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MEMORANDUM

To: Mayor and City Council
From: Kimberly Greer, Assistant to the City Manager
Date: June 10, 2013
Subject: **MARTA Bus Shelter Advertising Agreement**

ITEM DESCRIPTION

Two issues remain for discussion regarding the MARTA Bus Shelter Advertising Agreement.

BACKGROUND

The Metropolitan Atlanta Rapid Transit Authority (MARTA) was legislatively created in 1965 by the Georgia General Assembly for the purpose of operating a public transit system including fixed route bus operations. As part of their bus operations, MARTA entered an agreement with DeKalb County for the installation of bus shelters and benches within the right of way along the bus routes. The agreement with DeKalb County also acknowledged MARTA's contract with a third party to maintain said shelters and sell advertising thereon. In return, collected advertising revenues would be split 50-50 to the benefit of MARTA and the County.

Dunwoody is home to three MARTA fixed bus routes and 17 bus shelters. Upon incorporation the City Attorney began negotiating with MARTA to complete a new bus shelter advertising agreement for those shelters and benches within our municipal limits. The draft agreement provides for collected advertising revenues to be split 50-50 to the benefit of MARTA and the City.

UPDATE

Recent discussions with MARTA's legal counsel have been productive. In late May, the City Attorney's office received confirmation that the advertising revenues for the second half of 2012 (roughly \$14,000) will be remitted to the City. Should the City wish to receive future advertising revenue, it would be appropriate to formalize the agreement with MARTA.

The draft agreement has two remaining issues for further Council discussion. First, Council previously directed the City Attorney's office to include language allowing the City to remove bus shelters at its sole discretion. MARTA's legal counsel has strongly objected to this provision (section 2, subsection d). Secondly, MARTA has argued for the deletion of the termination provisions (section 4, second paragraph and following). MARTA has accepted all of the other modifications to the agreement that the City requested.

ALTERNATIVES

The Council may choose to accept the draft agreement as presented, reject one or both of the changes, or suggest additional changes to the agreement.

RECOMMENDATION

Both the issues presented are policy choices for Council.

**BUS SHELTER ADVERTISING
PARTICIPATION AGREEMENT
BETWEEN THE CITY OF DUNWOODY AND THE METROPOLITAN ATLANTA
RAPID TRANSIT AUTHORITY**

This Agreement, made and entered into this ____ day of _____, 2013, by and between METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY (the “Authority”) and THE CITY OF DUNWOODY (the “City”).

WITNESSETH

Whereas, MARTA is a public body corporate created by legislation as a joint public instrumentality of the City of Atlanta and the counties of Fulton, DeKalb, Cobb, Clayton and Gwinnett in the manner specified in that certain Act known as the Metropolitan Atlanta Rapid Transit Authority Act of 1965 (Ga.L. 1965, p. 2243), as amended, for the purpose of operating a public transit system consisting in part of fixed route bus operations throughout the City of Atlanta, Fulton County and DeKalb County (the “Service Area”); and

Whereas, the City is a municipal corporation chartered in accordance with the laws of the State of Georgia and is possessed of certain right of way located in the Service Area upon which the Authority has designated bus stops for the use and convenience of its patrons and the citizens of the City; and

Whereas, the Authority has in the past contracted for the installation and maintenance of certain bus shelters and benches on the City right of way used by its patrons, for the purpose of selling advertising space thereon for the collection of revenues for the benefit of MARTA and the City; and

Whereas, a previous Intergovernmental Agreement between the Authority and DeKalb County, Georgia, prior to the date of incorporation of the City, pledged DeKalb County’s right of way to the Authority; and

Whereas, the Authority and the City are desirous of continuing to sell advertising, collect revenue, and provide additional bus shelters and benches for the benefit of patrons of the Authority and citizens of the City, at locations on the City right of way or on private property located in the City upon the terms and conditions set forth herein;

NOW THEREFORE, for and in consideration of the mutual obligations and consideration set forth herein, the Authority and the City agree as follows:

1. Construction and Maintenance of Bus Shelters. The City hereby grants to the Authority the right to construct and maintain bus shelters and operate an advertising program on such shelters through a contract with a third party contractor, in accordance with the terms and conditions herein. City acknowledges that the Authority has, through the competitive procurement process, contracted with CBS Outdoor, Inc. (“CBS”) to provide for the construction

and maintenance of said shelters and the sale of advertising thereon (the "Shelter Advertising Contract"). The Shelter Advertising Contract incorporates the terms and conditions of this Agreement.

2. **Placement of Bus Shelters.** The licensing, placement, construction and maintenance of the bus shelters contemplated herein shall be undertaken in accordance with all applicable ordinances and regulations of City, other applicable law and the following conditions:

(a) Bus Shelters shall be located along MARTA bus routes in the City for the benefit of MARTA patrons. In the event a bus route is modified or permanently discontinued, all bus shelters along such route shall be removed within thirty (30) days of the discontinuation of service to such shelter location.

(b) Requests for the placement of bus shelters in the City shall be accepted by the Authority from the City. All such requests shall be forwarded to the Advertising Contractor for consideration of placement of an advertising bus shelter in accordance with the Shelter Advertising Contract. In the event that the Advertising Contractor fails to accept a site for placement of an advertising shelter, the site will be evaluated for the placement of a non-advertising bus shelter in the Authority's supplemental shelter program, utilizing the criteria then in effect for the placement of a non-advertising shelter.

(c) The Authority shall promptly notify the City of the decision of the Advertising Contractor and whether the site requested meets the criteria for the placement of a non-advertising shelter.

3. **Payment of Share of Fees and Commissions to City.** The Authority shall pay or cause to be paid to the City, on a monthly basis, a sum equal to one half (1/2) of the monthly commission due pursuant to the Shelter Advertising Contract for all bus shelter advertising placed upon bus shelters located in the City pursuant to the Shelter Advertising Contract during the term of such Contract. The Advertising Contractor shall determine the amount of such commission payments, subject to the audit requirements contained in the Shelter Advertising Contract, and shall remit the payments on a monthly basis.

4. **Term.** The term of this agreement shall be from the date of execution hereof through December 31, 2022, the termination date of the Shelter Advertising Agreement. The performance of the obligations of the Authority and the City shall commence on the Effective Date and continue until the termination of the Shelter Advertising Contract in accordance with its terms attached hereto as Exhibit A. In the event the City has a concern regarding the content of any specific advertising placed upon bus shelters located in the City, the City shall immediately notify the Authority's Advertising Coordinator. The Advertising Coordinator shall review the subject advertising for compliance with the Advertising Policy and take action under the policy for the modification or removal of the advertisement, as appropriate. The following requirements of the advertising policy shall inure to the benefit of the City:

(a) The Authority shall indemnify and hold harmless the City from any cause of action based upon a claim that the advertising content placed upon shelters or

benches is exaggerated, distorted, offensive or deceptive, unless such advertisement has been placed by or on behalf of the City in connection with the City's use of inventory in accordance with Paragraph 6 herein. Such indemnification shall be provided by invoking the Authority's right of indemnification by CBS as contained in the Shelter Advertising Contract.

- (b) Use of the City's name, logo, slogans, or other graphic representations on the shelters or benches or in any advertising copy placed in the City shall be subject to advance approval by the City.

6. Use of Inventory. The City shall have the opportunity to utilize one-half of any excess advertising inventory located in the City and offered to the Authority by the Advertising Contractor from time to time for the placement of public service announcements relating to City initiatives or information of interest to City residents. Such public service announcements shall not be political in nature, and shall comply in all relevant respects with the requirements of the Advertising Policy. The Authority's Advertising Coordinator shall advise the City, on at least a quarterly basis, of the availability, if any, of inventory for the placement of public service announcements. Any charges for the design, printing and installation of such public service announcements shall be at the City's sole expense.

7. Repair, Maintenance and Cleaning of Shelters. The Authority shall require the Advertising Contractor to adhere to repair, maintenance and cleaning standards for bus shelters installed in the City described in the attached Exhibit B, Statement of Work.

8. Audit and Analysis. The performance of the Advertising Contractor pursuant to the Shelter Advertising Contract shall be subject to audit by the Authority and the City. The Advertising Contractor will be required to keep true and accurate records of all transactions pertaining to the Shelter Advertising Contract and the revenue generated thereby. Such records shall be open to audit, with reasonable prior notice, by the Authority and the City or their authorized representatives during normal business hours at the Advertising Contractor's offices in Atlanta, Georgia, at any time while this Agreement is in effect and for four (4) years after its termination. The terms of the Advertising Contract shall contain the right to seek adjustment of revenue by the Authority and/or the City based upon the results of any such audit.

9. No Obligation of the Authority for Prior Fees and Commissions. The parties acknowledge that, prior to the execution of this Agreement, DeKalb County entered into an agreement on substantially the same terms contained herein whereby DeKalb County was paid a share of fees and commissions, as described in paragraph three above, that may be attributable to bus shelters located on the City right of way under the Shelter Advertising Agreement. The Authority shall have no obligation to the City for the payment of any fees and commissions prior to the date of execution of this Agreement, and the City acknowledges that its sole recourse for the payment of such fees and commissions is against DeKalb County. The Authority shall cooperate in providing any documents necessary to assist the City in determining the amount of such fees and commissions, if any, due to the City from the County after the effective date of the City's charter.

10. Amendment. This Agreement constitutes the entire agreement between the parties. No changes, amendments or modifications thereof shall be effective and binding on the parties unless in writing, signed by the parties, and authorized by their respective governing bodies as may be required by law.

11. Audit and Analysis. The performance of the Bus Shelter Advertising Participation Agreement shall be subject to audit by the Authority and the City. The City shall have the right to seek adjustment of revenue by the Authority or the City based upon the results of any such audit.

12. Assignment. Neither party shall assign this Agreement, wholly or in part, without the prior written consent of the other party. Any such assignment shall be binding upon the parties only after proper written notice shall have been received. No assignment shall relieve the parties of any obligations under this Agreement.

13. Governing Law. This Agreement shall be interpreted in accordance with the laws of the State of Georgia.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in three counterparts, each to be considered as an original by their authorized representative, on the day and date listed below.

**METROPOLITAN ATLANTA RAPID
TRANSIT AUTHORITY**

CITY OF DUNWOODY

By: _____ (SEAL)
Keith T. Parker, AICP
General Manager /Chief Executive Officer

By: _____ (SEAL)
Michael G. Davis, Mayor

Date: _____

Date: _____

ATTEST:

ATTEST:

REBBIE ELLISOR-TAYLOR
Assistant Secretary

Sharon Lowery, City Clerk

Approved As To Legal Form:

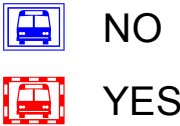
Approved As To Legal Form:

City Attorney

Legend

Covered Bus Stops

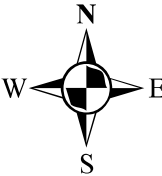
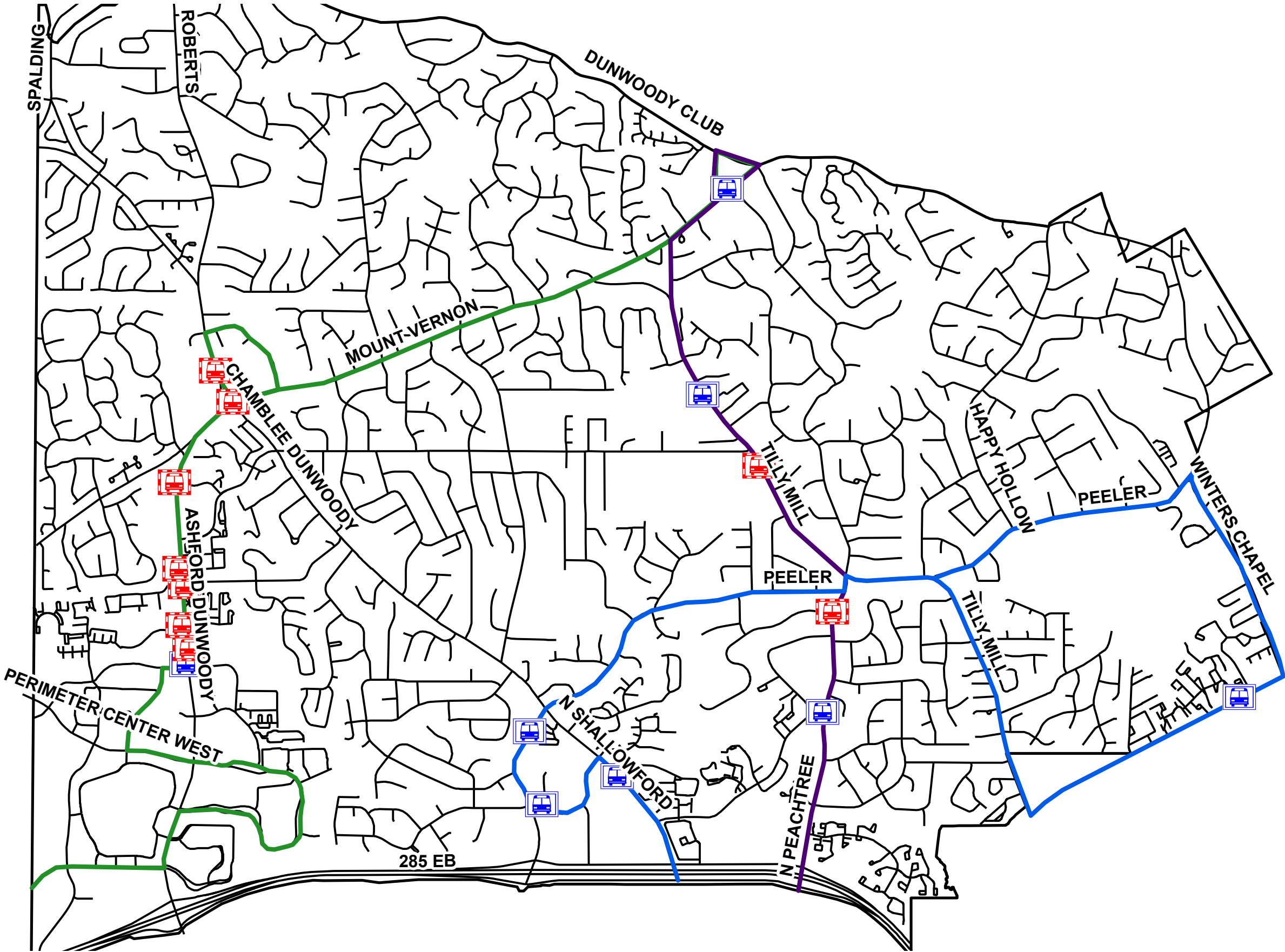
Connected to Power



Marta Bus Route



Streets



0 500 1000 2,000 3,000 4,000 Feet

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4. This map is not intended to depict boundary line discrepancies, lines of possession, or any other matters that a true and accurate land survey of the premises would disclose.

5. County, municipal, land lot and easement boundaries are approximate. It is the responsibility of the map user to verify boundaries with the appropriate governmental office.

**BUS SHELTER/BENCHES
ADVERTISING AGREEMENT**

RFP P5431

THIS AGREEMENT, made and entered into as of the ____ day of _____, 2007, by and between the **Metropolitan Atlanta Rapid Transit Authority**, a public body corporate created under the laws of the State of Georgia, hereinafter called and referred to as the Authority, and **CBS Outdoor Inc.**, a corporation organized and existing under the laws of the State of Delaware, hereinafter called and referred to as the Contractor,

Witnesseth:

FOR AND IN CONSIDERATION of the mutual promises and covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the aforesaid parties have agreed and do hereby agree as follows:

1. **ENGAGEMENT.** The Authority hereby engages the Contractor, for the period hereinafter provided and subject to the terms, conditions, limitations, and exceptions provided elsewhere in this Agreement, to conduct an advertising program for the sale and use of advertising space upon bus shelters and benches installed in the Authority's service area, subject to the limitations set forth herein. In the conduct of this program, the Contractor shall have the exclusive right to sell such advertising space, and to place, display, maintain, change, and remove advertisements within or on the spaces and areas subject to this Agreement, all in accordance with the Authority's Statement of Work attached hereto as Exhibit A.

2. **PARTICIPATION OF LOCAL JURISDICTIONS.** Through the execution of intergovernmental agreements between the Authority and Local Jurisdictions in the Authority's service area, the Authority has secured or will secure the participation of Fulton County and DeKalb County, and certain municipalities located therein (hereinafter the "Local Jurisdictions") to permit the placement of bus shelters and benches on the right of way of the Local Jurisdictions, all subject to applicable zoning, licensing and other ordinances of such Local Jurisdictions. The participating Local Jurisdictions are identified in the attached Exhibit B. Additional participating Local Jurisdictions may be added during the term of this Agreement by the mutual consent of the parties.

3. **TERM.** This Agreement shall take effect on January 1, 2008, and shall continue in effect until December 31, 2022.

4. **CONTRACTOR'S RESPONSIBILITIES.** The Contractor shall provide and perform the following as necessary, appropriate, or convenient to conduct the advertising program under this Agreement:

(a) The Contractor shall make a continuous, full-time, and good faith effort to sell the greatest practicable amount of advertising in and upon the Authority's bus shelters and benches, to advertisers throughout the United States. The Contractor shall provide an adequate national and local organization and adequate sales personnel and other personnel sufficient for this purpose.

(b) The Contractor shall produce all advertising materials to be displayed, or shall secure them from the advertisers or their agencies, and ensure that they are of the best design and quality.

(c) The Contractor shall install and remove all advertising materials to be displayed, and shall maintain all such materials and displays in a clean, safe, and first-class condition. It shall remove all graffiti from such materials and displays, and shall remove or replace all damaged and defaced materials and displays. It shall inspect all displays for this purpose in accordance with a schedule approved by the Authority, and shall clean or remove any damaged or defaced materials within three days after being notified by the Authority.

(d) The Contractor shall remove all dated or time-sensitive advertising materials and displays within ten working days after the period for which they are to be displayed expires.

(e) No advertising space shall be allowed to remain unfilled. The Contractor shall fill spaces that are not used otherwise with appropriate material, which may be information about the Authority's transit system or advertising promoting it, the Contractor's own advertising, or similar material. The Authority will provide materials providing information about or promoting its system to be used for this purpose.

(f) The Contractor shall construct and maintain all bus shelters and benches in the Authority's service area, and perform all other requirements of this Agreement, all in accordance with the Contractor's Plans and Acknowledgement of the Authority's

Statement of Work attached hereto as Exhibit C and all applicable state and local laws, statutes, ordinances and regulations.

(g) The Contractor shall provide suitable and adequate offices, shops, other facilities, equipment, and personnel to ensure that all of the foregoing is properly performed, excepting only those facilities that the Authority is expressly to provide as stated below. The Contractor shall perform all of the foregoing and all other responsibilities under this Agreement, at his cost and expense.

5. COMMISSIONS.

(a) **Form of Commissions.** In consideration of the rights and privileges granted by this Agreement, the Contractor shall pay to the Authority and the participating Local Jurisdictions the following:

(1) **Lump Sum.** Upon execution of this Agreement, Contractor shall pay to the Authority, for its own account and for the benefit of the Local Jurisdictions the sum of \$1,000,000.00.

(2) **Monthly Commission.** On a monthly basis during the term of this Agreement, Contractor shall pay to the Authority the greater of one-twelfth of the "Annual Minimum Guarantee" (as set forth in the Best and Final Offer incorporated herein) or Thirty-Five percent (35%) of total Advertising Revenues as shown on the attached Exhibit D and as defined in sub-section 4(d) below.

(b) **Payment.** Payments shall be made to the Authority by wire transfer on or before the tenth day of each month for the revenues that have been billed during the preceding month. Interest at the rate of one percent per month shall be paid on all late payments. The Authority shall be responsible for any payments due to each of the Local Jurisdictions in accordance with terms of its agreements with such Local Jurisdiction. The Contractor shall assist the Authority, upon request, with the calculation of revenue due the Local Jurisdictions.

(c) **Calendar Year Payment Reconciliation.** Within 30 days after the end of each calendar year, Contractor shall calculate the excess of the portion of the Advertising Revenue due to the Authority and the Local Jurisdictions in accordance with this paragraph over the total payments remitted to the Authority and the Local Jurisdictions under subsection (a) above for such calendar year. Such calculation may include a deduction of

up to one percent (1%) of such Advertising Revenue for receivables not collected with six (6) months of billing. The Contractor shall remit any additional sums due to the Authority and the Local Jurisdictions at such time. If such calculation concludes that Contractor has remitted an amount in excess of that due to the Authority and the Local Jurisdictions in the calendar year, such sums shall be credited to the account of Contractor for the ensuing year, unless this Agreement has otherwise terminated, in which case the Authority shall promptly pay such excess to the Contractor.

(d) **Definitions.** For purposes of Paragraph 5 of this Agreement, the following terms are defined as follows:

(i) A "contract year" or "year of the contract" shall begin on January 1 and end on December 31.

(ii) The term "Advertising Revenues" means the total gross amounts that can be billed to advertisers or their agencies for the use of advertising space or facilities subject to this Agreement, after deduction therefrom of reasonable agency fees or commissions when actually paid by the Contractor or netted against the actual billable amounts, but not in excess of fifteen percent; reasonable cash discounts actually allowed to others; quantity purchase discounts actually allowed to others; and any taxes imposed by law that are separately stated to and paid by a customer to the Contractor, and remitted to the government or agency thereof imposing or entitled to collect such taxes; provided, that in determining the total gross amounts that can be billed for advertising, no deductions from total billings for uncollectible accounts shall be allowed.

6. **RATES.** The rates and prices to be charged for advertising and the terms, conditions, and manner of payment by advertisers shall be submitted to and approved by the Authority. The rates, prices, terms, conditions, and manner of payment so approved shall not be waived, discounted, reduced, or otherwise varied in any case without the Authority's approval.

7. **BARTER AND TRADE.** The Contractor shall make no barter or trade of advertising space available for sale except as provided herein and with the prior written consent of the Authority. The Contractor shall provide for, at a minimum, one shelter panel in each Local Jurisdiction for the use of the Local Jurisdiction and one shelter panel in each Local Jurisdiction for the use of the Authority.

8. **ADVANCE SALES.** If after the expiration of this Agreement or any extension hereof, or after its termination otherwise than for the Contractor's breach or default, advertising continues to be displayed in or on any of the space subject hereto, under contracts or arrangements entered into by or through the Contractor and for which the advertisers are to pay in accordance therewith, the Contractor shall be paid a commission of fifteen percent of the revenue actually collected for all such advertising within the twelve months next after such expiration or termination.

9. **ADVERTISING.** The advertising space the Contractor is to sell under this Agreement shall be as defined in the Statement of Work attached as Exhibit A.

10. **BUS SHELTERS AND BENCHES.** All bus shelters and benches, and the accompanying fixtures for the display of advertising material and informational materials for the benefit of the Authority's patrons shall be as provided in the Statement of Work attached as Exhibit A. The Contractor, at its sole cost and expense, shall provide, construct, and install all bus shelters and benches, in a design approved by the Authority and compliant with all applicable laws, statutes, ordinances and regulations, to be utilized for advertising as follows:

(a) All bus shelters installed in the Authority's service area as of the date of this Agreement and identified in the attached Exhibit A as being over ten years old shall be replaced with new bus shelters no later than eighteen (18) months after the final approval of the new bus shelter design by the Authority and all applicable local and municipal governments and otherwise in accordance with a schedule to be agreed upon by the parties.

(b) During the first ten years of this Agreement, as the remaining shelters installed in the Authority's service area reach ten years old, as identified in the attached Exhibit A, the Contractor shall have the responsibility to replace such shelters within six months of the later of (i) date that the shelter meets the ten year requirement or (ii) any and all permits, consents and authorizations required for such replacement are granted, it being understood that Contractor will use reasonable commercial efforts to secure such permits, consents and authorizations in a timely manner.

(c) During the term of this Agreement, the Contractor may install such additional shelters or benches as it determines are necessary or desirable for the

convenience of the Authority's patrons. The Authority shall forward to the Contractor all requests for shelters or benches in the Authority's service area and the Contractor shall determine whether it will place a shelter or bench capable of containing advertising at the location requested.

(d) During the term of this Agreement, the Contractor shall be responsible for installing up to ten non-advertising shelters or benches at the request of the Authority during each calendar year of this Agreement, subject, however, to receipt of all applicable permits, consents and authorizations. Non-advertising shelters or benches shall be of the same or similar design as the advertising shelters or benches installed in the service area, but no advertising shall be sold on such shelters or benches. The placement of non-advertising shelters or benches is intended for locations at which there is a customer need for a shelter or bench, but applicable laws or regulations prohibit the placement of advertising, or market conditions do not support the sale of advertising.

11. MAINTENANCE AND REPAIR OF SHELTERS AND BENCHES; LITTER REMOVAL AND CLEANING. The Contractor shall, at its cost, maintain the appearance of the new shelters in a like new condition and shall be responsible for all maintenance, repair, cleaning and litter removal for all new and existing advertising and non-advertising shelters as is more fully described in Exhibits A and C. During the term of this Agreement, the Contractor shall be responsible for the funding of the costs associated with the employment by the Authority of two fulltime auditors, in accordance with the Statement of Work. Notwithstanding the foregoing, the cost of the two fulltime auditors shall not exceed a total of \$140,000 per year in the first contract year, increasing by a factor of three percent per year in the second year and every year thereafter.

12. EXPIRATION OR TERMINATION. Upon the expiration or termination of this Agreement for any cause or reason whatsoever, the Authority shall purchase all shelters and benches installed by the Contractor at any time for the actual cost thereof, less depreciation from the date of installation of each shelter or bench to the date of such purchase, as calculated over a period of fifteen years from date of installation by the straight-line method. Such purchase shall be completed within sixty days from the date of termination or expiration. Upon the expiration or termination of this Agreement, the Contractor shall have no rights in the shelters and benches, the location of same, or any

permits issued with respect to such shelters and benches.

13. EXCEPTIONS. The advertising program that the Contractor, under this Agreement, has the exclusive right to conduct is limited to those kinds of advertising that are described above, and such other similar kinds or forms of advertising on street furniture and fixtures in the right of way of the Local Jurisdictions, if any, as the parties and the individual Local Jurisdictions may agree to add. The Authority reserves the right subject to the terms of the Transit Advertising Agreement between the parties dated as of January 1, 2008 (the "Transit Advertising Agreement"), to engage in all other kinds and forms of advertising in and about its rail stations, rail vehicles, buses, and other facilities and property, either itself, or by contracting directly with other parties who wish to advertise, or by contracting through third parties or agencies. The kinds and forms of advertising that are hereby excluded from this Agreement, and reserved by the Authority to itself, expressly include, but are not limited to:

(a) The Authority shall have the right, at its own expense, to place upon the bus shelters and benches signs and displays in the nature of advertising pertaining to its rail and bus transit system, including displays designed to encourage the use thereof. It shall have the right to use up to ten percent of the advertising spaces subject to this Agreement for this purpose, including joint promotions with a commercial advertiser advertising both the Authority's transit system and commercial products or services. The Contractor shall place, maintain, and remove, and otherwise service, the Authority's advertising in these spaces at his cost. The Contractor shall have the right to sell such of the Authority's advertising space as is not used by the Authority, provided it requests the Authority's permission to do so at least thirty days in advance. The Authority shall have the right to use the Contractor's unsold space, subject to removal of its material if such space is sold.

(b) The Authority shall have the right to include advertising material, including paid advertising, in and upon printed materials such as schedules, bus books, circulars, tickets, passes, transfers, smart cards and information for passengers, distributed in or on its rail stations, vehicles, and buses.

(c) Subject to the terms of the Transit Advertising Agreement, the Authority shall have the right to place media displays other than the kinds or forms described in Sections 6(a), (b), and (c) above in its rail stations, rail vehicles, buses, and other facilities, or to

contract with third parties to do so. Such media displays include but are not limited to video/audio displays, electronic message signs, either displaying both information for passengers and advertising or only advertising, and trash receptacles on which advertising is displayed. The Contractor shall not be entitled under this Agreement to commissions on any payments the Authority may receive in connection with such displays.

(d) The Authority shall have the right to enter into agreements with third parties licensing or otherwise providing for the use of any trade mark, service mark, or other identifying device or symbol used, owned, or registered by the Authority.

14. RECORDS AND REPORTS. The Contractor shall keep true and accurate records of all transactions pertaining to this Agreement. Such records shall be open to regular audit on an annual basis, with reasonable prior notice, by the Authority or its authorized representatives during normal business hours at the offices of the Contractor, at any time while this Agreement is in effect and for four years after its termination. Special audits may be conducted by the Authority more frequently than annually, with reasonable prior notice to the Contractor of the purpose, scope and nature of the audit. In lieu of appearance at the offices of the Contractor, the Authority may request that relevant documents be transmitted electronically to the Authority for review.

The types of records to be retained and open to audit shall include:

(a) A monthly inventory report showing, for each category of advertising space, the spaces available for sale.

(b) A monthly revenue report showing for each category of advertising space the allocation of revenue between the Authority and the Contractor, in accordance with the contract, and a reconciliation of such allocation with payments to the Authority.

(c) One copy of each fully executed advertising contract and of each renewal, extension, or change thereof, within five days after it is executed.

(d) One copy of each contract or other document for all non-revenue advertising, within five days after it is executed.

(e) A photograph, in a format reasonably acceptable to the Authority, of the first piece of creative material for a new or changed display, as it is displayed in the applicable space. A list of all locations where the creative is displayed shall be provided upon the Authority's request.

(f) The Contractor shall keep a complete file of proof of installation forms showing the advertiser and a photograph of the advertising installed, and identifying all locations at which it is installed. The Contractor shall provide copies of these forms to the Authority upon its request.

(g) The Contractor shall maintain an inventory of each bus shelter and bench location in the Authority's service area and shall update such inventory on a monthly basis. Contractor shall provide the Authority, in an electronic format acceptable to the Authority, an accurate inventory of all shelter and bench locations in the Authority's service area, updated monthly.

15. APPROVAL. All advertising placed upon the Authority's property pursuant to this Agreement shall conform to its Advertising Policy and Regulations, a copy of which is attached hereto as Exhibit E and by this reference made a part hereof. The Authority reserves the right to ensure that all such advertising is in good taste, is displayed in a safe and professional manner, and does not detract from or impair the image or reputation of the Authority. The Authority shall have the right to direct the removal of any advertising material displayed in or upon its vehicles, buses, or property, in which case the Contractor shall promptly remove such material at the Contractor's cost; in the event that the Contractor fails to do so, the Authority may remove it or cause it to be removed, and the Contractor shall reimburse the Authority for all costs of removing it and of storing or otherwise disposing of it. In addition, the Authority reserves the right to require advertising material to be submitted to it for review before such material is displayed in its rail stations, rail vehicles or buses, or other facilities or elsewhere on its system. The Authority shall indemnify the Contractor against and hold the Contractor harmless from any liability or claim of liability to any advertiser or prospective advertiser arising out of the Authority's refusal to permit any advertisement to be displayed or out of the removal of any advertisement pursuant to the Authority's direction, except in the case of the removal of advertising displayed in violation of this Agreement, or of the Advertising Policy and Regulations, or of the Authority's express instructions.

16. INDEMNITY. The Contractor covenants, promises, and agrees fully to indemnify and save harmless the Authority and its officers, agents, servants, and employees from and against any and all of the following:

(a) Any and all loss, cost, and damages that may result to them or any of them arising out of or in connection with any claim, by any person, firm, corporation, or other person that he, it, or they have been defamed or otherwise libeled as a result of any advertising or other material placed by the Contractor in, on, or about any shelter, bench other property of the Authority, or that his, its, or their privacy has been invaded thereby, or that any copyright, patent, or other rights have been infringed thereby, or that he, it, or they have been otherwise injured thereby, and from and against any and all loss, liability, costs, and damage arising out of or in connection with any action at law, suit in equity, or other proceeding based upon or asserting any such claim. Notwithstanding the foregoing, no such indemnity shall apply to any advertisement or other copy provided by or on behalf of the Authority.

(b) Any death of or injury to the person, or damage to the property, of them or any of them, directly or indirectly, wholly or in part, resulting from or arising out of any act or omission of the Contractor, or of any officer, agent, servant, or employee of the Contractor who, at the time of such act or omission, is in or upon premises owned, used, or occupied by the Authority, or who is acting in the scope of his employment by the Contractor; and from and against any and all liability and claims of liability, and any and all losses, costs, and damage, resulting from or arising out of any claim by any person or persons whomsoever for any death, injury to person, or damage to property, or of any kind or nature whatsoever, directly or indirectly, wholly or in part, resulting from or arising out of any act or omission by the Contractor, or of any officer, agent, servant, or employee of the Contractor who, at the time of such act or omission, is in or upon premises owned, used, or occupied by the Authority, or who is acting in the scope of his employment by the Contractor.

(c) The indemnities hereinabove provided shall include reasonable attorneys' fees and all other costs of defending against any claims, demands, or losses subject thereto, whether or not such claims are asserted by means of an action at law, suit in equity, or other legal or other formal proceeding.

17. INSURANCE. The Contractor, at all times this Agreement is in effect, shall maintain in effect the following insurance policies, with underwriters satisfactory to the Authority, and under forms of policies satisfactory to the Authority and providing that

they can be cancelled only after at least thirty days written notice shall have been given to the Authority. The Contractor shall, upon the Authority's request, provide certificates of insurance evidencing the policies required:

(a) Workers' Compensation: Georgia Statutory with an "All States Broad Form Endorsement" and Employers Liability in an amount of \$1,000,000.

(b) Comprehensive General Liability Insurance: This policy shall include the following:

(i) Combined single limits of \$5,000,000.

(ii) Occurrence basis.

(iii) Name the Authority as an additional insured and coverage to be primary for actions arising out of this Agreement.

(iv) Independent contractors.

(v) Products/Completed Operations, including Contractual Liability Insurance covering the indemnification described herein.

(vi) Personal Injury Endorsement.

(vii) Broad Form Property Endorsement.

(c) Automobile Liability Insurance: Automobile, Bodily Injury and Property Liability Insurance with limits of not less than \$5,000,000 including owned, non-owned, leased, and rented motor vehicles.

(d) Fire/Lightning, Extended Coverage, and Vandalism and Malicious Mischief: Coverage of all the Contractor's "inventory insured" and all other property stored on the Authority's premises in an amount equal to the full replacement value at all times. This policy or policies shall include a waiver of subrogation against the Authority and its officers, employees, agents, and servants.

The Contractor shall require all sub-contractors, suppliers, and others acting as agents or servants of the Contractor to carry like amounts and policies where applicable. These requirements for insurance do not relieve, change, or limit the indemnities herein.

18. PERFORMANCE SECURITY. The Contractor shall provide to the Authority an irrevocable letters of credit, in form and substance reasonably satisfactory to the Authority, issued by a nationally chartered bank or banks and reasonably acceptable to the Authority, securing the payment of all amounts that become due under the Agreement.

On or before the effective date of the Agreement, and on or before the beginning of each contract year thereafter, the Contractor shall deliver such a letter of credit in an amount at least equal to fifty percent of the Annual Minimum Guarantee for such contract year. In the alternative, the Contractor may secure an "evergreen" letter of credit, continuing from year to year, in which case, the Contractor shall deliver on or before the beginning of each contract year after the initial year, an amendment to such letter of credit from the issuing bank, changing the amount of credit secured to fifty percent of the Annual Minimum Guarantee for such year. The Authority shall be entitled to draw against these letters of credit by certifying in writing to the issuing bank that the Contractor has failed to make a payment due under the Agreement when due, and the amount of the payment that is past due. There shall be no other condition or limitation upon its right to do so. The Authority, by exercising its rights under the letters of credit, shall not waive any other rights or remedies under the Agreement or to which it is otherwise entitled, nor shall damages to which the Authority is entitled be limited to the amount of such letters of credit.

19. LOSS OF USE. If because of any act of God, natural disaster, unusually severe weather conditions, acts or failure to act in a timely manner by any governmental entity, riots, sabotage, war or threat of war, terrorism, quarantine, labor strike, lockout and/or other labor disputes or any other condition beyond the reasonable control of the Contractor and without the Contractor's fault or neglect ("Loss of Use Event"), more than ten percent (10%) of the advertising space subject to this Agreement is not available to the Contractor, for more than sixty successive days immediately following such event, then the Annual Minimum Guarantee due the Authority under Paragraph Five hereof shall be reduced proportionately for that part of such period in excess of sixty days. The Contractor shall be required to commence and complete repair or replacement of the advertising space so affected in a reasonable time following the Loss of Use Event. Upon such replacement or restoration to the point at which less than ten percent (10%) of the total advertising space remains affected, the Annual Minimum Guarantee shall be restored to the Annual Minimum Guarantee then in effect under Paragraph Five.

If for any such reason the Contractor is deprived of more than twenty-five percent (25%) of the advertising space subject to this Agreement for more than one hundred and eighty days, the Contractor may cancel this Agreement in its entirety effective as of the

date of such deprivation of space or denial of access by giving written notice of its election to do so, without liability being incurred thereby on the part of the Contractor or of the Authority.

20. FORCE MAJEURE. If any performance by the Contractor of the obligations described in Paragraphs 4, 10, or 11 of this Agreement is postponed, delayed, reduced or otherwise affected by acts of God, natural disaster, unusually severe weather conditions, acts or failure to act in a timely manner by any governmental entity, riots, sabotage, war or threat of war, terrorism, quarantine, labor strike, lockout and/or other labor disputes or any other condition beyond the reasonable control of the Contractor, such failure shall not constitute an event of default, and the Contractor shall commence performance of such obligation within a reasonable time after the act or event causing such non-performance has been concluded, resolved or rectified. In any event, the occurrence of an event described herein shall not affect the Contractor's obligations with respect to the payment of Commissions as established in Paragraph Five herein, unless said occurrence results in the application of the terms of Paragraph 19, Loss of Use.

21. TERMINATION. The events described below shall be events of default, upon the occurrence of any of which the party not in default may, at its option, and subject to any notice and period of cure that is provided in the case of any such event, terminate this Agreement. The right to terminate as provided in this Section shall be in addition to all other rights and remedies, at law, in equity, or otherwise, to which the party not in default may be entitled, arising out of such event of default. If upon the occurrence of any event of default such party shall waive the same, or shall elect not to exercise its right to terminate the Agreement, such waiver or election shall not be a waiver of any other default or an election not to terminate because of any other default, nor be a waiver of or election not to terminate because of a like default on another occasion. The events of default subject to this section are as follows:

(a) The Authority may terminate the Agreement as provided in this section:

(i) If the Contractor shall fail to pay any fee or commission due the Authority, and such default shall continue for twenty days next after the Authority shall have given written notice thereof.

(ii) If the Contractor shall fail to perform any other obligation under this Agreement, and shall not cure or commence to cure such failure within thirty days next after the Authority shall have given written notice thereof, provided that if such obligation cannot reasonably be performed within 30 days, the Contractor shall not be in default as long as it commences a cure within 30 days of notice and diligently pursues it to completion..

(iii) If the Contractor abandons or discontinues operations under this Agreement, or becomes permanently deprived of the rights, powers, and privileges necessary to the proper conduct thereof; the Contractor shall not be entitled to notice of these events of default.

(b) The Contractor may terminate the Agreement as provided in this section in case of any of the following:

(i) The permanent abandonment of the Authority's bus or rail transit system; the Authority shall not be entitled to notice of this event of default.

(ii) The lawful assumption by the United States government, or any authorized agency thereof, of the operation, control, or use of the bus or rail system, or any substantial part or parts thereof, in such a manner as substantially to restrict the Contractor from placing and maintaining advertising thereon for a period in excess of ninety days.

(iii) The default by the Authority in the performance of any covenant or agreement herein required to be performed by it, and the failure of the Authority to remedy such default within thirty days after it receives written notice by the Contractor to remedy the same.

22. SUSPENSION OF WORK DURING ALERTS ISSUED BY HOMELAND SECURITY ADVISORY SYSTEM. When the Federal Homeland Security Advisory System (HSAS) or the Federal Transit Administration (FTA) issues a Threat Condition Alert Orange (high risk of terrorist attack), Threat Condition Alert Red (severe risk of terrorist attack), Threat Condition Alert Black (under attack) or Threat Condition Purple (recovery following attack), the Authority shall have the right to suspend or delay the installation of advertising under this Contract and take additional action as the

Authority deems necessary to secure the Authority's facilities, to the extent such right may apply to the performance of work under this Agreement, as follows:

Threat Condition Orange: the Authority shall have the right to delay or suspend all non-vital facilities work, including the installation or maintenance of advertising, as determined in its sole discretion, monitor all work areas and Contractor's personnel and equipment entering work areas.

Threat Condition Red: the Authority shall have the right to suspend the installation or maintenance of advertising, as determined in its sole discretion, and to restrict or deny access to work areas.

Threat Condition Black and Threat Condition Purple: The Authority shall suspend the installation and maintenance of all advertising until further notice.

The Authority shall provide notice to the Contractor, as soon as is practicable, of the receipt of a Threat Condition Alert and the effect such alert will have upon the work of the Contractor. To facilitate the provision of such notice, the Contractor is required to provide the Program Manager with emergency contact information in the form of cell phone numbers, facsimile numbers and e-mail addresses to which such notices may be forwarded, and to keep said numbers current. Notice or attempted notice given to the most recent points of contact shall be deemed to be sufficient notice to the Contractor that work shall be delayed or suspended in accordance with this paragraph. Any delay or suspension of work required under this paragraph shall not entitle the Contractor to any claims for additional compensation under this contract.

Should the FTA or the HSAS adopt a different method of identifying threats to homeland security, or if the FTA or the HSAS adopts rules binding upon the Authority for the suspension of work which differ from those set forth herein, this Contract shall be modified by written agreement of the parties to reflect such changes.

23. IDENTIFICATION OF PERSONNEL; SECURITY. The Contractor shall provide personnel who enter upon the Authority's property with distinctive identification badges showing the employer's name, the employee's name, the employee's job title and any employee identification number assigned to such employee. All personnel shall display these badges prominently upon their persons while on the Authority's property. The Authority will allow only properly certified personnel of the Contractor on

its property. The Authority shall have the right to require the Contractor to conduct background checks on its employees and to remove from the Authority's property any employee the Authority considers incompetent, careless, or who constitutes a security risk or safety hazard. The Contractor shall maintain a record of each employee of Contractor or of any subcontractor that has received a MARTA/Contractor Photo ID Badge. Such record shall include the employee's name, employee's status, employer's name, wayside badge number, and date of training. The Contractor shall ensure that all badges are returned to the Authority when the employee is no longer employed by the Contractor or the subcontractor. The Contractor shall be charged \$500.00 for each Photo ID Badge unaccounted for at the termination of this Agreement.

24. USE OF ADVERTISEMENTS. Subject to the consent of the applicable advertisers, to the extent necessary, the Authority shall have the right to make photographs and videotapes of its rail vehicles, stations, and buses with advertising displayed in or upon them, and to use such photographs and videotapes for the promotion of its transit system and services, without further consent of the Contractor.. The Contractor shall use commercially reasonable efforts to secure the consent and agreement of all applicable advertisers to such use by the Authority.

25. NOTICES. All notices, consents, demands, approvals, and requests required or permitted to be given by either party to the other pursuant to any provision of this Agreement shall be sent by United States certified or registered mail, return receipt requested, and shall be addressed as provided hereinbelow. Notices so mailed shall be deemed to have been given for all purposes on the second business day following the date on which they have been deposited in the mail. Each party may change its address for the purpose of notice by giving notice thereof to the other party as provided herein. The parties' addresses for this purpose are:

(a) For notice to the Authority:

Assistant General Manager of Communications
Metropolitan Atlanta Rapid Transit Authority
2424 Piedmont Road, N. E.
Atlanta, Georgia 30324-3330

With a Copy to:

Assistant General Manager of Legal Services and Chief Counsel
Metropolitan Atlanta Rapid Transit Authority
2424 Piedmont Road, NE
Atlanta, Georgia 30324-3330

(b) For notice to the Contractor:

CBS Outdoor Group Inc.
405 Lexington Ave.
New York, NY 10174
Attention: President Displays Division

With a copy to:

CBS Outdoor
405 Lexington Ave.
New York, NY 10174
Attention: General Counsel

26. EEO/DBE. The requirements with respect to Equal Employment Opportunity and Disadvantaged Business Enterprises, and the forms and exhibits therein, that are attached to the Authority's RFP are a part hereof, with which the Contractor shall fully comply. Any failure to do so shall be a material breach hereof.

27. INDEPENDENT CONTRACTOR. The Contractor under this Agreement is and shall remain an independent contractor. This Agreement does not constitute the Contractor an agent or representative of the Authority, nor authorize the Contractor to incur any obligation or liability to any third party on the Authority's behalf, and no partnership or joint venture is hereby created.

28. THIRD PARTIES. This Agreement is for the benefit only of the Authority and the Contractor, and is not intended to confer any right or benefit of any kind or nature whatsoever upon any third parties, except to the extent of the indemnities in Section 16 above.

29. ASSIGNMENT. The Contractor shall neither assign this Agreement wholly or in part, nor sub-contract any work hereunder, without the prior written consent of the Authority, which consent shall not be unreasonably withheld, delayed or conditioned. Notwithstanding the foregoing, no consent shall be required for any assignment to any entity controlled, controlling or under common control with the Contractor. Any assignment to which the Authority consents shall be binding upon it only

after proper written notice has been received by it. No assignment or sub-contract shall relieve the Contractor of any obligations under the Agreement.

30. PROHIBITED INTERESTS. The Contractor undertakes, represents, and warrants that none of the following, during his/her tenure or for one year thereafter, has or will have any interest, direct or indirect, in the Contract or in any part of the proceeds hereof: members of MARTA's Board of Directors; officers, employees or former employees of MARTA, or of any representative of MARTA in the administration of the Contract, pursuant to MARTA's Code of Ethics. This section also applies to members of or delegates to the United States Congress or the Georgia legislature; and members of the governing body, and all other officers and employees, of the City of Atlanta or the Counties of Clayton, DeKalb, Fulton, or Gwinnett, Georgia.

31. WAIVER. No waiver of any term or condition of this Agreement on any occasion shall be deemed to be a waiver of any other term or condition hereof, or of the same or any other such term or condition on any other occasion. If upon the occurrence of any default the Authority shall waive the same, or shall elect not to terminate this Agreement, such waiver or election shall not be a waiver of any other default or an election not to terminate because of any other default, nor a waiver of or election not to terminate because of a like default on another occasion.

32. INTEGRATION. This Agreement, including the attachments hereto and any other document referred to herein and made a part hereof, constitutes the entire contract between the parties, and excludes and supersedes any statement or undertaking, oral or written not included herein. The contract cannot be changed, modified, or amended except by a writing signed on behalf of the Authority by its duly authorized representative.

33. GOVERNING LAW. This Contract shall be subject to and governed by the laws of the State of Georgia. Any action, suit, or other proceeding arising out of or resulting from the contract may be brought in any court in the State of Georgia having jurisdiction thereof. The Contractor consents and submits to the jurisdiction of such courts in any such action, suit, or proceeding, and waives any objection to the jurisdiction thereof over the Contractor's person.

IN WITNESS WHEREOF, the aforesaid parties have caused these presents to be signed on their behalf, and their seals to be affixed, by persons duly authorized thereunto, as of the day and year first above written.

METROPOLITAN ATLANTA
RAPID TRANSIT AUTHORITY

CBS OUTDOOR INC.

By: Beverly A. Scott
Beverly A. Scott, Ph.D.
General Manager/CEO

By: [Signature]
Title: VP, CFO & CAO

Approved as to legal form:

[Signature]

Approved as to legal form

EXHIBIT A STATEMENT OF WORK

Installation of New Bus Shelters and Benches

MARTA and its partnering local jurisdictions require the removal of all bus shelters ten years or older and the purchase, construction and installation of all new illuminated (where permitted) bus shelters at the contractor's expense. This replacement of existing shelters should include all advertising and non-advertising shelters, including those installed on MARTA property (including but not limited to MARTA Park and Ride lots and MARTA rail station bus bays) and shall be performed within the first ten years of the contract term to include any new shelters currently being planned for construction by MARTA. Shelters that meet the age criteria (approximately 50%) at the time of contract award shall be replaced within the initial 12-18 months, all others should be replaced upon meeting the ten year age requirement. Design criteria for the new shelters is attached as Exhibit A-1. The inventory of shelters more than ten years old, and therefore requiring replacement, is attached as Exhibit A-2.

MARTA is currently implementing a non-advertising shelter and bench installation plan that will have all shelters and benches installed by January 1, 2008 (see attached inventory list Exhibit A-3). The contractor shall assume continuation of this program and install non-advertising shelters and benches in those locations that are deemed appropriate by MARTA. Non-advertising shelters and benches requested during the term of the contract shall be built at a rate no more than ten (10) shelters and ten (10) benches per year by the contractor. The number built each year will be at the direction of MARTA and the appropriate municipality based on internal ridership criteria. Locations of non-advertising shelters will be determined by MARTA and the participating local jurisdictions. In the event a bus route is modified or permanently discontinued, all bus shelters along such route shall be removed and relocated within thirty (30) days of the discontinuation of service to such shelter location.

The Authority requires an escrow account be established equal to the expense required to build and install the ten shelters and ten benches each year. As the shelters and benches are requested and approved for installation by the Authority the contractor will utilize the funds to build and install the shelters and benches. Deposits into the escrow account will continue yearly commensurate with the cost of the ten shelters and benches. If at anytime the Authority decides not to build the allocated shelters or benches during the term of agreement the balance of the escrow account will be paid to the Authority and distributed as sales commission to MARTA and the local jurisdictions.

The design of the new bus shelters should be of a progressive and contemporary style that enhances the environment and projects a new and innovative image for the Authority and the local jurisdiction in which the furniture is located. In the Best and Final Offer, the Proponent shall identify shelters and benches proposed to be installed during the term of

the contract. Acceptable shelter designs shall have a maximum average cost of \$14,000 per shelter, installed. Upon contract award and execution of Agreement, design selection and approval will be performed by MARTA and representatives from the local jurisdictions, where applicable. The successful proponent will work closely with MARTA and the local jurisdictions to ensure shelter design acceptability. The successful Proponent will be required to comply with any local ordinances or design standards that may apply to bus shelters and/or benches. Please see Exhibit B for sample shelter designs.

Annual Payment Guarantee Proposals

The Contractor shall propose a one-time lump sum payment, a minimum guarantee with an annual escalator and percentage revenue split of gross sales over and above the guarantee amount. Upon contract award, the proposed lump sum payment, minimum guarantee and percentage revenues become absolute and binding contractual obligations.

Approval of Advertising

MARTA, along with the local jurisdictions, reserves the right to approve all materials, devices and locations of advertising to be placed on bus shelters and benches. The Contractor may offer to develop other advertising spaces and devices. MARTA may accept or reject these items after review. All advertising will be subject to MARTA's advertising policy contained herein.

Promotional Space

MARTA and the local jurisdictions shall have the option to use up to 10% (or at least one shelter panel in each jurisdiction) of the advertising bus shelter space free of charge. This space will be used for the self promotion of MARTA and/or the local jurisdiction involved and produced at their own expense. The contractor shall place, maintain and remove the ad at their cost. The contractor will have the right to sell such space that is not used by MARTA or the local jurisdictions. Coordination of such activities will be through MARTA.

Other Programs

Contractor assistance is encouraged in developing and coordinating community and local business assistance in maintenance of bus shelters and benches. Additionally, other community programs that will serve to improve customer amenities would help to improve the customer experience.

Solar Power

MARTA encourages the proponent to consider solar power for bus shelter lighting where traditional overhead electric hookup is not feasible. Non-advertising shelters that are not accessible to electric power must utilize other forms of power to provide illumination.

Shelter and Bench Maintenance and Trash Removal

Shelter and bench maintenance and trash removal is an issue that must be elevated to the highest priority. The successful Proponent shall assume all repairs and cleaning of all existing and subsequently built advertising and non-advertising shelters and benches throughout the term of the agreement, as described in the maintenance and trash removal plan submitted with its Best and Final Offer. The proponent's proposal shall include a comprehensive plan to accept comments and/or complaints regarding cleanliness and physical condition of all shelters or benches covered by this agreement. The plan should include a system of receiving the information and dispatching appropriate contractor staff to repair or clean the identified area. The plan shall include a system using a 24 hour hot-line and email capabilities which then will initiate a 24 hour remedy response by the contractor. Contact information, to include telephone number and email addresses, must be displayed in a clearly visible location on each shelter. A 12 hour response time should be adhered to relating to shelter/bench repair or maintenance issues that pose a hazard to patrons or the community. Shelters (new and old) must be kept in a "like new" condition. This may require panel, roof replacements, bench replacements etc.

The design and construction of the new shelters will provide for an appropriately sized waste receptacle that will allow for larger capacity. Benches are also required to provide appropriately designed and installed waste receptacles.

The Contractor shall fund two Repair and Maintenance (R&M) Auditors (to include benefits and transportation cost) within MARTA who will have the primary function of performing daily audits of all shelters and benches covered by this agreement. The R&M Auditors will inspect and photograph (with time and date) all bus shelters locations and submit to MARTA and the contractor. The R&M Auditors will have immediate access to the 24 hour hot-line and email comments and complaints to ensure prompt response. The R&M Auditors will be hired by and report directly to MARTA staff. The contractor shall fund (salary and benefits: \$110k, transportation cost & miscellaneous expenses: \$30k, total \$140k) the position annually in January consistent with revenue payment to MARTA. A yearly escalator or provision for COLA increases shall be submitted as part of the proposal.

Photographic evidence of contractual non-compliance in repairing and/or cleaning of shelters and benches within the 24 hour period will constitute a violation of the contract. Violations of the contract will require the contractor to reimburse MARTA for the cost to perform the work necessary to cure the violation. Photographic evidence will be submitted to the contractor along with an invoice by the 5th workday of the following month. Payment by the contractor will be consistent with commission payments. Reimbursement cost will be based on the time and materials required and the labor rate will be based on staff required to perform the work. The current waste disposal hourly rate is \$ 38.22 and repair hourly rate is \$ 50.08. (Rates will be adjusted annually for cost of living at 3%).

Maps, Map Cases and Schedule Holders in Shelters

In an effort to improve customer information relative to MARTA, the successful Proponent shall install map cases with system maps in a visible location in or on newly constructed bus shelters. Map and map case sizes are negotiable as a part of the shelter design but must be approved by MARTA before installation. The successful Proponent shall be responsible for printing of system maps.

Additionally, the successful Proponent shall provide a display case within the bus shelter for a bus route schedule to be provided by the Authority. The size and location of this display is negotiable but must be approved by MARTA.

Bus Rapid Transit (BRT) Shelters

As an amendment to the Statement of Work in this Best and Final Offer, the Contractor will not be required to provide Bus Rapid Transit (BRT) shelters. However, upon implementation of the BRT system, the Contractor will be required to provide trash removal for the planned shelters as follows: fourteen (14) shelters Memorial Drive (est. service 2008), six (6) shelters West Line I-20 (est. service 2011), sixteen (16) shelters East Line I-20 (est. service 2016 and 2020), and twenty-four (24) shelters Buford Highway (est. service 2020). At the election of the Authority, the Contractor may be permitted to sell advertising on the BRT shelters. Additionally, the Contractor shall be responsible for daily light maintenance which includes, but is not limited to, waste pick up, general cleaning of the structure (graffiti removal), light bulb replacement, etc.

Exhibit A-1 Bus Shelter Design Requirements

MARTA and its partnering municipalities are working to create and operate a financially self-sustaining transit stop facility program that maximizes the opportunity for transit stop facilities to be located throughout the region's streetscapes in an aesthetically pleasing manner.

A key element of this program is the creation and adoption of Uniform Design Standards for transit stop facilities. These facilities should be conceived in a manner that the design, form, scale, materials and placement of these facilities minimize clutter, beautify streets and sidewalks, and provide a unique and identifiable streetscape and mass-transit system. Well designed facilities are an essential part of any successful mass-transit system, not only enhancing its operations, but also encouraging mass transit ridership. A good transit stop design should address visibility, accessibility, comfort and convenience, and provide transit information.

- *Visibility* - Allow people to see an oncoming bus without having to step out of the structure.
- *Accessibility* - Boarding a bus should be convenient without any obstructions, allow riders to board quickly, and also comply with the Americans with Disabilities Act (ADA). The sidewalk clear zone adjacent to the structure should also be accessible to passing pedestrians.
- *Comfort and Convenience* - Provide seating or resting amenity, lighting, weather protection, as well as a feeling of safety and security while discouraging vagrant activities.
- *Information* - Provide for display of system maps, route schedules, shelter maintenance and ability to structurally display real-time vehicle arrival information.

Final design decisions shall be made by MARTA and the partnering municipalities, however, the following criteria are critical components for a transit facility design that is both progressive and timeless, and should be considered in response to the RFP:

- 1) Ability to be site-specific adaptable and accessible in regard to:
 - a. Scale, size, and context of the urban street environment
 - b. Flexible design (shelter or post) that can be accommodated within some of the service area's narrow sidewalks
 - c. Compliance with the Americans with Disabilities Act (ADA)
- 2) Provide leaning rails or seating (at specific locations) within a transit structure
- 3) Provide for display of system maps (including Braille), route schedules, shelter maintenance contact information, signage and advertising opportunities on the shelter, post, or free-standing panel
- 4) Support brand identity and aesthetic qualities including:
 - a. Projecting a positive city image
 - b. Being appropriate for an urban context and contributing to a unique sense of place
 - c. Coordination with other city street furniture and streetscapes
- 5) Consider sustainability and climate conditions:

- a. Selection of quality materials (i.e. steel frame and clear herculite glass panels) that are vandal, graffiti, and weather resistant and are easy to maintain and have longevity
- b. Energy efficient, lighting (i.e. solar panels) to enhance safety and security
- c. Provide protection from elements (weather, wind-proofing, UV protection) with canopies and side panels, etc.
- d. Adaptable to new technologies (i.e. ability to display real-time vehicle arrivals, etc.)
- e. Identify and adhere to replacement or repair procedures
- f. Outline anticipated maintenance program

Exhibit A-2
Shelter and Bench Inventory Effective January 1, 2008

Jurisdiction	MARTA Shelter Ad	MARTA Shelter Non-Ad	MARTA Bench Non-Ad	Total
Alpharetta	2	8	0	10
Atlanta	175	86	3	264
Chamblee	6	3	0	9
Clarkston	8	2	0	10
College Park	3	7	0	10
Decatur	1	2	0	3
DeKalb County	158	107	63	328
Doraville	0	0	0	0
East Point	5	10	3	18
Fairburn	1	0	0	1
Fulton County	21	35	6	62
Hapeville	0	4	0	4
Lithonia	0	1	1	2
Palmetto	0	1	0	1
Roswell	0	1	0	1
Sandy Springs	25	16	1	42
Stone Mountain	0	3	0	3
Union City	2	1	0	3
Total	407	287	77	771

EXHIBIT B
PARTICIPATING LOCAL JURISDICTIONS

Fulton County (unincorporated areas)
DeKalb County (unincorporated areas)
City of Atlanta
City of Sandy Springs
City of Chamblee
City of Doraville
City of Clarkston
City of East Point
City of Union City
City of Decatur
City of College Park

EXHIBIT C

MARTA Detailed Maintenance and Litter Removal Plan

CBS Outdoor recognizes the shortfalls we have experienced under the current contract and will, as we explained in our oral presentations, take significant steps to address these. This will include adding significantly to our MARTA Bus Shelter maintenance staff, improved training and organization and acquiring all of equipment necessary to get the job done.

From an organization point of view, all of the work required to maintain a transit advertising shelter program will be broken down into the appropriate job classifications and each classification will have clearly defined safe job procedures.

~~All employees will be carefully trained to be versatile and multi-skilled because occasionally everyone has to post and/or clean, but primarily – 90-95% of the time – the employees will perform specialized functions and will not be frequently rotated to perform tasks normally assigned to others.~~

Simply put:

- o Copy change employees should change copy (50-65 locations per day).
- o Cleaners should clean and remove rubbish (45-60 locations per day).
- o Electrical service personnel should stick to electrical service work.
- o Maintenance employees who do structural and electrical maintenance and glass replacement work should stick to that work.

Our efforts are intended to improve the speed and efficiency with which all shelter operations tasks are completed. This will be accomplished by building skill levels and increasing personal accountability in the workforce.

Copy change work is moderately skilled and is the easiest to. If advertiser copy is not posted within the prescribed time frames, we are not able to bill the client thus, Internal checks and balances are always at work to manage this task.

Electrical service, structural maintenance and glass work is highly skilled. It is "tradespersons" work and as such the employees charged with these tasks generally require little supervision. What these employees do require is the tools, trucks and equipment necessary to do their work and intelligent direction from management as to specific job assignments that identifies what work is to be done and the prioritized order of work locations. In order to get this right we

must rely on a good management information system such as the CBS IMS and involved management.

The most difficult work to manage is rubbish removal and cleaning. This is, in part, because the employees who do this work have the lowest skill levels and therefore require more supervision; and, in part, because nothing will look right if the cleaning is not done right.

The MARTA shelter operation will require one (1) dedicated operations manager and eight (8) full-time operations employees, broken down as follows:

- 1 dedicated copy change employee (who infrequently removes rubbish and cleans)
- 2 dedicated cleaning/rubbish pick-up employees (who occasionally perform copy change work)
- 2 employees who primarily perform cleaning and rubbish pick-up (but also a small amount of regular copy change work)
- 1 employee who performs power-washing (and occasionally performs copy change, rubbish pick-up and cleaning)
- 2 maintenance/electrical service employees (who as needed perform posting, cleaning and rubbish pick-up)

Each employee has a specialized and primary job responsibility to perform at each work location, but all employees must at least pick-up, make safe and report any damage or defect encountered before moving on to the next work location. This includes broken glass, graffiti and rubbish overflow. Any work still needing to be done will be assigned to the employee primarily responsible for such work but the location must be made safe and reasonably presentable immediately.

Although some shelters may require more frequent visits, regular cleaning and rubbish pick-up will be accomplished by route by continuous loop scheduling with each shelter being serviced every third day. Shelters will be power-washed regularly once per quarter although some locations may require special cleanings.

Service and repair work is dispatched pursuant to reports generated from the field with the exception that fluorescent tubes are changed-out completely every eighteen (18) months by changing-out the bulbs completely in one-sixth ($1/6^{\text{th}}$) of the shelters every quarter.

The operation also requires eight (8) dedicated vehicles:

- o 5 – posting/cleaning vans
- o 1 – Heavy-duty “power-wash” stake truck equipped with a generator, heater, water tank, a wet-vac water recovery and filtration system plus the actual power-wash equipment.
- o 1 – heavy-duty maintenance truck with glass handling equipment
- o 1 supervisor’s van



Electrical service work that is beyond the capabilities of the dedicated shelter service crew will be performed by the company’s Atlanta outdoor billboard licensed electrician or by licensed electrical contractors. Temporary additional staff may be hired at peak work times on a full or part-time basis.

Maintenance Monitoring Plan

CBS Outdoor will implement a Maintenance Monitoring Plan that incorporates the use of our proprietary Inventory Management System. At the heart of our plan is this system's ability to record all aspects of posting, maintenance and repair.

In addition to the regularly scheduled cleaning and maintenance visits made during the normal course of business as described above, CBS Outdoor's Operations Supervisor will carefully inspect each shelter at least once each week to ensure that all shelters are being properly maintained. CBS Outdoor will also implement a program that will allow us to receive and respond to any comments, complaints or emergencies.

CBS Outdoor's eight-member shelter operations team will rotate an "on-call" responsibility making the CBS team available 24 hours a day, seven days a week. A toll free MARTA shelter maintenance hotline and web based reporting system will be established and monitored 24 hours per day seven days per week. The number to call and appropriate e-mail address to report damage or other maintenance concerns to any MARTA shelter will be prominently displayed on each shelter by affixing a label similar to that shown below.

 
REPORT VANDALISM, DAMAGE OTHER MAINTENANCE CONCERNS REGARDING THIS BUS SHELTER TO 1-888-XXX-XXX <u>CBSOUTDOOR.MAINTENANCE@cbsoutdoor.com</u> SHELTER # 277

All calls to this hot line will be immediately recorded in the CBS Outdoor Inventory Management System (IMS) and a system generated work order will be produced and automatically distributed to the on call maintenance crew. This work order will indicate the nature of the reported problem and direct our maintenance personnel to inspect the shelter in question and take any necessary corrective action. This inspection and repair will occur within 24 hours of receipt of the notification. The maintenance crew will then file a report indicating the

findings of their inspection and the action(s) taken to remedy the problem. A weekly report will be prepared identifying the date and time first reported and nature of the initial complaint as well as the date and time of our response and the remedial action taken. This information will be available to MARTA's Repair and Maintenance Auditors at all times either electronically or in hard copy. The CBS Outdoor IMS will also provide historical trends related to recurring vandalism or other maintenance issues which can be used to assist us in planning our regularly scheduled maintenance and cleaning operation.

Bus Shelter Replacement Schedule

The CBS Outdoor bus shelter replacement schedule assumes that there are approximately 400 shelters that meet the 10 year age criteria that require replacement within the initial 12 to 18 months of the contract term. This is based on the assumption of "approximately 50%" made in the RFP with an allowance for error.

Upon MARTA's final design selection and approval, CBS Outdoor will issue the appropriate purchase order to the selected manufacturer. Both Enseicom and Tolar Manufacturing estimate that we can expect to receive first deliveries in approximately eight (8) weeks. Current estimates anticipate delivery in batches of ten (10) shelters per week.

CBS Outdoor will arrange for multiple crews to handle; 1) existing shelter removal, 2) pad preparation (including any replacement or repair that may be required, 3) electrical preparation and connection and 4) new shelter installation. Typically, the shelter removal is completed in a few hours and the pad is prepared to accept the new shelter during the same or next day. If pad replacement or extensive repair is required it may take several days to allow time for concrete to cure. While this work is being completed, our electricians will prepare all electrical connections. Once the pad and the electrical connections have been properly prepared, the new shelter will be installed. On average we expect to be able to replace eight (8) shelters per week. Based on these assumptions, all 400 shelters would be replaced by May 1, 2009, approximately 16 months from the anticipated start date of January 1, 2008.

ID	Task Name	Start	Finish	Duration	2008												2009			
					Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
1	Shelters Ordered from Manufacturer	3/13/2008	5/8/2008	10W																
2	Shelters Delivered to CBS Outdoor	5/9/2008	2/12/2009	40W																
3	Shelter Removal	5/12/2008	4/24/2009	50W																
4	Pad Preparation & Electrical	5/12/2008	4/24/2009	50W																
5	Shelter Installation	8/19/2008	6/1/2009	50W																

MARTA Sales Force

CBS Outdoor intends to maximize demand for MARTA's Bus Shelter Advertising opportunities by calling on advertisers, agencies, and media buying services on a regional, local and national level. CBS Outdoor is uniquely positioned to accomplish this by virtue of our 400 member sales and marketing team located in the Company's 58 sales offices nationwide including our 22 member local/regional sales team located in Atlanta.

CBS Outdoor's sales executives maintain close working relationships with virtually every US Marketer and these relationships virtually assure that no out-of-home media buy is made anywhere in the US that doesn't include the participation of CBS Outdoor. Furthermore, as a division of the CBS Corporation, CBS Outdoor has the ability to work with our sister companies and gain access to any US Advertiser regardless of where they are.

CBS Outdoor's national, regional and local sales efforts are supported by our state-of-the-art Marketing Department through sales collateral materials targeted specifically to the appropriate level media buyers and through the application of our extensive media and demographic research capabilities.

The CBS Outdoor sales effort in Atlanta is directed by Zack Danielson who is charged with the responsibility of managing all efforts on behalf of MARTA media. This includes working with all of our regional and national Account Executives to clearly position MARTA's media as they call on advertisers, agencies and buying services that are not located in the Atlanta area. Mr. Danielson also manages the day-to-day efforts of our 22 member Atlanta based sales team assisting them in their work to explain the benefits of MARTA media to all levels of local and regional advertisers and agencies. The key individuals who make up the Atlanta based sales team and information regarding their specific account assignments are listed below.

- David Merritt has been selling MARTA media in Atlanta for the last 17 years. Mr. Merritt's effort is focused on two fronts; assisting our west coast based national account executives in managing their business shipped into MARTA and managing the larger regional & local advertising clients such as Pepsi, AirTran Airlines, and Centex Homes. David was recently responsible for the J Christopher's wrapped bus campaign.
- Rob Davis joined the company 21 years ago and is primarily focused on large local advertisers in Atlanta including CBS 46, Delta Airlines, Popeyes, Subway and WSB. The Fish 104.7 (Salem Media) shelter campaign is among his recent successes.

- Nelson Nolen is a 16 year veteran focused on local advertisers and agencies including the Saturn SE Dealer Group, VanWickle Assoc (Hennessy Auto), McRae Communications (GDOT) and the Carol White Agency (Capital Cadillac). The Ken Nugent Ultra SuperKing and para-transit bus fleet campaign is credited to Nelson.
- Eric Cramer has been with the company for 11 years and in the out-of-home media business for the last 25 years. Eric is responsible for Comcast Cable, the Atlanta Hawks and Thrashers as well as Cumulous Media. Mr Cramer is also responsible for all local and national campaigns run by Turner Broadcasting System. Most recently Eric can be credited for the sale of the Nationwide Bus Wrap campaign.
- Darlan McDaniel is a 9-year CBS Outdoor veteran and is responsible for the majority of our Atlanta area college and higher education advertisers including AIU, Herzing College and Everest College. He is also responsible for Post Properties and for developing BET Networks as the leader of our African-American marketing & sales initiative. Skyline Condominiums as well as the majority of the in town residential developers are also his clients.
- Rick Cooper has been with the company for 38 years! He is responsible for such local advertisers as Northside Hospital, KB Home, Jordan Auto and Zifty.com to name a few. Rick recently was responsible for the Central Michigan University Interior rail campaign.
- Don Wallace is an 8 year veteran and is responsible for AT&T, Capella University, Mayors Jewelers and Harry Norman Realtors. Don's most recent memorable campaign was the Remax "GlowSkin™" bus wrap campaign.
- Patrick Harrington came to the company 5 years ago as a sales manager from Clearchannel Outdoor and has been in the OOH industry for 8 years. Mr. Harrington is responsible for servicing the large Out-of-Home buying services in Atlanta including the Outdoor Media Group and Outdoor Services Inc. He is also responsible for such local clients as Dunkin Donuts, Fernbank Museum, Northwest Exterminators and Kudzu.com.

Other members of the CBS Outdoor Atlanta sales force include; Jennifer Campbell who works on The Atlanta Journal Constitution, Charles Riebel responsible for new business development on the local level, Rachel Garrett, Luis Charmorro the point-person for our Latino marketing & sales initiative, Patrick Healy, and Charley Wilson.

All CBS Outdoor Account Executive compensation is based 100% on commission; the more they sell, the more they earn. This compensation plan assures an aggressive and effective approach to sales.

To augment the efforts of our local, regional and national sales teams, CBS Outdoor has also initiated programs designed to target "niche" marketers seeking to reach specific audiences including Latinos and African Americans. In both cases, we have designated individuals around the country - and based locally in the Atlanta office - to lead these sales initiatives and assist us in identifying and working with appropriate advertisers. On the Latino side, Arthur Rockwell who works out of our Miami office, leads the effort along with dedicated account executives located in each of the larger latino markets - Atlanta being one. On the African American side, our efforts are led by Marcus Hollis and Darian McDaniel from our New Orleans and Atlanta offices respectively. Some of the successes earned by these niche marketing teams include Spanish Broadcasting and the BET network.

CBS Outdoor's sales effort is also supported by the CBS Outdoor Business Development Group led by Brigg Hyland. Ms. Hyland is a pioneer in the development of cross-platform media packaging and integrated marketing solutions for our clients - and actually created and implemented the concept of the station domination. The Business Development Group is charged with introducing out-of-home media to clients who do not traditionally include out-of-home in their media buys. By helping these advertisers to understand the benefits of out-of-home the Business Development Group has been successful in bringing new advertisers to our advertising arena such as Home Depot, M&M Mars and Tyson to bus shelters, buses and rail systems nationwide. In Atlanta, they were instrumental in getting Final Four title sponsors to commit additional advertising dollars to MARTA - The Orkin "Ants" campaign is one example.

As the largest Out-of-Home advertising company in North America, our 400 career media sales personnel across the country - 22 of whom are dedicated to our local efforts in Atlanta - will continue to increase advertiser demand for MARTA media and maximize revenue to MARTA through new business development and an intense and creative approach to local, regional and national sales.

Acknowledgement

CBS Outdoor will comply with all of the requirements in the Scope of Work for Bus Shelters/Benches including but not limited to; the funding of two auditors to be employed by the Authority, responsibility for maintenance and trash removal from all bus shelters in the Authority's inventory, the replacement of all shelters more than ten years old within eighteen months of contract award, and compliance with building, zoning and design requirements of each local jurisdiction in which shelters are located or will be located.

PROPONENT: CBS Outdoor Group Inc.

**COMBINED TRANSIT ADVERTISING AND SHELTER/BENCH ADVERTISING
REVENUE PROPOSAL**

BEST AND FINAL OFFER

The sale and use of advertising space on Bus Shelters/Benches and inside the Authority's rail transit stations and inside and outside transit (bus, paratransit and rail car) vehicles.

Fifteen (15) year term for Shelter Advertising and a Five (5) year term with two one year options for Transit Advertising

Lump Sum Payment due at contract execution: \$ 1,000,000

	SHELTERS/BENCHES	
	Guarantee	% Revenues
First Year:	\$ <u>1,600,000</u>	35 %
Second Year:	\$ <u>1,700,000</u>	35 %
Third Year:	\$ <u>1,800,000</u>	35 %
Fourth Year:	\$ <u>1,900,000</u>	35 %
Fifth Year:	\$ <u>2,000,000</u>	35 %
Sixth Year:	\$ <u>2,100,000</u>	35 %
Seventh Year:	\$ <u>2,200,000</u>	35 %
Eighth Year:	\$ <u>2,300,000</u>	35 %
Ninth Year:	\$ <u>2,400,000</u>	35 %
Tenth Year:	\$ <u>2,500,000</u>	35 %

	TRANSIT	
	Guarantee	% Revenues
	\$ <u>5,500,000</u>	65 %
	\$ <u>5,600,000</u>	65 %
	\$ <u>5,700,000</u>	65 %
	\$ <u>5,800,000</u>	65 %
	\$ <u>5,900,000</u>	65 %
Option Yr 1:	\$ <u>6,000,000</u>	65 %
Option Yr 2:	\$ <u>6,100,000</u>	65 %

PROPOSER: CBS Outdoor

**COMBINED TRANSIT ADVERTISING AND SHELTER/BENCH ADVERTISING
REVENUE PROPOSAL**

BEST AND FINAL OFFER

continued

Shelters/Benches

	Guarantee	% Revenues
Eleventh Year: \$	2,600,000	35 %
Twelfth Year: \$	2,700,000	35 %
Thirteenth Year: \$	2,800,000	35 %
Fourteenth Year: \$	2,900,000	35 %
Fifteenth Year: \$	3,000,000	35 %

Lump Sum

Shelters: \$ 1,000,000

Total Guarantee

Shelters: \$ 34,500,000

Total Guarantee

Transit (Base) \$ 28,500,000

Total Guarantee

Transit (Options) \$ 12,100,000

TOTAL OF ALL

GUARANTEED REVENUE: \$ 76,100,000

EXHIBIT E

METROPOLITAN ATLANTA RAPID TRANSIT
AUTHORITY

ADVERTISING POLICY AND REGULATIONS

The Metropolitan Atlanta Rapid Transit Authority is engaged in the sale of advertising in and upon its stations, property and rolling stock, which may include, but is not limited to, (1) print advertising inside its rail stations, (2) print advertising inside and upon its buses and rail cars, (3) video displays inside its rail stations, (4) video displays inside its buses and trains, (5) print advertising displayed on bus shelters in the Authority's service area, and (6) print advertising, billboards, banners, video displays or similar devices displayed upon its facilities, structures and property. This policy shall apply to the sale of all forms of advertising undertaken by the Authority.

The sole purpose of the Authority's advertising programs is to raise revenues, supplementary to those from fares and from tax proceeds, to be used to finance the Authority's operations. The sale and display of advertising is not intended to provide a general public forum for purposes of communication, but rather to make use of property held in a proprietary capacity in order to generate revenue.

In order to realize the maximum benefit from the sale of advertising space, the program must be managed in a manner that will procure as much revenue as practicable, while ensuring that the advertising does not discourage the use of the Authority's transit system, does not diminish the Authority's reputation in the community it serves or the

good will of its patrons, and is consistent with the Authority's principal purpose of providing safe and efficient public transportation. To attain these objectives, the Authority's Board of Directors has established the following policies regulating the advertising displayed in and upon its stations and vehicles.

1. All advertising displayed in or upon the Authority's rail stations, rail cars, and buses shall be paid advertising in the following categories:

(1) Commercial Advertising: advertising the sole purpose of which is to sell or rent real estate or personal property for profit or a fee, or to sell services for profit or a fee. It does not include advertising that both offers to sell property or services and also conveys information about political issues, religious, moral, or environmental matters or issues, or other public matters or issues, or expresses or advocates opinions or positions upon any of the foregoing.

(2) Transit Advocacy: advertising regarding public safety, traffic laws or transit advocacy, which shall include messages regarding the enforcement of state laws (such as seat belt usage, child restraint requirements, pedestrian right-of-way, driving under the influence, etc.), safety campaigns based upon concepts of pedestrian, child or highway safety, and transit advocacy (carpooling, clean air, etc.) All advertising in this category shall be paid advertising to support the Authority's goal of maximizing alternative sources of revenue.

(3) Community, education or health and safety campaigns adopted by the Ad Council. Such advertising shall not be donated and shall be placed as paid advertising upon the same terms as commercial advertising in order to support the Authority's goal of maximizing alternative sources of revenue.

2. The Authority's transit system, in order to serve the purpose for which it has been established, must of necessity accommodate all persons without distinction of age. It is therefore necessary to exclude advertising unsuitable for exposure to persons of young age and immature judgment. The following kinds of advertising therefore will not be displayed in or upon the Authority's rail stations, rail cars, or buses:

- a. Advertising for products or services related to human reproduction or sexuality, including but not limited to contraceptive products or services, other products or services related to sexual hygiene, and counseling with regard to pregnancy, abortion, or other sexual matters.
- b. Advertising for products, services, or entertainment directed to sexual stimulation.
- c. Advertising that is obscene within the meaning of OCGA §16-12-80.
- c. All advertisements for alcoholic beverages shall be limited to bus shelters, billboards and other outdoor displays and shall comply with all state, federal and local law and standards with respect to such advertising, including the display of any warning notices as to the effect of such product as may be required by applicable law, regulation, or trade agreements or standards.
- d. Tobacco advertising shall be prohibited as required by law.

3. No advertising shall be permitted that in any way denigrates the Authority's organization, or its operation, or its officers, agents, or employees. This prohibition includes advertising copy and illustrations that state or imply, or could reasonably be ex-

pected to cause an inference, that the Authority's service or operations are anything but safe, efficient, affordable, and convenient.

4. Use of the Authority's name, logo, slogans, or other graphic representations is subject to advance approval by the Authority. The Authority does not endorse or imply endorsement of any product or service.

5. The Authority requires all advertising copy to be truthful. Advertising copy and illustrations should not be exaggerated, distorted, or deceptive. Medical products or treatments are to be treated in a restrained and inoffensive manner. Testimonials must be authentic, and advertisers using them will be required to indemnify the Authority against any action brought in connection with them. Advertising that promotes contests or giveaways must comply with all applicable laws and regulations.

6. No advertising in or upon the Authority's rail stations, rail cars, or buses shall include language, pictures, or other graphic representations that are unsuitable for exposure to persons of young age and immature judgment, or shall be derogatory of any person or group because of race, national origin, ethnic background, religion, or gender.

7. No advertising shall be displayed if the display thereof would violate any federal or State law or regulation, or any law, regulation, or ordinance of the county or municipality in which the facility is located. No advertising shall be displayed if the display thereof would violate any federal or State law or regulation, or any law, regulation, or ordinance of any county or municipality in or through which such buses or rail cars are or may be operated.

8. No political advertising shall be displayed in the Authority's stations, vehicles, or other facilities. For this purpose, political advertising is defined as any of the following:

- a. Any advertising that supports or opposes the election of any candidate or group of candidates for election to any federal, State, or local government office;
- b. Any advertising that supports or opposes any referendum conducted by the federal or State government, or by any local government, such as referenda on constitutional amendments, on bond issues, or on local legislation; or
- c. Any advertising that features any person whose prominence is based wholly or in part upon his or her past or present activity in political affairs, or that represents or implies any such person's approval or endorsement of the subject matter of the advertising.

Advertising is or will be sold through one or more independent contractors selected in accordance with the Authority's competitive procurement procedures. Said contractors shall comply with the foregoing policies, and review all advertising with reference to them. They shall refer all such advertising that falls or may fall into any of the categories defined above to the Authority's representative responsible for administering the advertising program who shall determine whether the proposed advertising will be accepted. If the proposed advertising is rejected, the party or parties proposing it may request that this decision be reconsidered. Upon such request, the Authority's representative shall consult with the Authority's Chief Counsel and with its General Manager or the

officer designated by him for this purpose. The General Manager or his designee, on the basis of such consultation, shall determine whether the proposed advertising will be accepted or rejected.

The Authority will cooperate with the party or parties proposing the advertising, and with the independent contractor through whom it has been proposed, in a reasonable effort to revise it in order to produce advertising that can be accepted and displayed consistently with the foregoing policies.