

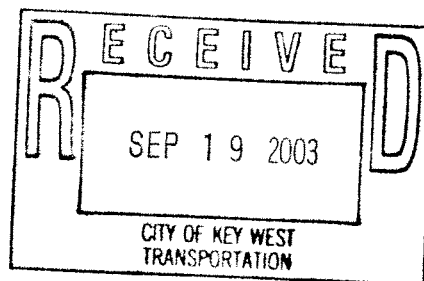
RESOLUTION NO. 03-330

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, AUTHORIZING THE RENEWAL OF THE AGREEMENT BETWEEN THE CITY AND ANDERSON OUTDOOR ADVERTISING, INC. FOR A PERIOD OF TEN YEARS; AUTHORIZING AN AMENDMENT TO THE AGREEMENT IN WHICH CITY REVENUES ARE INCREASED TO TWENTY PERCENT; PROVIDING FOR AN EFFECTIVE DATE

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, AS FOLLOWS:

Section 1: That renewal of the Agreement between the City and Anderson Outdoor Advertising for bus shelters and their advertising is hereby renewed for ten (10) years, the renewal term to commence on October 1, 2003, and expire on September 30, 2013.

Section 2: That the City Manager is hereby authorized to execute an Amendment to Agreement whereby the renewal authorization of Section 1, hereof, is conditioned upon Anderson Outdoor Advertising increasing the City share to 20% of gross revenues for the renewal term.

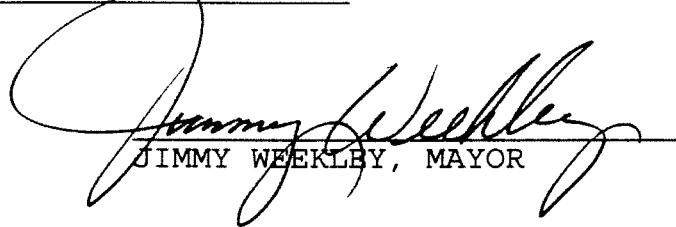


Section 3: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the presiding officer and the Clerk of the Commission.


Passed and adopted by the City Commission at a meeting held this 16 day of September, 2003.

Authenticated by the presiding officer and Clerk of the Commission on September 17, 2003.

Filed with the Clerk September 17, 2003.

  
JIMMY WEEKLEY, MAYOR

ATTEST:

  
CHERYL SMITH, CITY CLERK

9-17-03  
DANA  
Please follow up to get approval of the resolution.  
KWDoT  
Myra

## EXECUTIVE SUMMARY

**To:** Robert Tischenkel, City Attorney

**Cc:** Julio Avel, City Manager  
Roger Wittenberg, Finance Director  
Dennis Grote, Budget Analyst

**From:** Myra Hernandez, Manager / KWDoT

**Date:** September 5, 2003

**Subject:** Anderson Outdoor Advertising, Inc. / Bus Shelter Advertising Lease

### History / Project:

The project request for approval at this time is a renewal of the second ten (10) year lease term for bus shelter advertising with Anderson Outdoor Advertising, Inc.

In return for the approval of the lease renewal option Anderson Advertising proposes to increase the revenue share percentage of gross sales from 15% to 20%, per annum. This will also result in an amended lease term from September 2003 through September 2013.

Anderson also agrees to work with the Key West Department of Transportation (KWDoT) in identifying additional bus shelter sites to be placed at designated bus stop locations in the new town areas of Key West, and parts of Stock Island, Florida, all of which will require the approval of the department director and/or manager, as to the number of sites and locations.

There will be no additional sites in the historic districts of Key West, Florida, other than those sites currently approved under the existing contract.

### Advantages / Disadvantages / Fiscal Impact:

Programs such as this allow a revenue share to be paid to the city that helps generate revenues that otherwise would not be possible. Those revenues assist with offsetting the operating expenses associated with the public transit system.

Last fiscal period Anderson Advertising paid the city more than \$22,000.00, in revenues earned by bus shelter advertising.

Renewal of the contract term for the second ten (10) year period not only increases our revenue share but it does so two (2) years earlier than anticipated, making the cumulative revenue share paid to the city greater throughout the entire lease term.

Executive Summary – Anderson Outdoor Advertising

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9/5/03

With the replacement of the style of bench seating in the bus shelters, we should jointly be able to reduce the attractiveness of the bus shelters as camping sites, or long term shelter areas by providing adequate yet not extremely comfortable bench space for the transit customer.

Another fairly significant reason Anderson Advertising seeks approval to renew the contract period at this time is that the shelters require new solar light panels as the original panels installed have a life span of ten (10) years, which will soon to be exhausted.

Needless to say, Mr. Anderson seeks a commitment on the part of the city in return for the additional capital expenditures required to keep the bus shelters in a safe and operable condition, which will include the bench replacements and solar light panel replacements.

KWDoT has not encountered any disadvantages to this lease agreement at this time nor do we anticipate any disadvantage in the future as it relates to the renewal term.

**Recommended Action:**

KWDoT recommends approval of the option of renewal provided for in the contract for a second ten (10) year period which will begin September 2003 and run through September 2013. This will include replacement of all bus shelter benches, continued maintenance and enforcement efforts for trespass violations as well as solar light panel replacements.

If there are any questions please do not hesitate to call me at extension 162.

Thank you.

/mh

Attachments

Executive Summary (Anderson Advertising, 10 Year Renewal, 15% to 20% Revenue Share) 9-5-03

**STONES & CARDENAS**  
ATTORNEYS AT LAW

221 SIMONTON STREET, KEY WEST, FL 33040  
TELEPHONE (305) 294-0252 FAX (305) 292-5442

ADELE VIRGINIA STONES, P.A.

SUSAN M. CARDENAS, P.A.

June 2, 2003

Myra Hernandez, Director  
Department of Transportation  
City of Key West  
P.O. Box 1409  
Key West, FL 33041-1409

Re: Anderson Outdoor Advertising Contract

Dear Mrs. Hernandez:

Since 1992, Anderson Outdoor Advertising has enjoyed a mutually productive relationship with the City of Key West to install and maintain bus shelters in approved locations in the City of Key West while sharing the revenues generated through the bus shelter advertising. The current ten year contract contains a ten year renewal option which may be exercised upon agreement of both parties to the contract. We are in the seventh year of the first ten year term of the contract.

My client would like to make known his interest in continuing his relationship with the City of Key West. If the City is willing to exercise the renewal option as provided for under the contract, Anderson Outdoor Advertising will immediately increase its revenue sharing from the current rate of 15% to 20%. This will result in the increase of revenue sharing by 5%, nearly three (3) years earlier than scheduled under the contract. That 20% increase will then continue through ten year renewal period beginning November 2005.

If this proposal meets with you approval, please forward this request to the City Manager for placement on the June 17, 2003 City Commission Meeting Agenda.

Sincerely,



Adele V. Stones  
AVS/cms

NOTE:  
As discussed  
w/ Mr. Anderson of the  
contract term in  
renewal in 2005 or  
the 2nd term  
through 2010  
(@ 2003  
16



Myra Hernandez  
KWDOT Manager

THE CITY OF KEY WEST  
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www.keywestcity.com  
mhernan@keywestcity.com

627 Palm Avenue  
(305) 292-8162  
Fax (305) 292-8285

September 23, 2003

Anderson Outdoor Advertising, Inc.  
Mr. John Anderson  
1104 Truman Avenue  
Key West, Florida 33040

Re: Lease Renewal 2013

Dear Mr. Anderson:

Enclosed is a copy of Resolution No. 03-330, authorizing renewal of the agreement between the City and Anderson Outdoor Advertising, Inc., for the second ten (10) year lease term.

The renewal term of the agreement for bus shelters and advertising is revised to commence on October 1, 2003, and expire on September 30, 2013.

The lease renewal requires replacement of current style of bench seats at all shelters, and a few other specific issues of concern that were addressed in detail at the commission meeting of September 16, 2003.

If you have any questions or require assistance on any of the issues of concern please feel free to contact me.

It is always a pleasure doing business with Anderson Outdoor Advertising, Inc.

Sincerely,

A handwritten signature in cursive script, appearing to read "Myra Hernandez".

Myra Hernandez, KWDoT Manager

cc: David Fernandez, Director KWDoT/Utilities