

Meeting Date: 1/28/2014

Report Type: Consent

Report ID: 2014-00063

Title: Award Contract for Lease of Three City-owned Billboard Structures Adjacent to Business 80 at Sutter's Landing Regional Park

Location: Northwest side of Business 80 at Sutter's Landing Regional Park, District 3

Issue: City Council approval is required to award a lease for three City-owned billboard structures because the rent is in excess of \$100,000.

Recommendation: Pass a Resolution approving a lease with CBS Outdoor for a one-year term at a total amount of \$240,000 or 60% of the gross revenues Lessee receives from the sale of advertising on the Premises, whichever amount is greater.

Contact: Camille Wise, Resource Development Specialist, (916) 808-8830; Lori Harder, Support Services Manager, (916) 808-5172, Department of Parks and Recreation

Presenter: None

Department: Parks & Recreation Department

Division: Fiscal and Management Services

Dept ID: 19001011

Attachments:

1-Description/Analysis

2-Background

3-Resolution

4-Billboard Lease Agreement (CBS Outdoor)

City Attorney Review

Approved as to Form
Sheryl Patterson
1/21/2014 8:15:02 AM

City Treasurer Review

Reviewed for Impact on Cash and Debt
Russell Fehr
1/13/2014 11:07:07 AM

Approvals/Acknowledgements

Department Director or Designee: Jim Combs - 1/16/2014 10:17:56 AM

Description/Analysis

Issue: In September 2013, the City issued an Invitation for Bid for lease of the three City billboards located at Sutter's Land Regional Park along the Business 80 freeway. Three bids were received and CBS Outdoor, Inc. (CBS) offered the highest lease payment. CBS is the current lessee and the prior lease extended from 2007 through 2013. City Council approval is required to enter into a one-year lease agreement for the three billboard structures the City owns at Sutter's Landing Regional Park.

Policy Considerations: The recommended actions in this report are consistent with City Code Chapter 3.68 regarding leasing of City-owned property. Continuing the dedication of lease revenues to develop Sutter's Landing Regional Park is consistent with Council's goal to achieve sustainability and livability.

The recommended action is also consistent with policies contained in the Council approved Parks and Recreation Master Plan 2005-2010 including: 1) Pursue dedicated and consistent funding for regionally serving parks and amenities, and 2) Develop an expanded vision and plan for a system of regional parks including destination attractions or facilities such as large parks, unique venues, parkways, and river/creek corridors.

Economic Impacts: Not applicable.

Environmental Considerations:

California Environmental Quality Act (CEQA): The proposed action is exempt from environmental review pursuant to the CEQA Guidelines section 15301 (a), because it consists of the leasing of existing public structures involving no expansion of the existing use.

Sustainability: The lease between CBS Outdoors, Inc. and the City of Sacramento is consistent with the goals, policies and targets of the Sustainability Master Plan and the Parks and Recreation Sustainability Plan.

Commission/Committee Action: None.

Rationale for Recommendation: The City of Sacramento generates revenue by leasing the three City-owned billboards located adjacent to Business 80 along the southeast border of Sutter's Landing Regional Park. The recommended lease will result in lease revenues of \$240,000 over 12 months or 60% of the gross revenues lessee receives from the sale of advertising on the premises, whichever amount is greater. With Council approval, these monies will be designated for Sutter's Landing Regional Park. There are no dedicated funding sources for regional park development; therefore, securing unique funding opportunities such as this is critical to developing Sacramento's regional park system.

Financial Considerations: During the term of the recommended lease, CBS will make monthly rental payments in the amount of \$20,000 for the period of January 1, 2014 through December 31, 2014 for a total \$240,000, or 60% of the gross revenues CBS receive from the sale of advertising on the Premises, whichever amount is greater. Adoption of the Resolution will appropriate the General Fund revenue from this lease to the Sutter's Landing Regional Park Project (L19167000).

Local Business Enterprise (LBE): Not applicable.

BACKGROUND

CBS Outdoor, Inc. (CBS) was awarded a three-year lease for three City-owned outdoor advertising structures at Sutter’s Landing along the Business 80 freeway, which extended from 2007 through 2009. The City Council approved three extensions of the lease, which expired on December 31, 2013.

CBS had been paying a monthly lease rate of \$31,250 or \$375,000 annually, which amount had not changed since 2007. Last September, an Invitation For Bids (IFB) was issued and sent to 14 billboard advertising companies. The IFB for offered a lease term of three years with a two year option. The bids received for the three year period were as follows:

<u>CBS</u>	<u>Clear Channel</u>	<u>Lamar</u>
\$666,519	\$466,000	\$370,908

The monthly amount offered by CBS was \$17,618 for the first year, \$18,500 for the second year and \$19,425 for the third year, or roughly 45% below the current lease rate.

CBS indicated that the lower rate bid was due to the reduction in advertising receipts for these static billboards due to the new digital billboards that have been placed in the Sacramento area over the past few years. Because possibly six new digital billboards may be erected within the City as part of the arena project financing, staff believes that such uncertainty affected the bid amounts. As a result, staff negotiated with CBS to increase its lease rate to \$20,000 monthly or 60% of the gross advertising revenues, whichever amount is higher, and agreed to a one year lease term, effective January 1, 2014.

Also, CBS will be allowed to change the two-faced billboards with a tri-vision board that allow for three advertising spaces per board in the hope of achieve more advertising revenues. In addition, Lessee may replace the existing face of one of the billboards with a larger 14 ft. x 48 ft. board. The City had used half of the face of this smaller billboard for City advertisements, and instead CBS has agreed to place up to 10 City advertisements on its billboards in the Sacramento area annually. Over the next year, City staff will evaluate the advertising market and determine whether to issue a new IFB or negotiate with CBS for an extension of the lease.

The lease revenues have provided for important improvements in Sutter’s Landing Regional Park, previously a City landfill, including a dog park,

parking lot improvements, basketball courts and bocce ball courts. Anticipated funding from the new lease will serve as matching funds for a recently-acquired grant that will provide further developments at the park, including restoration of native vegetation, entry enhancements, site furniture and a shade structure.

RESOLUTION NO.

Adopted by the Sacramento City Council

APPROVING A LEASE AGREEMENT WITH CBS OUTDOOR, INC. FOR THREE CITY-OWNED BILLBOARD STRUCTURES ADJACENT TO BUSINESS 80 AND ALLOCATING THE LEASE REVENUES FOR SUTTER'S LANDING REGIONAL PARK

BACKGROUND

- A. The City issued an Invitation for Bid for lease of the three City billboards located at Sutter's Land Regional Park along the Business 80 freeway. Three bids were received and CBS Outdoor Inc. offered the highest lease payment.
- B. CBS Outdoor, Inc. will make rental payments of \$20,000 monthly or 60% of the gross advertising revenues, whichever is greater. The minimum lease payment of \$240,000 for the lease period from January 1, 2014 through December 31, 2014 are general fund revenues that are to be appropriated for improvements to Sutter's Landing Regional Park consistent with the allocation of revenues under the prior billboard lease.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Manager or his designee is authorized to execute the Lease Agreement with CBS Outdoor, Inc. attached as Exhibit A, for the lease of the three City-owned billboard structures for a one year term in the amount of \$20,000 per month or 60% of the gross advertising revenues, whichever amount is greater.
- Section 2. The City Manager or his designee is authorized to establish revenue and expenditure budgets within the Parks and Recreation Department to appropriate the lease payments to the Sutter's Landing Regional Park Project (L19167000) to fund capital improvements at Sutter's Landing Regional Park.

Table of Contents:

Exhibit A – Lease Agreement Three Billboards Along Business 80 Freeway At Sutter’s Landing Regional Park

**LEASE AGREEMENT
THREE BILLBOARDS ALONG BUSINESS 80 FREEWAY
AT SUTTERS LANDING REGIONAL PARK**

This LEASE AGREEMENT (“Agreement”) dated January __, 2014 (“Execution Date”) is made by and between the CITY OF SACRAMENTO, a municipal corporation (“City”) and CBS OUTDOOR LLC, a Delaware limited liability company, (“Lessee”). City and Lessee are individually referred to as “Party” and collectively as “Parties.”

Background

The City owns three two-sided Billboards located at Sutter’s Landing Regional Park along the Business 80 Freeway as further described on Exhibit A attached hereto and incorporated herein by reference (the “Billboards”). These Billboards have been under prior leases to outdoor advertising companies for placement of commercial advertisements. The City has pledged the lease revenues to fund improvements to Sutter’s Landing Regional Park.

The prior lease, which had a term of three years and was extended for an additional three years, expired on December 31, 2013. The City issued an invitation for bid and Lessee was selected as the responsible bidder offering the highest total rent.

NOW, THEREFORE, in consideration of the mutual commitments as hereinafter set forth, the Parties enter into this Agreement for the purpose of establishing each Party’s rights and obligations with regard to the use and maintenance of the City’s three Billboards.

Agreement

1. PREMISES AND LEASE RIGHTS - City leases to Lessee and Lessee leases from City the three Billboards located on City property situated on the west side of the Business 80 Freeway between the E Street and Exposition Blvd freeway ramps as further depicted on Exhibit B attached hereto and incorporated herein by reference (collectively the “Premises”) on the terms and conditions set forth in this Agreement. Each Billboard has two-sides for advertising space.

Lessee may replace one side of each Billboard with a tri-vision board, which has three faces to allow for an additional advertising, or with a larger 14 ft x 48 ft board. Lessee shall be responsible for obtaining any permits required by Caltrans to replace the Billboard face. If a tri-vision board is installed, at the expiration of this Agreement, Lessee shall either transfer ownership of the tri-vision board to the City or replace that tri-vision face with a face that is the same size as the one that Lessee removed, at its election.

The Premises is located within a portion of the Sutter’s Landing Regional Park site that lies immediately adjacent to a closed landfill area and is fenced and not accessible to the public. The rights granted herein include the right to access the Premises through the City’s landfill property along the existing dirt access road, which is located along the freeway frontage. To the extent reasonably possible and absent exigent circumstances, work performed on the Premises by Lessee shall be scheduled to occur during the hours of 6:00 a.m. to 8:00 p.m. Monday through Sunday, unless otherwise agreed upon by Lessee and the City. Lessee shall

not enter into any other portions of the Sutter's Landing Regional Park site without City's prior written approval.

The site of the Premises is known to include bushes which are habitat for the Valley Elderberry Longhorn Beetle, which is currently listed as a federally threatened species, although it has been proposed for delisting by the US Fish and Wildlife Services (USFWS). A final rule has not yet been issued as of the Execution Date. These bushes can grow high enough to reach the lower portion of the Billboards. Lessee is prohibited from trimming these bushes without the required permits and approvals from the USFWS while the Beetle remains listed as a threatened species.

City covenants and warrants that City will not park, erect, place, construct, or plant any vehicles, improvements, structures, or vegetation (including trees) on or immediately adjacent to the Premises which would in any manner, partially or completely, obscure, obstruct, or otherwise interfere with the views of the Billboards from the adjacent Business 80 Freeway, as such views exist as of the Execution Date. If during the Term of this Agreement, the view of any one of the three Billboards from the Business 80 freeway is impacted by the action or inaction of City, then Lessee shall notify City and provide a reasonable period of time (the "cure period") to allow City to correct the violation. City shall not be liable to Lessee for any consequential damages including, without limitation, loss of advertising revenue and anticipated profits, if the view of the Billboards from the Business 80 freeway is impacted by the improper action or inaction of City; however, Lessee shall be entitled to abatement or refund of rent for the period that such views were impacted, measured from the date of Lessee's written notice to the date the violation is remedied if it is not corrected within the cure period.

2. TERM - The initial period ("Initial Term") of this Agreement shall be for one year, from January 1, 2014 ("Commencement Date") through December 31, 2014 ("Expiration Date"). Thereafter, this Agreement shall automatically renewed on a month-to-month period on the same terms and conditions set forth herein with rent continued to be paid on a monthly basis until the Agreement is terminated by either party on not less than thirty (30) days prior written notice.
3. RENT - Lessee shall pay City as "Rent" for the period from January 1, 2014 through December 31, 2014 in the amount of Two Hundred and Forty Thousand and 00/100 Dollars (\$240,000.00) (the "Guaranteed Rent") or 60% of the gross revenues Lessee receives from the sale of advertising on the Premises (the "Percentage Rent"), whichever amount is greater. Lessee shall pay the rent to City in monthly installments of Twenty Thousand and 00/100 Dollars (\$20,000.00) on or before the 5th day of each calendar month. Notwithstanding the foregoing, the first monthly payment of Rent shall be due and payable within thirty (30) days after the execution of this Lease by both parties..

Payment shall be sent to: City of Sacramento
 Revenue Division
 915 I Street, Room 1214
 Sacramento CA 95814

The Guaranteed Rent shall be paid as set forth above. Lessee shall pay the City a rolling true-up of Percentage Rent (if any) within forty-five (45) days after the end of each calendar

quarter. Within forty-five (45) days after the end of each calendar quarter, Lessee shall report to City the amount of its gross receipts for that calendar year to date and the Percentage Rent calculation in connection therewith .

During the Term, Lessee shall make all records, invoices, and other documents relating solely to the Annual Report (collectively, the "Records") available to the City for review and audit not more than once per Lease Year upon not less than ten (10) business days prior written notice. Such review and audit must be conducted by the City (or by an independent, certified accountant at the City's sole cost and expense) at Lessee's offices located at 2050 W. Fremont St, Stockton CA 95203-1913 during Lessee's regular working hours. The City (and any certified public accountant hired by City to review Lessee's Records) shall not remove Lessee's Records from Lessee's office and shall keep all terms of Lessee's Records confidential. This confidentiality obligation shall survive the expiration or termination of the Lease. In the event that such audit reveals any veritable underpayment (the "Underpayment"), the City shall promptly notify Lessee thereof and Lessee shall deliver a check made payable to the City in an amount equal to the Underpayment plus and amount equal to five (5%) of the Underpayment (the "Underpayment Penalty Fee") within ten (10) business days after receipt of such notice. In the event that Lessee discovers through its own or other independent review of its Records that any overpayment has been made to the City, Lessee shall promptly notify the City of such veritable overpayment and the City shall deliver a check made payable to the Lessee in an amount equal to the overpayment within ten (10) business days after receipt of such notice.

Rent shall be due notwithstanding either: (a) any material diversion of traffic from, or a material reduction or change in the directional flow of traffic on, the Business 80 Freeway adjacent to the Premises, or (b) a force-majeure event (as defined in Section 14), occurs; but only if such diversion, disruption, or change in traffic flow or force majeure event continues uninterrupted for not more than 30 days. After that initial 30 day period, rent shall be abated if due to the traffic diversion, disruption, a change in directional flow of traffic, or a force majeure event, there is a significant reduction of the Average Annual Daily Trips from the 2012 count of more than twenty percent (20%). However, either party may terminate this Agreement if the diversion, disruption, change in traffic flow, or force majeure event is not expect to change or be remedied within a total period of 120 days from the date of its occurrence. In lieu of termination, the Parties may mutually agree to an adjustment of the amount of rent owed, or the amount of rent to be refunded if it was paid on a lump sum basis, under the terms of an amendment to this Agreement.

As additional consideration for this Lease, during the Term, Lessee shall display advertisements for City sponsored programs and events and for City public announcements or public education campaigns (the "City Copy") on Lessee's sign structure(s) in the Sacramento market in accordance with the advertiser agreement and non-space agreement by and between Lessee and the City attached hereto as Exhibit C and incorporated herein by reference (the "City Advertising Agreement"). City's advertising rights shall be for a total of ten four-week periods during the Term. City will design the advertisements and pay Lessee for its printing and shipping costs only.

4. USE OF PREMISES/ADVERTISING LIMITATIONS – The Premises are leased by City for the purpose of allowing Lessee to operate and maintain the three Billboards for the display of commercial advertisements. Lessee shall not use, or permit the use of, the Premises for any

other purpose.

Lessee is prohibited from placing any advertisements which, in the reasonable judgment of the City Manager or his designee, are determined to be: (i) false, misleading or deceptive; (ii) promotes the sale or use of alcoholic beverages, tobacco products, or marijuana, whether directly or indirectly; (iii) depicts violence or relates to illegal activity; (iv) contains "obscene matter," as that term is defined in the California Penal Code Section 311; (v) promotes adult entertainment as defined in Section 5.06.020 of the City Code; (vi) promotes or opposes a candidate for public office or promotes or opposes a ballot measure; (vii) holds a person or group of persons up to public ridicule, derision, or embarrassment, or defames a person or groups of persons; or (viii) contains language that is obscene, vulgar, profane, or scatological, or presents a clear-and-present danger of causing riot, disorder, or other imminent threat to public safety, peace or order.

Lessee shall comply with all applicable statutes, ordinances, regulations, rules or any orders of any federal, state, or local government agency (including City) in its use, maintenance and operation of the Premises, whether currently in effect or enacted after the Execution Date. Lessee shall not use, handle, store, transport, generate, release, or dispose of any materials that are deemed hazardous substances under applicable federal and state laws and regulations on or about the Premises. Lessee shall not maintain or commit any public or private nuisance, as defined by California law, on the Premises, and shall comply with any court order that may find that the advertisements placed by Lessee constitute a public or private nuisance. Lessee shall keep the Premises free of all mechanics liens and other encumbrances. Lessee shall not encumber the Premises or any part thereof for any purpose without the City's prior written consent, which City may withhold in its sole and absolute discretion.

5. CONDITION AND MAINTENANCE OF THE PREMISES – Lessee was offered the right to inspect the Premises prior to execution of this Agreement and to make an independent assessment of the condition of the Premises. Lessee accepts the Premises, which includes the three Billboards, in its current condition. Except as otherwise set forth in this Agreement, City makes no representation or warranty that the condition of the Premises is suitable for Lessee's intended use or will remain suitable for the duration of the Term.

Except as otherwise set forth in this Agreement, Lessee shall not alter the Billboards without the prior written consent of City, except for routine alterations necessary for the maintenance of the Billboards and the placement and removal of the advertisements. Lessee shall not store any personal property at the Premises without the prior written consent of City.

Lessee shall, at its own cost and expense, keep and maintain the Billboards in good order and repair and in a safe and attractive condition. If one or more of the Billboards are damaged or destroyed by any cause (other than City's wrongful acts), City shall not be obligated to repair or replace the Billboard(s) and either party may terminate this Agreement or, at Lessee's option, Lessee may repair or replace the Billboard(s) at its sole expense. The Rent owed for the remaining Term of the Agreement shall be adjusted or rebated to account for the loss of the use of that Billboard.

Lessee shall remove any garbage and refuse that may collect around the Billboards so that the Premises remains in an attractive condition. City will be responsible for annual weed abatement around the Billboards to minimize fire hazards and to maintain the fencing surrounding the Premises. City shall have a right of entry to enter the Premises at any and all reasonable times to inspect the Billboards and conduct its maintenance of the Premises as set forth in this Agreement.

Lessee shall insure that the advertisements placed on the Billboards are maintained in an attractive condition and are not torn or faded. Lessee should replace the advertisement poster at least once every sixty days, even if the content of the advertisement remains unchanged, unless the advertising material has a longer duration period.

6. OWNERSHIP AND REMOVAL OF BILLBOARDS – The three Billboards shall remain the personal property of City throughout the Term of this Agreement. At the expiration of the Term of this Agreement, City may transfer ownership of one or more of the three Billboards to Lessee and Lessee shall remove those Billboards to grade level within sixty (60) days from the expiration date of the Agreement. If City directs the removal of an existing Billboard below grade level, City shall reimburse Lessee for such additional removal costs. If prior to the expiration of the Term, another public agency acquires one or more of the three Billboards through eminent domain, Lessee shall be entitled to reimbursement by that public agency of the value of its remaining leasehold interest and any prepayment of Rent to City.
7. TAXES AND UTILITIES - Lessee shall be solely responsible to pay all real property taxes levied upon Lessee's possessory interest in the Premises, all personal property taxes in the event that ownership of one or more of the Billboards is transferred to Lessee or Lessee is permitted to store any personal property on the Premises, and any applicable sales taxes on Lessee's sale of advertising space on the Billboards. Lessee shall be responsible to arrange for the electric utility service to illuminate the Billboards to be billed directly to Lessee and Lessee shall promptly pay such charges to prevent any liens to be filed against City's property.
8. TERMINATION - Either party may terminate this Agreement if the other party is in default of its obligations and restrictions as set forth in this Agreement and the defaulting Party does not cure the breach within 30 days after receipt of the written notice from the other Party that specifies the basis of the breach and the required cure. The cure period shall be extended if the breach cannot reasonably be cured within 30 days and the defaulting Party is diligent in undertaking the cure.

Lessee may terminate this Agreement in the event that: (a) the view of the Billboards is obstructed through no fault of either Party; (b) there is a material diversion of traffic from, or a material reduction or change in the directional flow of traffic on, that portion of the Business 80 Freeway abutting the Premises; (c) any other government agency or a court requires the removal of advertising or one or more of the Billboards; or (d) the Premises is condemned by an entity with the power of eminent domain.

The City may terminate this Agreement if the Lessee: (i) commences a voluntary case, or has an involuntary case filed against it, under any applicable bankruptcy, insolvency, or similar law then in effect, and the case or order is not stayed, withdrawn or settled within 60 days

after it is filed, commenced, or entered (11 U.S.C. section 365(e)(2)(A), as amended, or any successor statute); or (ii) files for reorganization, becomes insolvent, or has a receiver or other officer with similar powers appointed for its affairs in any court with jurisdiction, whether or not with its consent, unless dismissed, bonded or discharged within 60 days after appointment.

9. NO JOINT VENTURE - It is understood and agreed that each Party is an independent government agency or corporation and that this Agreement shall not create a relationship between City and Lessee or its individual members of employer-employee, joint venture, partnership, or any other relationship of association. Except as expressly provided in this Agreement or as the Parties may specify in writing, neither Party shall have authority, express or implied, to act on behalf of the other Party in any capacity whatsoever as an agent.
10. INDEPENDENT CONTRACTORS - Each Party may assign employees or contract with third parties to perform services to meet their respective obligations under this Agreement at their exclusive discretion and the services of such assigned employees and third parties shall be at the sole expense of that Party. The assigned personnel of each Party shall not be entitled to any benefits payable to employees of the other Party.

This Agreement is for the sole benefit of the Parties hereto and no other person or entity shall be entitled to rely upon or receive any benefit from this Agreement or to enforce any provision in this Agreement.

11. INSURANCE - During the Term of this Agreement, Lessee shall, at its sole cost and expense, maintain in full force and effect to following insurance coverages:
 - A. Commercial General Liability Insurance providing coverage at least as broad as ISO CGL From 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, and premises owned, leased or used by the Lessee with limits not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability, and products and completed operations coverage.
 - B. Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the Lessee at the Premises.
 - C. Workers Compensation Insurance with statutory limits and Employer's Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Worker's Compensation policy shall include a waiver of subrogation in favor of the City.
 - D. The City and its officials, employees and agents shall be covered by the policy terms and endorsement as additional insureds on the General Liability and Automobile Liability insurance policies. Lessee will endeavor to provide City with thirty (30) days written notice of cancellation, but failure to do so shall impose no obligation or liability of any kind on Lessee, its insurer or their respective agents or representatives. The

endorsement shall state that Lessee's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. The Lessee's insurance coverage shall be primary insurance as respects the City and any insurance or self-insurance maintained by the City shall be in excess of the Lessee's insurance and shall not contribute with it. Nothing in this Section 11 shall limit the Lessee's obligations under the indemnity Section 12 set forth below.

12. INDEMNITY - Lessee agrees to fully indemnify, defend, and save harmless City and its officers, and employees from and against all actions, damages, costs, liability, claims, losses, judgments, penalties and expenses of every type and description, including, but not limited to, any fees and/or costs reasonable incurred by the City's staff attorney or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), to which any or all of them may be subjected, but only if and to the extent such Liabilities arise out of Lessee's negligence or willful misconduct in the performance of its obligations under this Agreement. This indemnity provision shall survive the expiration or termination of this Agreement.
13. NON-WAIVER - Waiver of any breach of, or default under, this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach either of the same or of another provision of this Agreement.
14. EXCUSABLE DELAYS - If the performance of any act required by this Agreement to be performed by either Party is prevented or delayed by reason of a cause beyond the reasonable control of that Party, including the elements (floods, earthquakes, windstorms, unusually severe weather), fire, riots, litigation, labor shortages (including strikes and walkouts), material shortages, the inability to secure permits, restrictive governmental laws or regulations, or any other cause (collectively "force majeure") except financial inability that is not the fault of the Party required to perform the act, the time for performance of the act will be extended for a period equivalent to the period of delay. However, nothing contained in this Section 14 shall excuse the prompt payment owed by Lessee as required by this Agreement or the performance of any act rendered difficult solely because of the financial condition of Lessee.
15. ASSIGNMENT PROHIBITED; SUCCESSORS - Lessee may not assign any right or obligation pursuant to this Agreement except to any entity controlling, controlled by and/or under common control with the Lessee or who acquires a majority of Lessee's assets. Any attempt or purported assignment of any right or obligation of Lessee with the intent of releasing Lessee from its obligations to City pursuant to this Agreement shall be void and of no effect. This Agreement shall be binding on the successors in interests of the Parties
16. GENERAL PROVISIONS.

16.1 Notices. All notices, consents, approvals and other communications under this Agreement shall be in writing and shall be deemed to have been duly given or made (a) upon delivery if hand delivered; (b) one day after delivery to any national overnight courier service, fee prepaid; or (c) three days after deposit with the United States Postal Service as registered or certified mail, postage prepaid, and in each case addressed as follows:

To The City: City of Sacramento
Parks and Recreation Department
Attn: Parks and Recreation Director
915 I Street, 3rd Floor
Sacramento, CA 95814
Phone: (916) 808-8526

To Lessee: CBS Outdoor LLC
Attn: Real Estate Manager
2020 W. Fremont Street
Stockton CA 95203-1913
Phone: (209) 466-5021

With a copy to:
CBS Outdoor LLC
Attn: General Counsel
405 Lexington Avenue
New York, NY 10174
Phone: (212) 297-6400

Any party may change its address for purposes of this Agreement by giving written notice to the other party as provided in this Paragraph 16.1.

16.2 This Agreement shall be governed by and be interpreted in accordance with the laws of the state of California. Venue for any litigation that may be filed to enforce the terms of this Agreement shall be filed with a court of competent jurisdiction in Sacramento, California.

16.3 Time is of the essence in connection with this Agreement. Section headings and captions in this Agreement are for convenience only. This Agreement may be executed in one or more counterparts. Facsimile and PDF (portable document format) signatures on this Agreement shall be binding as if original.

16.4 If any of the provisions of this Agreement is found or deemed by a court of competent jurisdiction to be invalid, void or unenforceable, they shall be considered severable from the remainder of this Agreement and shall not cause the invalidity or unenforceability of the remainder of this Agreement.

17. **ENTIRE AGREEMENT; MODIFICATION** - The Parties have each carefully reviewed this Agreement and have agreed to each term herein. No ambiguity shall be presumed to be construed against either Party. This Agreement contains all of the terms and conditions as agreed upon by the Parties, and supersedes any and all oral or written communications by and between the Parties. No waiver, alteration, modification, or termination of this Agreement shall be valid unless made in writing and signed by the Parties. In the event of a conflict between this Agreement and any other contract or understanding executed by the Parties subsequent to the commencement of this Agreement, the terms of this Agreement shall prevail and be controlling unless such other contract expressly provides to the contrary.

18. AUTHORITY - Each of the signatories to this Agreement represents that he/she is authorized to sign the Agreement on behalf of such Party and that all approvals, resolutions and consents which must be obtained to bind such Party have been obtained that no further approvals, acts or consents are required to bind such Party to this Agreement.

[remainder of page left intentionally blank]

IN WITNESS WHEREOF, this Agreement has been executed by City and Lessee as of the Execution Date.

CITY OF SACRAMENTO,
a municipal corporation

By: _____
Jim Combs
Director Parks and Recreation Department

For: John F. Shirey, City Manager

Approved as to form:

By: _____
Senior Deputy City Attorney

Attest:

By: _____
City Clerk

CBS OUTDOOR LLC

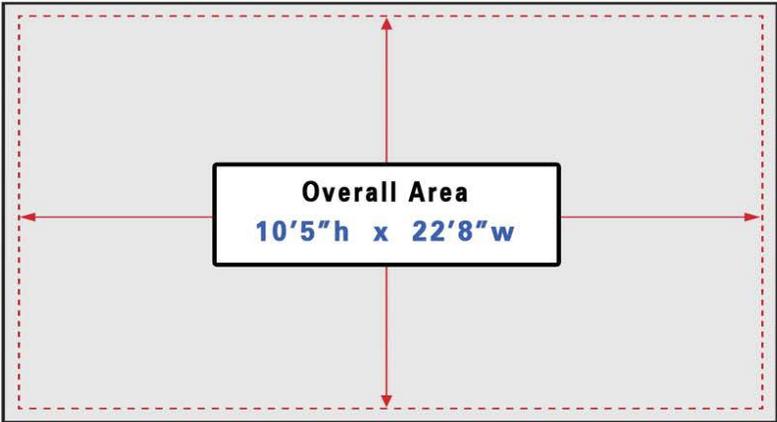
By: _____
Name:
Title:

EXHIBIT A
BILLBOARDS

ECO-POSTERS



STOCKTON
SPEC SHEET



FINAL SIZE		DIGITAL FILE REQUIREMENTS
Overall Size	Height x Width 10' 5" h x 22' 8"	
Live Area	10' 5" h x 22' 8"	Correct preparation of digital files is critical for timely production of your product.
ARTWORK SIZE		<ul style="list-style-type: none"> • Preview File: You must send a preview file with every job. Low Resolution PDF or JPEG format. • CMYK: All images. • Image DPI: 600 dpi at artwork size. • Acceptable File Formats: <ul style="list-style-type: none"> - Flattened TIF - Flattened PSD (No layered files please) - EPS (Fonts must be outlined and images embedded) - AI (Fonts must be outlined and images embedded)
Scale	Height x Width $\frac{1}{2}'' = 1'$	
Live Area	5.20" x 11.33"	
Resolution	600 dpi	

Updated 4-29-09



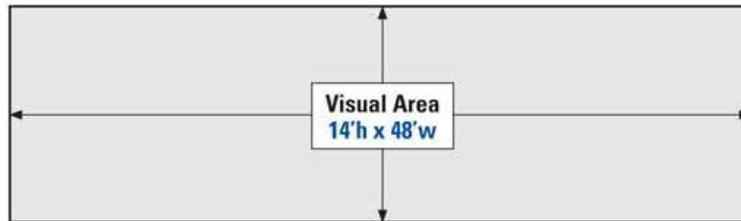
STOCKTON
SPEC SHEET

Stockton Office
209.466.5021
2050 W. Fremont St.
Stockton, CA 95203

14' X 48' BULLETIN



STOCKTON
SPEC SHEET



FINAL SIZE

	Height x Width
Pockets (4" on all sides)	15' 4" x 49' 4"
Bleed (4" on all sides)	14' 8" x 48' 8"
Visual Area	14' x 48'

ARTWORK SIZE

	Height x Width
Scale	1/4" = 1'
Bleed	3.75" x 12.25"
Visual Area	3.5" x 12"
Critical Area	1/8" in from bleed on all sides
Resolution	500 dpi (300 dpi min.)

EXTENSIONS

Extensions are an additional square footage cost.

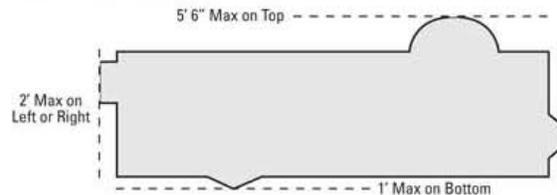
Actual size

Max on Top	5' 6"
Max on Left or Right	2'
Max on Bottom	1'

Artwork Size

Max on Top	1.375"
Max on Left or Right	0.5"
Max on Bottom	0.25"

Extension Limits



* Extensions to be reviewed on a case by case basis.

DIGITAL FILE REQUIREMENTS

Correct preparation of digital files is critical for timely production of your product.

- **Preview File:** You must send a preview file with every job. Low Resolution PDF or JPEG format.
- **CMYK:** All images.
- **Image DPI:** 500 dpi (300 dpi minimum) at artwork size.
- **Acceptable File Formats:**
 - Flattened TIF
 - Flattened PSD (No layered files please)
 - EPS (Fonts must be outlined and images embedded)
 - AI (Fonts must be outlined and images embedded)
 - Quark or InDesign (Must include all fonts and images)
 - Please do not submit PDF or JPEG as final art.

Updated 3-20-09



STOCKTON
SPEC SHEET

Stockton Office
209.466.5021
2050 W. Fremont St.
Stockton, CA 95203

Shipping Address: CBS Outdoor, 722 N. Carlton, Stockton, CA. 95203

EXHIBIT B

PREMISES

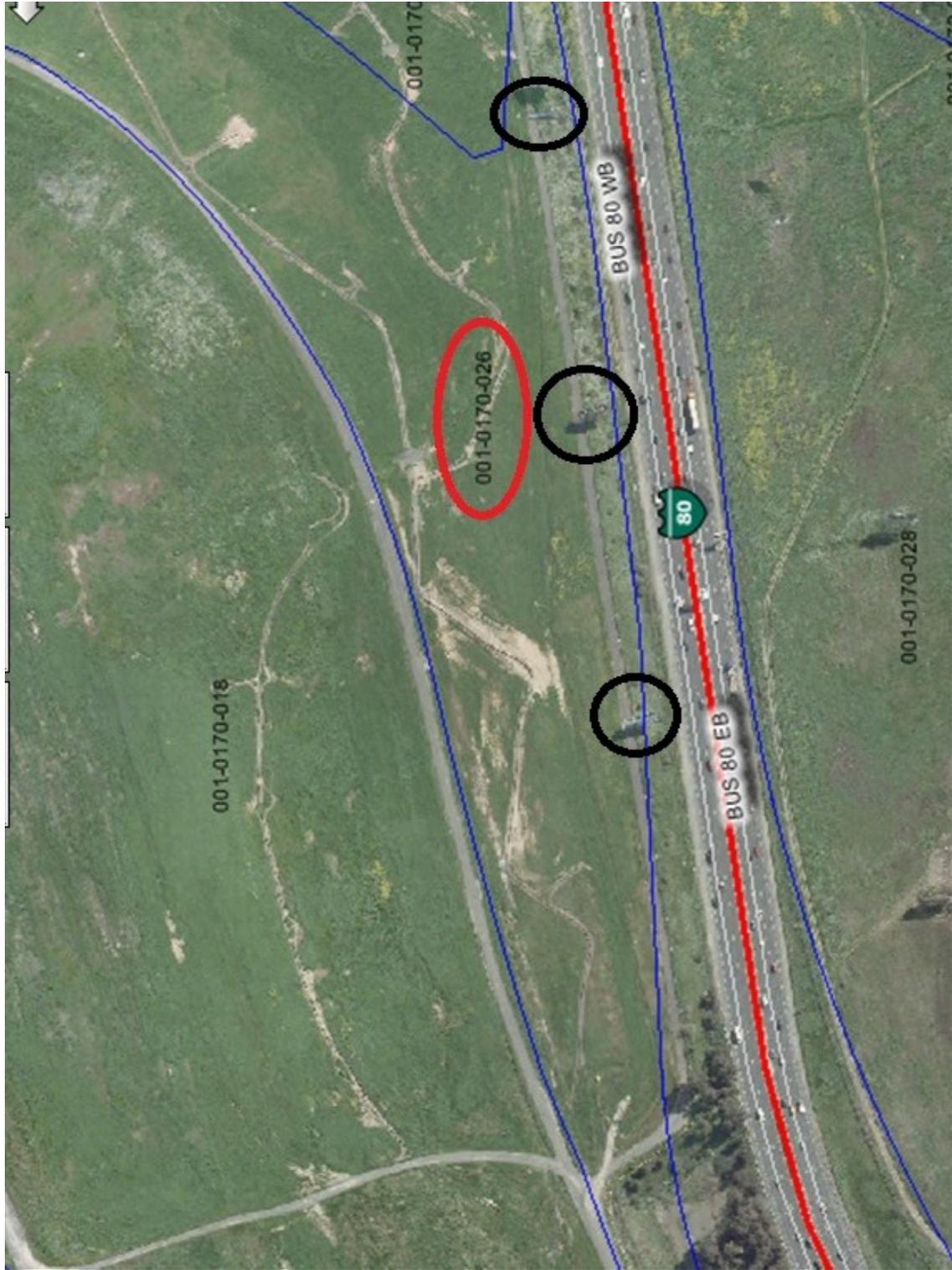


EXHIBIT C
City Adverting Agreement

ADVERTISER AGREEMENT



CBS Outdoor
 2050 W. Fremont Street
 Stockton, CA 95203 - 1913
 (209) 466-5021
 (209) 466-6013

CONTRACT NO.: 159514

DATE: 01/15/14

ADVERTISER: City of Sacramento

SALESPERSON Bradley Grover (C37)

Client Supplies Production: Yes

Copy must met Production specifications and be received 10 working days prior to each advertising period.
 THIS AGREEMENT AND THE COPY TO BE DISPLAYED HEREUNDER IS SUBJECT TO THE APPROVAL OF CBS OUTDOOR'S
 MARKET GENERAL MANAGER AND THE OWNER OF THE LOCATION AS APPLICABLE

ADVERTISER
 City of Sacramento
 Dept. of Utilities
 1395 35th Avenue
 Sacramento, CA 95822
 (916) 808-8260
 Attn: Jessica Hess

Subject to the terms of the Production Information Addendum Page and the CBS Outdoor Terms and Conditions of Advertising Service each attached hereto and made a part hereof "ADVERTISER/AGENCY" hereby contacts with CBS Outdoor ("Company") for the display of advertising Copy ("Copy") on the outdoor advertising display(s) described below, commencing approximately on the commencement date of the Advertising Period listed below. Advertiser/Agency shall provide the Copy in the form and type specified by Company.
 See Production Information Addendum page for shipping quantities and addresses.

Market	Media/Location(s)	Size	GRP/IMP 18+	Units	Advertising Period	No. of Periods	*	Period Cost
Sacramento Postes	Postes/Sacramento Metro	10'5hx 22'8w	UNIT	1	02/03/14-01/04/15	12.00	4W	\$.01

Special Instructions:

Net Agreement Total: \$.12

THIS AGREEMENT IS NON-CANCELABLE BY ADVERTISER/AGENCY EXCEPT AS SET FORTH IN THE TERMS AND CONDITIONS ATTACHED HERE TO WITH RESPECT TO TRANSIT DISPLAYS ONLY. THIS AGREEMENT CONSISTS OF THIS PAGE, THE PRODUCTION INFORMATION ADDENDUM PAGE, AND THE CBS OUTDOOR TERMS AND CONDITIONS OF ADVERTISING SERVICE INCORPORATED HEREIN, ALL OF WHICH ADVERTISER/AGENCY HEREBY ACKNOWLEDGES RECEIVING AND APPROVING. ANY MISSING PARTS OF THIS AGREEMENT MAY BE OBTAINED OR REQUESTED THROUGH ANY CBS OUTDOOR OFFICE OR REPRESENTATIVE IF LOST OR NOT RECEIVED BY ADVERTISER/AGENCY. FACSIMILE SIGNATURES SHALL HAVE THE SAME FORCE AND EFFECT AS ORIGINAL SIGNATURES. THIS AGREEMENT MAY BE EXECUTED IN SEVERAL COUPON PARTS, EACH OF WHICH SHALL CONSTITUTE ONE AND THE SAME COPY. AGENCY AND/OR THE SIGNATORY HERETO REPRESENTS AND WARRANTS THAT THEY ARE AUTHORIZED TO EXECUTE THE SAME ON BEHALF OF AND BIND THE ADVERTISER AND THAT THE ADVERTISER APPROVES SAME.

ACCEPTED AND AGREED TO BY - CBS OUTDOOR

ADVERTISER/AGENCY _____
AUTHORIZED SIGNATURE - TITLE

BY _____ DATE _____

PLEASE PRINT _____ DATE _____
NAME - TITLE

* Period Codes: M=Monthly; W=Weekly; 4W=4 Weeks; D=Daily; OT=One Time TF=Till Forbid

ADVERTISER AGREEMENT - PRODUCTION INFORMATION ADDENDUM



CONTRACT NO.: 159514

DATE: 01/15/14

ADVERTISER: City of Sacramento

SALESPERSON Bradley Grover (C37)

Copy must met Production specifications and bereceived 10working days prior to each advertising period.
 THIS AGREEMENT AND THE COPY TO BE DISPLAYED HEREUNDER IS SUBJECT TO THE APPROVAL OF CBS OUTDOOR'S
 MARKET GENERAL MANAGER AND THE OWNER OF THE LOCATION AS APPLICABLE

ADVERTISER
 City of Sacramento
 Dept. of Utilities
 1395 35th Avenue
 Sacramento, CA 95822
 (916) 808-8260
 Attn: Jessica Hess

Market	Media/Location(s)	Size	Copy Due Date	Shipping Quantity	Shipping Address	Service AE	Ext. Fab Per SqFt
Sacramento Postes	Postes/Sacramento Metro	10'5hx 22'8w	01/20/14	1	CBS Outdoor 722 N. Carlton Ave. Stockton, CA 95208		

CBS OUTDOOR TERMS AND CONDITIONS OF ADVERTISING SERVICE

- As used in this herein, Company shall mean CBS Outdoor and Advertiser shall mean and be deemed to include, in addition to Advertiser, any advertising agency or any other agent or licensee of Advertiser (collectively "Advertiser").
- At least ten (10) working days before the estimated start date, Advertiser, at its sole expense, shall furnish and deliver to Company or to service points designated by Company, sufficient supply of advertising copy, in form and type specified by Company along with written notice to Company setting forth required posting instructions. If copy is not so received a loss of service may occur or additional costs may be charged by Company although commercially reasonable efforts will be used to post copy as promptly as practicable after receipt from Advertiser. If Advertiser requests expedited installation within five working days of receipt of late received copy a fee of not less than \$650 per location will be payable. In any event, if copy is not received in a timely manner, Company may use substitutions in any manner, without limiting Advertiser's ability to pay for such space prior to posting the late received copy. If Copy is furnished and delivered as required above and such Copy is not rejected by Company pursuant to the terms hereof (i) the Copy shall be posted, and (ii) in the case of showing based programs the Copy shall be Significantly Posted (as hereinafter defined) by Company within five (5) working days of the date for the commencement of the Advertising Period set forth on the first page of this Agreement. For the purposes hereof, a program shall be deemed to be Significantly Posted if at least 85% of the program has been posted. Nudity, pornographic, profane or obscene copy shall not be permitted. The character, design, text and illustrations on advertising copy and the material used shall be subject to approval by Company and by location owner, transit company/authority or third party controlling location ("Owner"). If copy is rejected, Advertiser shall continue to be liable for the full term of this Contract and Advertiser shall be responsible for providing an acceptable replacement copy within ten days of notification that a previous copy was rejected. If production is received after the date specified by Company, Company shall be entitled to full payment for the contract period even if partial or no display results. Advertiser shall indemnify, defend and save harmless Company and Owner against all claims and liabilities arising out of the advertising material displayed under this Contract, including but not limited to any claim for defamation, or infringement of any copyright, trademark, or other intellectual property or privacy right and reasonable attorneys' fees and expenses incurred in defending any such claims.
- Should Advertiser's copy be damaged, defaced, or deteriorated for any reason whatsoever, including ordinary wear and tear, or if lost or stolen, Advertiser shall furnish a replacement copy upon Company's request without liability or expense to Company. If Advertiser fails to provide such replacement copy, Company may use the location involved in any manner, without releasing Advertiser from obligation to pay for such location. Unless otherwise specified on the face hereof, there will be a service charge for all installations on walls and for any changes in any display material after initial placement. All designs for displays produced by Company will be faithfully reproduced. Company will maintain displays in good condition to the extent of matters reasonably within Company's control or assumed responsibilities. Any repainting or reposting requested by Advertiser in addition to that specified herein, if any, shall be paid by Advertiser in advance per Company's current quoted prices.
- For any reason whatsoever during the term hereof (i) Company is unable to secure any specified location or loses the right to use any location, or (ii) any location becomes obstructed, destroyed or defaced, or (iii) Company fails to timely meet its posting requirements hereunder, any resulting loss of advertising shall not be deemed a breach or termination of this Contract. Company shall have the option to replace lost locations with locations of equal value per Company's prices and/or classifications, or to issue a pro-rated credit. Any delay in commencing of service and/or posting of fewer locations than specified and/or resulting loss of advertising service caused by any reason whatsoever, shall not render Company liable for any damages of any kind and shall be remedied solely by extending the Advertising Period of this Contract to provide an equivalent amount of advertising service at the contracted location or a replacement location of equal value, or at Company's option, result in a pro-rated credit, with all other remedies at law or equity being expressly waived by Advertiser. Notwithstanding anything contained herein to the contrary, if any location is lost for any reason whatsoever, Company shall also have the option to terminate this Contract and receive payment in full for services through the termination date.
- Where illuminated displays are provided, illumination will be from dusk to midnight. If illumination is halted or reduced for any reason, including but not limited to operation of law or malfunction of equipment, Advertiser shall receive a credit for the period of reduced or non-illumination at the rate of fifteen percent (15%) of the contract price for the impacted period, provided Advertiser shall have first given written notice to Company of the illumination problem and same continues for more than five (5) days after Company's receipt of such notice.
- Advertiser shall inspect the display within three (3) days after installation. Unless within such period Advertiser gives written notice to Company specifying any defect the display shall be conclusively presumed to have been inspected and approved by Advertiser for all purposes whatsoever, including content and location of displays. If after installation of display Owner disapproves any advertisement, or if adverse publicity results from any display, Company shall have the right to remove advertisement and at its option, either terminate this Contract or request a new acceptable advertisement copy pursuant to paragraph 2 above. Company and Advertiser accept this Contract subject to all federal, state and municipal laws and regulations. In the event any advertisement becomes illegal, Company reserves the right to terminate same upon notice to Advertiser. Acceptance of this Contract is subject to credit check and approval by Company. Company, in its sole discretion, may extend or reject credit, or at any time during the term, withdraw credit and Company may thereupon require partial or full payment of the remaining contract amount in advance. In the event of any termination under this paragraph, Advertiser's obligation shall cease as of the effective termination date.
- Agency and Advertiser shall be jointly and severally liable for payment of the amounts owed under this Contract. In the event of default or material breach by Advertiser/Agency, in addition to other remedies available at law, Company may: (a) cancel this Contract without prior notice and demand payment of all amounts remaining due and owing (b) without terminating this Contract, declare the entire balance of payments to be made hereunder immediately due and payable; (c) remove all of Advertiser's displays without limiting Advertiser's liability hereunder; and/or (d) declare Advertiser in default under any other agreement with Company. Waiver by Company of any breach by Advertiser/Agency hereunder shall not prejudice the rights of Company with respect to any breach not specifically waived by Company. In the event of legal action arising out of this Contract, Company shall be entitled to recover its reasonable attorneys' fees and out of pocket expenses. This Contract and all related claims shall be construed according to the laws of the State of Arizona and Maricopa County, Arizona shall be the proper and exclusive legal jurisdiction and venue for any resulting legal action.
- Invoicing will be rendered monthly in advance dating from the commencement date. Invoices rendered to Advertiser shall be conclusive as to the correctness of the items stated unless Company receives written objection within fifteen (15) days hereof. Nonreceipt of invoices or lack of voicing, shall not impact Advertiser's liability hereunder. Any discounts given shall be forfeited/reversed for invoices not paid within sixty (60) days from the date thereof. All rates and adjustments are computed on the basis of thirty (30) days to the month, unless a different period is specified on the face hereof. Invoices shall be due thirty (30) days after the date of invoice and failure to pay within such timeframe shall result in a default hereunder and shall further be deemed a default under any other agreements with Company. Invoices not paid when due shall accrue interest at the rate of one and one-half percent (1.5%) per month (18% annual), or such lesser rate permitted by law.
- Company shall not be held responsible for unused postes, displays or other copy provided by Advertiser and Company may dispose of any such materials. Company may promote Company's own business through the use of Advertiser's postes or displays in any manner whatsoever. Company is an Equal Opportunity Employer.
- This Contract contains the full agreement of the parties, and no oral representation or assurance verbal or written not contained herein, shall affect or alter the obligation of either party hereto. This Contract is not cancelable or assignable by Advertiser, nor may the subject of the advertising be changed without the consent of Company. Notwithstanding the foregoing, agreements for transit displays may be cancelled by Advertiser upon providing at least 90-days written notice prior to affected posting date, with Advertiser paying, upon invoicing, short rate for a actual length of term.
- The following provisions shall be applicable in the event that this Contract shall be for the display of advertising copy on a LED, LCD or other digital display sign ("Digital Sign"): Notwithstanding anything herein to the contrary, the Company shall be obligated to display the copy for more than 91% of the display time provided hereunder (the "Guaranteed Display Time"). If the Company displays the copy for at least the Guaranteed Display Time, there shall be no reduction in the fee paid hereunder or extension of the term hereof. If the Company displays the copy for less than the Guaranteed Display Time, the Company shall, in its sole discretion, either (i) terminate this Contract and reimburse the Advertiser for fees paid relating to the period for which the copy was not displayed for at least the Guaranteed Display Time, (ii) equitably extend the Advertising Period of this Contract at the contracted location or a replacement location of equal value or (iii) issue to Advertiser a pro-rated credit for advertising services equivalent to the period for which copy was not displayed for the Guaranteed Display Time. The Advertiser hereby expressly waives all other remedies at law or equity, and the Company shall have no other liability to the Advertiser as a result of any failure to display the copy for at least the Guaranteed Display Time. In addition to the foregoing, the Company shall have the right at any time to preempt the display of copy in order to utilize the Digital Sign(s) for public service messages in connection with (i) an Amber Alert, or (ii) at the request of any Federal, State or local authority, any public emergency (including but not limited to emergencies related to homeland security (an "Emergency Interruption"). In such event, the Company shall not be in breach of this Contract and the Company shall have no liability to the Advertiser pursuant to the preceding paragraph or otherwise as a result of any such Emergency Interruption. The Advertiser hereby expressly waives any remedies at law or equity to which the Advertiser might otherwise be entitled as a result of such Emergency Interruption. For the purposes of the provisions hereof pertaining to the display of advertising on a Digital Sign, "copy" shall be deemed to mean any advertisement displayed on such sign whether the same is animated, static or otherwise, specifically including, but not limited to, streaming content or digital images, as applicable.
- Agency/Advertiser hereby represents, warrants and confirms that it is aware of the requirements of 18 U.S.C. § 2257A and that it fully complies with them either by certifying to the U.S. Attorney General, in the form required by 28 C.F.R. § 75.9, that Agency/Advertiser collects and maintains individually identifiable information relating to models used in the advertisement to be displayed pursuant to the terms hereof (including but not limited to their names, addresses and dates of birth) in accordance with applicable Federal and/or State tax and labor or other law, or that Agency/Advertiser creates, maintains, cross-references and makes available for inspection records as required by 28 C.F.R. § 75.275.5. Upon request, Agency/Advertiser will provide Company with proof of its compliance.



ADVERTISING NON-SPACE AGREEMENT

Contract #: 1593694

Date: 01/15/14

Page: 1 of 9

City of Sacramento "ADVERTISER/AGENCY" hereby contracts with CBS OUTDOOR (Outdoor) for the production, installation or services advertising display as described below upon the terms and conditions set forth in this contract. The artwork furnished to CBS Outdoor requires the following special handling and/or embellishment features not included in normal execution of advertising space:

Market/Media	Specifications	#Units	Copy Size	Total Sq. Ft.	Date(s)	No. of Periods	*	Period Cost T=Tax Value B=Barter Value		Period Total
Sacramento Posters Production Costs		1	POSTER		02/01/14	1.00	D	\$80.00 \$6.80	T	\$86.80
Sacramento Posters Shipping Costs		1	POSTER		02/01/14	1.00	D	\$4.00		\$4.00
Sacramento Posters Production Costs		1	POSTER		03/01/14	1.00	D	\$80.00 \$6.80	T	\$86.80

Advertiser CITY OF SACRAME
 Agency
 Ref. Space Contract # 1582714
 Customer Ref #
 Special Instructions

Total Net Amount: \$880.00
 Total Shipping Cost: \$44.00
 Total Sales Tax: \$74.80
 Net Agreement Total: \$998.80

Approval must be provided prior to completion of all special embellishment features. This agreement is non-cancelable by advertising/agency. This agreement consists of this page and the CBS Outdoor terms and conditions incorporated herein, all of which advertiser/agency hereby acknowledges receiving and approving. Facsimile signatures shall have the same force and effect as original signatures. Agency and/or the signatory hereto represents and warrants that they are authorized to execute the same on behalf of and bind the advertiser and that the advertiser approves same.

Sales A.E. Bradley Grover (C37)
 Approval _____
AUTHORIZED SIGNATURE
 By _____
GENERAL MGR (PRINT NNAME)
 Date _____
 Return To CBS Outdoor
2050 W. Fremont Street,
Stockton, CA 95203 - 1913
(209) 466-5021

Advertiser/Agency _____
AUTHORIZED SIGNATURE
 Print Name/Title _____
 Date _____
 Bill To City of Sacramento
 Billing Address Dept. of Utilities
1395 35th Avenue
Sacramento, CA 95822
(916) 808-8260
Attn: Jessica Hess



ADVERTISING NON-SPACE AGREEMENT

Contract #: 1593694

Date: 01/15/14

Page: 2 of 9

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Market/Media	Specifications	#Units	Copy Size	Total Sq. Ft.	Date(s)	No. of Periods	*	Period Cost T=Tax Value B=Barter Value		Period Total
Sacramento Posters Shipping Costs		1	POSTER		03/01/14	1.00	D	\$4.00		\$4.00
Sacramento Posters Production Costs		1	POSTER		04/01/14	1.00	D	\$80.00 \$6.80	T	\$86.80
Sacramento Posters Shipping Costs		1	POSTER		04/01/14	1.00	D	\$4.00		\$4.00

Advertiser CITY OF SACRAME

Agency

Ref. Space Contract # 1582714

Customer Ref #

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ADVERTISING NON-SPACE AGREEMENT

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Page: 3 of 9

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Market/Media	Specifications	#Units	Copy Size	Total Sq. Ft.	Date(s)	No. of Periods	*	Period Cost T=Tax Value B=Barter Value		Period Total
Sacramento Posters Production Costs		1	POSTER		05/01/14	1.00	D	\$80.00 \$6.80	T	\$86.80
Sacramento Posters Shipping Costs		1	POSTER		05/01/14	1.00	D	\$4.00		\$4.00
Sacramento Posters Production Costs		1	POSTER		06/01/14	1.00	D	\$80.00 \$6.80	T	\$86.80

Advertiser CITY OF SACRAME

Agency

Ref. Space Contract # 1582714

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ADVERTISING NON-SPACE AGREEMENT

Contract #: 1593694

Date: 01/15/14

Page: 4 of 9

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Market/Media	Specifications	#Units	Copy Size	Total Sq. Ft.	Date(s)	No. of Periods	*	Period Cost T=Tax Value B=Barter Value		Period Total
Sacramento Posters Shipping Costs		1	POSTER		06/01/14	1.00	D	\$4.00		\$4.00
Sacramento Posters Production Costs		1	POSTER		07/01/14	1.00	D	\$80.00 \$6.80	T	\$86.80
Sacramento Posters Shipping Costs		1	POSTER		07/01/14	1.00	D	\$4.00		\$4.00

Advertiser CITY OF SACRAME

Agency

Ref. Space Contract # 1582714

Customer Ref #

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ADVERTISING NON-SPACE AGREEMENT

Contract #: 1593694

Date: 01/15/14

Page: 5 of 9

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Market/Media	Specifications	#Units	Copy Size	Total Sq. Ft.	Date(s)	No. of Periods	*	Period Cost T=Tax Value B=Barter Value		Period Total
Sacramento Posters Production Costs		1	POSTER		08/01/14	1.00	D	\$80.00 \$6.80	T	\$86.80
Sacramento Posters Shipping Costs		1	POSTER		08/01/14	1.00	D	\$4.00		\$4.00
Sacramento Posters Production Costs		1	POSTER		09/01/14	1.00	D	\$80.00 \$6.80	T	\$86.80

Advertiser CITY OF SACRAME

Agency

Ref. Space Contract # 1582714

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ADVERTISING NON-SPACE AGREEMENT

Contract #: 1593694

Date: 01/15/14

Page: 6 of 9

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Sacramento Posters Shipping Costs		1	POSTER		09/01/14	1.00	D	\$4.00		\$4.00
Sacramento Posters Production Costs		1	POSTER		10/01/14	1.00	D	\$80.00 \$6.80	T	\$86.80
Sacramento Posters Shipping Costs		1	POSTER		10/01/14	1.00	D	\$4.00		\$4.00

Advertiser CITY OF SACRAME

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ADVERTISING NON-SPACE AGREEMENT

Contract #: 1593694

Date: 01/15/14

Page: 7 of 9

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Market/Media	Specifications	#Units	Copy Size	Total Sq. Ft.	Date(s)	No. of Periods	*	Period Cost T=Tax Value B=Barter Value		Period Total
Sacramento Posters Production Costs		1	POSTER		11/01/14	1.00	D	\$80.00 \$6.80	T	\$86.80
Sacramento Posters Shipping Costs		1	POSTER		11/01/14	1.00	D	\$4.00		\$4.00
Sacramento Posters Production Costs		1	POSTER		12/01/14	1.00	D	\$80.00 \$6.80	T	\$86.80

Advertiser CITY OF SACRAME

Agency

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Page: 8 of 9

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Market/Media	Specifications	#Units	Copy Size	Total Sq. Ft.	Date(s)	No. of Periods	*	Period Cost T=Tax Value B=Barter Value	Period Total
Sacramento Posters Shipping Costs		1	POSTER		12/01/14	1.00	D	\$4.00	\$4.00

Advertiser CITY OF SACRAME

Agency

Ref. Space Contract # 1582714

Customer Ref #

Special Instructions

Approval must be provided prior to completion of all special embellishment features. This agreement is non-cancelable by advertising/agency. This agreement consists of this page and the CBS Outdoor terms and conditions incorporated herein, all of which advertiser/agency hereby acknowledges receiving and approving. Facsimile signatures shall have the same force and effect as original signatures. Agency and/or the signatory hereto represents and warrants that they are authorized to execute the same on behalf of and bind the advertiser and that the advertiser approves same.

CBS OUTDOOR TERMS AND CONDITIONS OF ADVERTISING SERVICE

1. As used in this herein, Company shall mean CBS Outdoor and Advertiser (collectively "Advertiser").
2. At least ten (10) working days before the estimated start date, Advertiser, at its sole expense, shall furnish and deliver to Company or to service points designated by Company, sufficient supply of advertising copy, in form and type specified by Company along with written notice to Company setting forth required posting instructions. If copy is not so received, a loss of service may occur or additional costs may be charged by Company although commercially reasonable efforts will be used to post copy as promptly as practicable after receipt from Advertiser. If Advertiser requests expedited installation within five working days of receipt of late received copy, a fee of not less than \$650 per location will be payable. In any event, if copy is not received in a timely manner, Company may use subject locations in any manner, without limiting Advertiser's liability to pay for such space prior to posting the late received copy. If Copy is furnished and delivered as required above and such Copy is not rejected by Company pursuant to the terms hereof (i) the Copy shall be posted, and (ii) in the case of showing based programs the Copy shall be Significantly Posted (as hereinafter defined) by Company within five (5) working days of the date for the commencement of the Advertising Period set forth on the first page of this Agreement. For the purposes hereof, a program shall be deemed to be Significantly Posted if at least 85% of the program has been posted. Nudity, pornographic, profane or obscene copy shall not be permitted. The character, design, text and illustrations on advertising copy and the material used shall be subject to approval by Company and by location owner, transit company/authority or third party controlling location ("Owner"). If copy is rejected, Advertiser shall continue to be liable for the full term of this Contract and Advertiser shall be responsible for providing an acceptable replacement copy within ten days of notification that a previous copy was rejected. If production is received after the date specified by Company, Company shall be entitled to full payment for the contract period even if partial or no display results. Advertiser shall indemnify, defend and save harmless Company and Owner against all claims and liabilities arising out of the advertising material displayed under this Contract, including but not limited to any claim for defamation, or infringement of any copyright, trademark, or other intellectual property or privacy right and reasonable attorneys' fees and expenses incurred in defending any such claims.
3. Should Advertiser's copy be damaged, defaced, or deteriorated for any reason whatsoever, including ordinary wear and tear, or if lost or stolen, Advertiser shall furnish a replacement copy, upon Company's request, without liability or expense to Company. If Advertiser fails to provide such replacement copy, Company may use the location involved in any manner, without releasing Advertiser from obligation to pay for such location. Unless otherwise specified on the face hereof, there will be a service charge for all installations on walls and for any changes in any display material after initial placement. All designs for displays produced by Company will be faithfully reproduced. Company will maintain displays in good condition to the extent of matters reasonably within Company's control or assumed responsibilities. Any repainting or reposting requested by Advertiser in addition to that specified herein, if any, shall be paid by Advertiser in advance per Company's current quoted prices.
4. If for any reason whatsoever during the term hereof (i) Company is unable to secure any specified location or loses the right to use any location, or (ii) any location becomes obstructed, destroyed or defaced, or (iii) Company fails to timely meet its posting requirements hereunder, any resulting loss of advertising shall not be deemed a breach or termination of this Contract. Company shall have the option to replace lost locations with locations of equal value per Company's prices and/or classifications, or to issue a pro-rated credit. Any delay in commencing of service and/or posting of fewer locations than specified and/or resulting loss of advertising service caused by any reason whatsoever, shall not render Company liable for any damages or offsets of any kind and shall be remedied solely by extending the Advertising Period of this Contract to provide an equivalent amount of advertising service at the contracted location or a replacement location of equal value, or at Company's option, result in a pro-rated credit, with all other remedies at law or equity being expressly waived by Advertiser. Notwithstanding anything contained herein to the contrary, if any location is lost for any reason whatsoever, Company shall also have the option to terminate this Contract and receive payment in full for services through the termination date.
5. Where illuminated displays are provided, illumination will be from dusk to midnight. If illumination is halted or reduced for any reason, including but not limited to operation of law or malfunction of equipment, Advertiser shall receive a credit for the period of reduced or non-illumination at the rate of fifteen percent (15%) of the contract price for the impacted period, provided Advertiser shall have first given written notice to Company of the illumination problem and same continues for more than five (5) days after Company's receipt of such notice.
6. Advertiser shall inspect the display within three (3) days after installation. Unless within such period Advertiser gives written notice to Company specifying any defect, the display shall be conclusively presumed to have been inspected and approved by Advertiser for all purposes whatsoever, including content and location of displays. If after installation of display Owner disapproves any advertisement, or if adverse publicity results from any display, Company shall have the right to remove advertisement and, at its option, either terminate this Contract or request a new acceptable advertisement copy pursuant to paragraph 2 above. Company and Advertiser accept this Contract subject to all federal, state and municipal laws and regulations. In the event any advertisement becomes illegal, Company reserves the right to terminate same upon notice to Advertiser. Acceptance of this Contract is subject to credit check and approval by Company. Company, in its sole discretion, may extend or reject credit, or at any time during the term, withdraw credit and Company may thereupon require partial or full payment of the remaining contract amount in advance. In the event of any termination under this paragraph, Advertiser's obligation shall cease as of the effective termination date.
7. Agency and Advertiser shall be jointly and severally liable for payment of the amounts owed under this Contract. In the event of default or material breach by Advertiser/Agency, in addition to other remedies available at law, Company may: (a) cancel this Contract without prior notice and demand payments of all amounts remaining due and owing; (b) without terminating this Contract, declare the entire balance of payments to be made hereunder immediately due and payable; (c) remove all of Advertiser's displays without limiting Advertiser's liability hereunder; and/or (d) declare Advertiser in default under any other agreement with Company. Waiver by Company of any breach by Advertiser/Agency hereunder shall not prejudice the rights of Company with respect to any breach not specifically waived by Company. In the event of legal action arising out of this Contract, Company shall be entitled to recover its reasonable attorneys' fees and out of pocket expenses. This Contract and all related claims shall be construed according to the laws of the State of Arizona and Maricopa County, Arizona shall be the proper and exclusive legal jurisdiction and venue for any resulting legal action.
8. Invoicing will be rendered monthly in advance dating from the commencement date. Invoices rendered to Advertiser shall be conclusive as to the correctness of the items stated unless Company receives written objection within fifteen (15) days thereof. Non-receipt of invoices or lack of invoicing, shall not impact Advertiser's liability hereunder. Any discounts given shall be forfeited/reversed for invoices not paid within sixty (60) days from the date thereof. All rates and adjustments are computed on the basis of thirty (30) days to the month, unless a different period is specified on the face hereof. Invoices shall be due thirty (30) days after the date of invoice and failure to pay within such timeframe shall result in a default hereunder and shall further be deemed a default under any other agreements with Company. Invoices not paid when due shall accrue interest at the rate of one and one-half percent (1.5%) per month (18% annual), or such lesser rate permitted by law.
9. Company shall not be held responsible for unused posters, displays or other copy provided by Advertiser and Company may dispose of any such materials. Company may promote Company's own business through the use of Advertiser's posters or displays in any manner whatsoever. Company is an Equal Opportunity Employer.
10. This Contract contains the full agreement of the parties, and no prior representation or assurance, verbal or written not contained herein, shall affect or alter the obligation of either party hereto. This Contract is not cancelable or assignable by Advertiser, nor may the subject of the advertising be changed without the consent of Company. Notwithstanding the foregoing, agreements for transit displays may be cancelled by Advertiser upon providing at least 90-days written notice prior to affected posting date, with Advertiser paying, upon invoicing, short rate for actual length of term.
11. The following provisions shall be applicable in the event that this Contract shall be for the display of advertising copy on a LED, LCD or other digital display sign ("Digital Sign"): Notwithstanding anything herein to the contrary, the Company shall be not obligated to display the copy for more than 91% of the display time provided hereunder (the "Guaranteed Display Time"). If the Company displays the copy for at least the Guaranteed Display Time, there shall be no reduction in the fee paid hereunder or extension of the term hereof. If the Company displays the copy for less than the Guaranteed Display Time, the Company shall, in its sole discretion, either (i) terminate this Contract and reimburse the Advertiser for fees paid relating to the period for which the copy was not displayed for at least the Guaranteed Display Time, (ii) equitably extend the Advertising Period of this Contract at the contracted location or a replacement location of equal value, or (iii) issue to Advertiser a pro-rated credit for advertising services equivalent to the period for which copy was not displayed for the Guaranteed Display Time. The Advertiser hereby expressly waives all other remedies at law or equity, and the Company shall have no other liability to the Advertiser as a result of any failure to display the copy for at least the Guaranteed Display Time. In addition to the foregoing, the Company shall have the right at any time to preempt the display of copy in order to utilize the Digital Sign(s) for public service messages in connection with (i) an Amber Alert, or (ii) at the request of any Federal, State or local authority, any public emergency (including but not limited to emergencies related to homeland security) (an "Emergency Interruption"). In such event, the Company shall not be in breach of this Contract and the Company shall have no liability to the Advertiser pursuant to the preceding paragraph or otherwise as a result of any such Emergency Interruption. The Advertiser hereby expressly waives any remedies at law or equity to which the Advertiser might otherwise be entitled as a result of such Emergency Interruption. For the purposes of the provisions hereof pertaining to the display of advertising on a Digital Sign, "copy" shall be deemed to mean any advertisement displayed on such sign whether the same is animated, static or otherwise, specifically including, but not limited to, streaming content or digital images, as applicable.
12. Agency/Advertiser hereby represents, warrants and confirms that it is aware of the requirements of 18 U.S.C. §§ 2257-2257A and that it fully complies with them either by certifying to the U.S. Attorney General, in the form required by 28 C.F.R. § 75.9, that Agency/Advertiser collects and maintains individually identifiable information relating to models used in the advertisement pursuant to the terms hereof (including but not limited to their names, addresses, and dates of birth) in accordance with applicable Federal and/or State tax and labor or other law, or that Agency/Advertiser creates, maintains, cross-references and makes available for inspection records as required by 28 C.F.R. §§ 75.2-75.5. Upon request, Agency/Advertiser will provide Company with proof of its compliance.