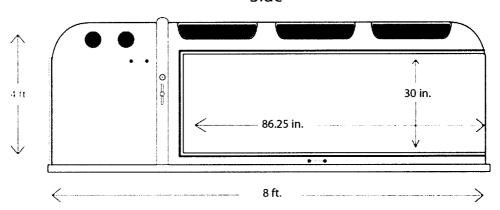
OFFICE OF THE CITY ATTORNEY ROBERT E. SHANNON, City Attomey 333 West Ocean Boulevard, 11th Floor Long Beach, CA 90802-4664

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EXHIBIT A

Green Bin "A"

Side





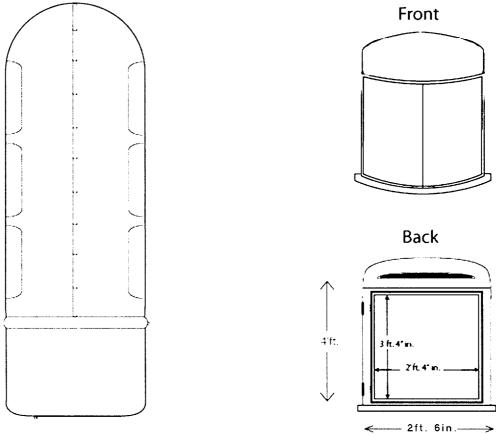
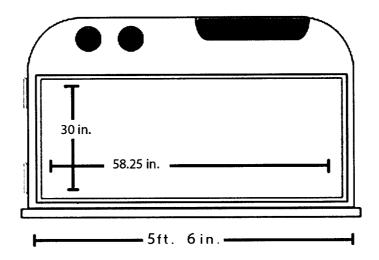


EXHIBIT B

Green Bin "B"



Poster trim edge: 31.25" x 60"

Live Area: 30" x 58.25 "

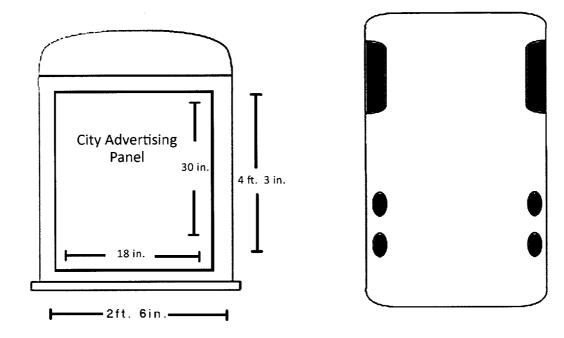


EXHIBIT C

Guaranteed Annual Base Fee (PER GREEN BIN)

Year One of the Term

Green Bin A \$375.00

Green Bin B \$250.00

Year Two and Subsequent Years of the Term

Green Bin A \$750.00

Green Bin B \$500.00

Apportioned Partial-Year Annual Base Fee for Year One of the Term

Green Bin A \$375.00 x (a / 12)

Green Bin B \$250.00 x (a / 12)

Where a = the number of calendar months deployed.

Apportioned Partial-Year Annual Base Fee for Year Two and Subsequent Years of

the Term

Green Bin A \$750.00 x (a / 12)

Green Bin B \$500.00 x (a / 12)

Where a = the number of calendar months deployed.

EXHIBIT D

Location of Green Bins; Allocation of Green Bins;



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Rainbow Harbor and Shoreline Marina

EXHIBIT D

Location of Green Bins; Allocation of Green Bins;



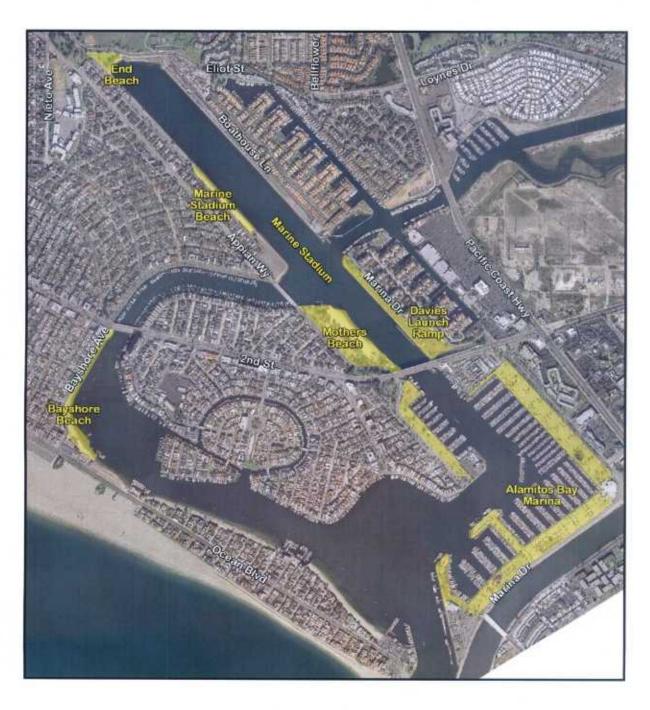
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Beach Areas

Annual An

EXHIBIT D

Location of Green Bins; Allocation of Green Bins;





Alamitos Bay Marina

