

## **ON-BOARD TROLLEY AND PRINT ADVERTISING AGREEMENT**

THIS PROFESSIONAL SERVICES AGREEMENT, is made as of this 12<sup>th</sup> day of January, 2009, between the City of Coral Gables (hereinafter called the "CITY"), and Arcoart Plus, LLC d/b/a Trolinet (hereinafter called the "PROFESSIONAL").

### **RECITALS**

**WHEREAS**, pursuant to the City of Coral Gables' Resolution No.: 2008-128, the City Commission awarded a two (2) year contract with an option to renew, at the City's discretion, for three (3) additional one (1) year periods to PROFESSIONAL and further authorized the City Manager to enter into an agreement pursuant to the terms and conditions of the Request for Proposal, 2008-07-17, or the provisions contained therein (the Request for Proposal is attached hereto as Exhibit "A"); and

**WHEREAS**, the PROFESSIONAL shall perform the services as specifically stated herein and in the Scope of Work, which is attached hereto as Exhibit "B", and as may specifically be designated and authorized by the City; and

**WHEREAS**, the PROFESSIONAL agrees to accept this Agreement upon the terms and conditions hereinafter set forth; and

**NOW, THEREFORE**, in consideration of the promises and the mutual covenants herein contained, the CITY agrees to retain the PROFESSIONAL for a two (2) year period. However, this period may be extended at the sole discretion of the CITY for three (3) additional one (1) year periods. The PROFESSIONAL agrees to perform all trolley on-board creative advertising services and the new trolley route map guide for the CITY. The CITY will not permit the distribution of any other publications in the trolleys.

### **I. GENERAL PROVISIONS**

1.1 **Engagement.** The CITY agrees to engage the PROFESSIONAL for a period specified in paragraph 1.2, and the PROFESSIONAL agrees to accept such engagement and to perform such services for the CITY upon the terms, and subject to the conditions set forth herein.

1.2 **Agreement Period.** The terms of the Agreement (the "Professional Period") shall commence upon execution of this Agreement, and shall continue thereafter for a period of two (2) years, which may be extended at the CITY's sole discretion for three (3) additional one (1) year periods, or until terminated by the CITY upon 30 days written notice to the PROFESSIONAL, in accordance with the notice requirements contained in Section XII.

1.3 **Priority of Interpretation.** This document without exhibits is referred to as the "Base Agreement". In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, service, or other work, or otherwise, between the Base Agreement and the exhibits, or between exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the body of this Base Agreement and the exhibits, or between exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the body of this Agreement, and then to the exhibits according to the following priority:

- a) CITY Resolution and applicable Code provisions;
- b) CITY Request for Proposal (Exhibit "A");

- c) CITY Scope of Work (Exhibit "B");
- d) PROFESSIONAL'S (Contractor's) Response to Request for Proposal (Exhibit "C");
- e) Performance and Payment Bonds;
- f) Insurance Certificates, and related documents;
- g) PROFESSIONAL'S Exceptions to Terms and Conditions.

1.4 **Background Investigation.** The PROFESSIONAL agrees that all employees including the PROFESSIONAL may be subject to an annual background investigation.

1.5 **Polygraph Examination.** The PROFESSIONAL agrees to submit to polygraph examinations at the request of the Director or designee.

1.6 **Medical, Drug Screening and Check-ups.** All PROFESSIONALS, contractors, their employees, agents and subcontractors must satisfactorily complete the CITY'S pre-placement medical and drug screening examinations and be certified as drug free as well as abide by the CITY'S Drug Free Work Place Policy at PROFESSIONAL'S expense. The CITY may require that the PROFESSIONAL, contractor and/or their employees, agents and subcontractors performing services for the CITY submit to yearly medical examinations at PROFESSIONAL'S expense. The PROFESSIONAL, contractor and/or their employees, agents and subcontractors agree to submit to unannounced drug testing at the request of the Director or designee.

1.7 **Driver's License.** At CITY'S option, the PROFESSIONAL must provide a valid Florida Driver's License or appropriate commercial driver's license for each employee, agent or subcontractor and be willing and able to operate any required vehicles as authorized by the CITY. Evidence of compliance with the Defensive Driving Course must be submitted to the CITY prior to operating a CITY vehicle or any vehicle where patrons or their children are passengers. Individuals must be approved by the Risk Management Division of the CITY prior to the operation of a CITY owned vehicle and/or privately owned vehicles while conducting CITY business. The CITY reserves the right to request the employee/agent's driving record from the State of Florida, at PROFESSIONAL'S expense.

1.8 **Confidential Information.** The PROFESSIONAL agrees that any information received by the PROFESSIONAL for the CITY and in providing services in accordance with this Agreement which is not publicly available, shall not be revealed to any other persons, firm or organizations.

1.9 **Most Favored Public Entity.** PROFESSIONAL represents that the prices charged to CITY in this Agreement do not exceed existing prices to other customers for the same or substantially similar items or services for comparable quantities under similar terms and conditions. If PROFESSIONAL'S prices decline, or should PROFESSIONAL, at any time during the term of this Agreement, provide the same goods or services to any other customer at prices below those set forth herein, then such lower prices shall be immediately extended to the CITY.

## II. PROFESSIONAL SERVICES

2.1 **Basic Services.** During the Professional Period, the PROFESSIONAL will serve as a PROFESSIONAL to the CITY and shall provide for a creative trolley on-board advertising and provide a new trolley route map, and shall perform and oversee those tasks outlined, including, but not limited to:

a) Trolley On-Board Advertisement Project:

Hardware and Installation:

- Provide all hardware (monitor, media storage devices, etc.).
- Provide all software.

Services Required:

- All professional services necessary to sell advertising.
- Production services for all ads.
- A record and reporting system to substantiate billings, sales, commission and payments to the City of Coral Gables trolley to be provided at least on a monthly basis.
- Services in strict compliance with all applicable laws and statutes of the United States, the State of Florida, and the Charter, Ordinances, regulations or resolutions of the City of Coral Gables.
- Revenue to the trolley depot for the exercise of the contractor's rights under the advertising agreement.
- All services to be performed in a professional manner and style.
- The PROFESSIONAL shall provide the CITY a DVD disc and/or any other format, on a monthly basis, containing all on-board programming and advertising on the 15<sup>th</sup> day of each month during the term of the Agreement.
- The PROFESSIONAL shall provide the CITY with a monthly report on all advertising sales on the 15<sup>th</sup> of each month during the term of the Agreement.

Business Plan Development:

- Develop and provide a Business proposal which includes responsibilities and provides revenue sharing plan, which details revenue type and percentage offered to the City.
- Provide documentation, photos, shop drawings or plans of devices and accessories.
- Meet the City's insurance requirements.
- Demonstrate experience in mobile multimedia.

Deliverables:

- All hardware will be installed by the PROFESSIONAL with the active support of the trolley maintenance contractor until completion and testing of installation.
- Provide proper equipment specific for use in vehicles/buses.
- Trolley maintenance contractor will provide required ac/dc power to the PROFESSIONAL at the requested location.

b) New Trolley Route Map Guide (with advertisement):

The City of Coral Gables has a distinct sophisticated image of beautiful homes, lush landscape, and historic fountains and plazas. Coral Gables is trademarked as "The City Beautiful." All publications and visual products of the City of Coral Gables have a classy, sophisticated, high quality look reflective of this historic city. The publication must follow this style and avoid other lower quality images.

**Publications Required:**

- A small full-color route map, displaying all stops, times, route, and contact information similar to the preferred map attached to the Scope of Work.
- Space for full color advertisements.
- Reproduction on a monthly basis for new and current advertisers.

**Services Required:**

- All professional services necessary to sell advertising.
- Production services for all ads.
- Production services for all printing.
- A record and reporting system to substantiate billings, sales, commissions and payments to the City of Coral Gables trolley to be provided at least on a monthly basis.
- Services in strict compliance with all applicable laws and statutes of the United States, the State of Florida and the Charter, Ordinances, regulations or resolutions of the City of Coral Gables.
- Acknowledge full liability and responsibility for any claim for damages resulting out of the services performed under this agreement.
- Revenue to the Trolley Depot for the exercise of contractor's rights under the advertising agreement.
- All services to be performed in profession manner and style following the sophisticated Coral Gables image.

**Business Plan Development:**

- Develop and provide a Business Proposal which includes responsibilities, and provides revenue sharing plan, which details revenue type and percentage offered to the city.

**Deliverables:**

- All route replications will be created with the assistance of the Trolley operations office.
- Provide ample amounts of maps within a specified production schedule.
- Provide clean, high quality production, at low costs.

**c) Policy:**

- The purpose of the printing and advertising is to raise revenues, supplementary to those and other revenue sources in order to finance the Trolley system

operations. The display of advertising is solely for this purpose. It 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 maximize as much revenue as practicable, while ensuring that the advertising does not discourage the use of the CCGT system, does not diminish the Trolley Divisions reputation in the community it serves or the goodwill of its patrons and is consistent with CCGT principal purpose of providing safe, comfortable, and efficient public transportation.
- The Trolley Division reserves the right to suspend, modify or revoke the application of any or all of the guidelines promulgated as it deems necessary to comply with legal mandates, to accommodate its primary transportation responsibilities and to fulfill the goals and objectives referred to herein.

d) Advertising Program and Administration:

- The PROFESSIONAL shall designate a Program Manager responsible for the daily administration of the CCG Trolley program for On-Board Trolley Advertising and Trolley Route Map. The Program shall include, but not be limited to, promotion, solicitation, sales, accounting, billing, collections, and posting of advertising displays in CCG Trolleys made available for such bus advertising.
- The PROFESSIONAL shall provide the employees and equipment necessary to perform the work and provide the services necessary to meet the needs of the Trolley Division.
- Requests for Trolley On-Board and Print advertising space that is provided for free of charge on behalf of City agencies or not for profit organizations must be approved by the Contract Manager. Such placements must be in accordance and consistent with the agreement entered into between the PROFESSIONAL and the City for Trolley Advertising Program. All requests for Trolley advertising space should be submitted on the Advertising Request Form and sent directly to the Contract Manager for approval.

e) Advertising Standards:

- All advertising regarding the City of Coral Gables Trolleys (CCGT) shall meet community standards for decency and good taste.
- Additionally, CCGT, in keeping with the public purpose it serves, must accommodate all persons without distinction of age. It is therefore necessary to exclude advertising unsuitable for exposure to children or persons with immature judgment.

- The following kinds of advertising will not be displayed in or upon CCG Trolleys:

1. Advertising for cigars, cigarettes, pipe tobacco, chewing tobacco and other tobacco products; alcoholic beverages, including but not limited to, beer, wine and distilled spirits; an image or depiction of a firearm and all political ads. Alcoholic beverages can only be shown as a "motif" to the advertising spot, but may never be shown as consumption by anyone on camera or still images.

2. 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 adult materials or services.

3. Advertising for products, services or entertainment directed to sexual stimulation or other explicit sexual material such as adult book stores, nude dance clubs and other adult entertainment establishments, adult telephone services, adult Internet sites and escort services, x-rated movies, pornography or businesses that traffic in pornography.

4. Advertisement containing material that advocates or opposes or demeans or disparages an individual or group of individuals on the basis of race, color, religion, national origin, ancestry, gender, age, disability, ethnicity or sexual orientation.

5. Advertisement containing profane, obscene, or libelous language or material. For purposes of these guidelines, the terms obscene and nudity shall have the meanings contained in Florida Statutes.

6. Advertisement containing an image or description of graphic violence or the depiction of weapons or other implements or devices associated in the advertisement with an act or acts of violence, criminal behavior, anti-social behavior or harm on a person or animal.

7. Advertisement or any material contained in it that promotes or encourages or appears to promote or encourage the use of possession of unlawful or illegal goods or services.

8. Advertising that appears as graffiti, gang signs or symbols.

9. Advertising that promote any contest, sweepstakes, or any other "game of chance".

10. Advertisement, or any material contained in it, implies or declares an endorsement by CCGT or the City of Coral Gables Commissioners without the prior written authorization of the Manager

of the Trolley or the Commission, respectively.

f) Review of Advertising:

- The PROFESSIONAL shall review each advertisement submitted for print and display on CCG Trolleys to determine whether the advertisement may fall within one or more of the categories identified above. If it appears the advertisement may be questionable, the PROFESSIONAL shall notify the Contract Manager at CCGT before the advertisement is approved and installed.
- The Contract Manager will review the advertisement to determine whether the advertisement falls within one or more of the categories identified above. If the Contract Manager determines that the advertisement does not fall within any of the categories, the PROFESSIONAL will be notified that the advertisement is in conformity with the Trolley Advertising Guidelines.

g) Unsold Advertising Space:

- The City may use unsold space in print or upon its buses, at any time, for the purpose of promoting its own business, alone or in conjunction with other businesses or entities. The PROFESSIONAL will be responsible for the installation and removal of such advertisement at no cost to the City. The time and placement of the City's airtime will be at the PROFESSIONAL'S discretion except in emergency situations. The City Manager shall determine what an emergency is. If the advertisement material proposed by the CITY requires PROFESSIONAL to do additional production or formatting work, the costs incurred by the PROFESSIONAL will be deducted from the CITY'S shares of revenue. The increased costs must be established through a written invoice and/or proper documentation.
- The City retains the right to hold space on the Trolley Route Map and/or interior displays of each CCG Trolley for the promotion of ridership or other transit programs. The City shall provide all such materials to the PROFESSIONAL, who shall print/install and remove the advertisement at no cost to the City.
- If a non-profit organization or sponsoring entity approaches the PROFESSIONAL or the City requesting free space the Contractor and City shall jointly review the request. Such requests shall be in writing with supporting documentation showing that the organization is a non-profit entity. If space is available and both the PROFESSIONAL and the City agree to the donation of free space, it will be considered a partnership with the advertising entity and a City logo shall appear in the advertisement as a supporting partner.
- Donation of free space for City-approved promotions will be restricted to public service announcements. Donation of free space does not include the

cost of installing, repairing or replacing the advertisement. Such cost shall be paid by the party requesting the free space.

h) **Installing and Removing On-Board Trolley Advertisements:**

- The PROFESSIONAL shall be responsible for installing advertisements onto the CCG Trolley media system, under the supervision of the City's trolley management personnel.
- The PROFESSIONAL is required to provide a monthly inventory of all advertisements which are sold or appear on CCG Trolleys, including the expiration date for such advertisement, to the Contract Manager.

The PROFESSIONAL shall perform the services as specifically stated in the Scope of Work, which is attached hereto and incorporated herein as Exhibit B, and as may be specifically designated and authorized by the CITY.

2.2 **Authorizations.** Authorizations will be in the form of a Work Authorization. Each Work Authorization will set forth a specific Scope of Services, amount of compensation, a completion date, and shall be approved by the Public Works Director or designee.

2.3 **Reporting.** The PROFESSIONAL shall provide the necessary reporting requirements as outlined by the Public Works Director or designee for review. In addition, the PROFESSIONAL shall submit a monthly report to the Public Works Director, which shall include detailed information regarding the activities of the PROFESSIONAL during the previous month.

2.4 **Availability of Professional.** The PROFESSIONAL shall make all documents available 24 hours a day, 7 days a week, 365 days a year, in order to satisfy the CITY'S emergency demands for continued, non-interrupted service.

### **III. COMPENSATION**

3.1 **Basic Revenue to the City.** Ninety (90) days following execution of this Agreement, the PROFESSIONAL shall pay the CITY, at a minimum, the following monthly revenue:

2008-2009: \$13,800.00/month  
2009-2010: \$15,400.00/month

### **IV. INDEPENDENT CONTRACTOR AND PROFESSIONAL HOLD HARMLESS PROVISIONS**

4.1 **Independent Contractor and Professional.** The PROFESSIONAL acknowledges entering into this Agreement as an independent Contractor and Professional, and that the PROFESSIONAL shall therefore be responsible for the deposit and payment of any Federal Income Taxes, FICA, Unemployment Taxes or any similar fees or taxes that become due, and shall be responsible for the collection and payment of all withholdings, contributions and payroll taxes relating to PROFESSIONAL'S services, or those of employees of the PROFESSIONAL. The CITY shall not withhold from sums payable to the PROFESSIONAL, any amount whatsoever for Federal Income Taxes, FICA, Unemployment Insurance Taxes or any similar fees or taxes. The



PROFESSIONAL, their employees or agents, will not be considered an employee of the CITY or entitled to participate in plans, distributions, arrangements or other benefits extended to the CITY employees.

**4.2 Agency/Third Party Beneficiary.** The PROFESSIONAL is an independent contractor. This Agreement does not create a joint venture, partnership, or other business enterprise between the parties. Nothing herein shall imply or shall be deemed to imply an agency relationship between the CITY and PROFESSIONAL. The PROFESSIONAL has no authority to bind the CITY to any promise, debt, default, or undertaking of the PROFESSIONAL. The PROFESSIONAL and the CITY agree that it is not intended that any provision of the Agreement establish a third party beneficiary giving or allowing any claim or right of action whatsoever by any third party under this Agreement.

**4.3 Indemnification and Hold Harmless.** To the fullest extent permitted by Laws and Regulations, the PROFESSIONAL shall indemnify and hold harmless the CITY and its consultants, agents, and employees from and against all claims, damages, losses, and expenses direct, indirect, or consequential (including but not limited to fees and chares of attorneys and other professionals and court and arbitration costs) arising out of or resulting from the performance of the work, provided that any such claim, damage, loss, or expense (a) is attributable to bodily injury, sickness, disease or death, or to injury and (b) is caused in whole or in part by any willful, negligent, reckless or intentional act or omission of PROFESSIONAL, any subconsultant, or any person or organization directly or indirectly employed by any of them to perform or furnish any of the work or anyone for whose acts any of them may be liable, regardless of whether or not it is caused in part by a party indemnified hereunder or arises by or is imposed by Law and Regulations regardless of the negligence of any such party.

4.3.1 For any and all claims against the CITY or any of its consultants, agents, or employees by any employee of PROFESSIONAL, and subconsultant, any person or organization directly or indirectly employed by any of them to perform or furnish any of the work or anyone for whose acts any of them may be liable, the indemnification obligation under the above paragraph shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for PROFESSIONAL or any such subconsultant or other person or organization under workers' or workman's compensation acts, disability benefit acts, or other employee benefit acts.

4.3.2 The indemnification and hold harmless provision shall include, but not be limited to, all of the following:

- a. Damages awarded to any person or party.
- b. Attorney's fees and costs incurred in defending such claims. The CITY may use the attorney or law firm of its choice in which event PROFESSIONAL will pay such firm the fees it charges the CITY, provided such fees are reasonable in light of the prevailing market rate for similar legal services. Such fees shall be deemed reasonable if they are no greater than the fees that CITY pays other counsel for representation in similar cases. If the City Attorney's Office provides the defense, PROFESSIONAL will reimburse the CITY at the prevailing market rate for similar legal services.
- c. Attorney's fees and cost of any party that a court orders the CITY to pay.

- d. Lost time that results from the CITY or its officials or employees responding to discovery or testifying by deposition or in court. In this regard, for any time the CITY spends in responding to document requests or public records requests relating to such claims whether from PROFESSIONAL or any other party, PROFESSIONAL will reimburse CITY \$50.00 for each employee work hour spent reviewing or responding to such requests. For any time spent testifying in court or in depositions, or preparing for such testimony, PROFESSIONAL will reimburse CITY on a per hour basis as follows:

- For the Mayor or City Commissioner: \$300.00 per hour
- For the City Manager: \$250.00 per hour
- For an Assistant City Manager or Department Director: \$250.00 per hour
- For an Assistant Department Director: \$100.00 per hour
- For City Attorney: Prevailing market rates
- For other employees: \$ 50.00 per hour

- e. The expenses incurred by CITY in complying with any administrative or court order that may arise from such claims.
- f. Miscellaneous expenses relating to such claims including expenses of hotels and transportation in trips relating to such claims; and
- g. Any other direct or indirect expense that CITY would not have incurred but for a claim that arises out of this agreement.

4.3.3 It is the specific intent of the parties hereto that the foregoing indemnification complies with Section 725.06 (Chapter 725), Florida Statutes.

## V. INSURANCE

5.1 Without limiting PROFESSIONAL'S indemnification of the CITY, and during the term of this Agreement, PROFESSIONAL shall provide and maintain at its own expense the below described programs of insurance or the insurance required pursuant to the Request for Proposal. Such programs and evidence of insurance shall be satisfactory to the CITY and shall be primary to and not contributing with any other insurance or self-insurance program maintained by the CITY. Certificates or other evidence of coverage shall be delivered to:

City of Coral Gables  
Risk Management Division  
2801 Salzedo Street, 2<sup>nd</sup> Floor  
Coral Gables, Florida 33134

Such certificates or other evidence of coverage shall be delivered prior to commencing performance under this Agreement, and shall specifically identify this Agreement, and shall contain the express condition that the CITY is to be given written notice, by receipted deliver, at least thirty (30) days in advance of any cancellation, non-renewal or material change of any insurance policy.

5.2 The PROFESSIONAL shall maintain during the terms, except as noted, of this Agreement, the Insurance required under the Request for Proposal or as follows:

- a. **Professional Liability Insurance** with a limit of liability no less than \$1,000,000.00 per occurrence with a deductible per claim, if any, not to exceed 5% of the limit of liability providing for all sums which the PROFESSIONAL shall become legally obligated to pay as damages for claims arising out of the services performed by the PROFESSIONAL or any person employed in connection with this Agreement. This insurance shall be maintained for three (3) years after any WORK covered by this Agreement.
- b. **Comprehensive General Liability Insurance** with broad form endorsement or equivalent, including automobile liability, completed operations and products liability, contractual liability, severability of interests with cross liability provision, and personal injury and property damage liability with limits no less than \$1,000,000.00 per occurrence for bodily injury and property damage, and \$2,000,000.00 in the aggregate. Said policy or policies shall name the CITY as an additional insured on a primary and non-contributory basis and shall reflect the hold harmless provision contained herein.
- c. **Worker's Compensation Insurance** for all employees of PROFESSIONAL as required by Florida Statutes Section 440, and employer's liability insurance with limits not less than, \$1,000,000.00.
- d. **Automobile Liability Insurance** covering all owned, non-owned and hired vehicles used in connection with the performance of the work in an amount not less than \$1,000,000.00 combined single limit per occurrence for bodily injury and property damage.
- e. **Other (or increased amounts of) Insurance** which CITY shall from time to time deem advisable or appropriate. Such new or additional insurance to be effective as of the sooner of ninety (90) days after notice thereof or the next annual renewal of any policy being increased (as applicable).
- f. All policies shall contain waiver of subrogation against CITY where applicable, and shall expressly provide that such policy or policies are primary over any other collective insurance the CITY may have.
- g. All of the above insurance is to be placed with insurance companies with an A.M. Best Key Rating Guide, latest edition, or equivalent rating of "A-", "VI" or better, qualified to do business under laws of the State of Florida. The PROFESSIONAL shall maintain coverage with equal or better rating as identified herein for the term of the contract.
- h. The CITY shall be named as an additional insured on a primary and non-contributory basis under such policies. Said policies shall contain a "severability of interest or "cross liability" clause without obligation for premium payment of the CITY. The CITY reserves the right to request a copy of required policies for review.
- i. All insurance policies shall provide for thirty (30) days [ten (10) days for non-payment of premium] advance written notice to CITY prior to cancellation, non-renewal or material change.

j. The PROFESSIONAL shall furnish Certificates of Insurance to the Risk Management Division of the Human Resources Department, for review and approval, prior to the commencement of operations or policy termination, which certificates shall clearly indicate that the CITY is named as an additional insured on a primary and non-contributory basis and that the PROFESSIONAL has obtained insurance in the type, amount and classification required for strict compliance with this Section and that no material change, cancellation or non-renewal of this insurance shall be effective without thirty (30) days [ten (10) days for non-payment of premium] advance written notice to the CITY.

k. The PROFESSIONAL shall furnish copies of insurance policies pertaining to this Agreement to the Risk Management Division of the Human Resources Department within ten (10) days of written request.

5.3 **Breach.** Failure on the part of the PROFESSIONAL to obtain and maintain all required insurance coverage is a material breach upon which the CITY may, in its sole discretion, immediately suspend PROFESSIONAL'S performance or terminate this Agreement (Termination for Default 13.1).

## VI. STANDARD OF CARE

6.1 **Degree of Care.** The PROFESSIONAL shall exercise the same degree of care, skill, and diligence in the performance of the services as is ordinarily provided by a comparable professional under similar circumstances and the PROFESSIONAL shall, at no additional cost to the CITY, re-perform services which fail to satisfy the foregoing standard of care.

6.2 **Warranty.** The PROFESSIONAL warrants that all services shall be performed by skilled and competent personnel to the highest professional standards in the field.

6.3 **Key Staff.** The parties acknowledge that PROFESSIONAL was selected by the City, in part, on the basis of the qualifications of particular staff identified in the PROFESSIONAL's response to the City's solicitation. The PROFESSIONAL shall ensure that this staff is available for work hereunder as long as the staff is in the PROFESSIONAL's employ.

6.4 **Suspension Procedures.** PROFESSIONAL may be suspended for any violation of the provisions of this Agreement, which in the sole discretion of the CITY may be cause for such suspension as follows:

- a. 1<sup>st</sup> violation – up to 7 days
- b. 2<sup>nd</sup> violation – up to 14 days
- c. 3<sup>rd</sup> violation – City Manager may terminate this agreement.

## VII. FEDERAL/STATE/LOCAL LAWS

7.1 **EEO and ADA.** The PROFESSIONAL must be and remain in compliance with all local, state and federal Equal Employment Opportunity (EEO) and American Disabilities Act (ADA) requirements.

7.2 **Discrimination.** It is understood that the PROFESSIONAL shall not discriminate against any employee in the performance or the contract with respect to hire, tenure,

terms, conditions or privileges of employment, or any other matter directly or indirectly related to employment because of age, marital status, race, color, religion, national origin, sex, or disability.

7.3 **CITY Policy Regarding Conduct.** The PROFESSIONAL, their employees, agents and subcontractors must abide by the CITY'S policies regarding conduct. Discrimination, harassment, and/or violations of CITY policies will not be tolerated and are grounds for termination of the contract without harm to the CITY or its employees.

7.4 **Aliens.** PROFESSIONAL warrants that it fully complies with all Federal statutes and regulations regarding the employment of aliens and others and that all employees performing work under this Agreement meet the citizenship or alien status requirements set forth in Federal statutes and regulations. PROFESSIONAL shall indemnify, defend, and hold harmless CITY, its officers and employees from and against any sanctions and any other liability which may be assessed against PROFESSIONAL or CITY in connection with any alleged violation of any Federal statutes or regulations pertaining to the eligibility for employment of any persons performing work hereunder.

7.5 **Premises.** The employees and agents of each party, shall while on the premises of the other party, comply with all rules and regulations of the premises, including, but not limited to, security requirements.

#### **VIII. CONFLICT OF INTEREST**

8.1 The PROFESSIONAL represents that it has provided a list of all current clients subject to the jurisdiction of the CITY. Any potential or actual conflict between private interests and responsibilities under this Agreement shall be immediately disclosed to the CITY. The PROFESSIONAL agrees that it will not enter into any agreements during the term of this Agreement to provide services for any person or corporation who applies for a permit or other development approval from the CITY. Upon request of the PROFESSIONAL, and full disclosure of the nature and extent of the proposed representation, the City Manager shall have the authority to authorize such representation during the term of this Agreement.

#### **IX. CONFIDENTIALITY**

9.1 No reports, information, computer programs, documentation, and/or data given to or prepared or assembled by the PROFESSIONAL under this Agreement shall be made available to any individual or organization by the PROFESSIONAL without prior written approval of the CITY.

#### **X. OWNERSHIP OF DOCUMENTS**

10.1 All right, title, and interest in and to all work performed under this Agreement, including without limitations all schematics, designs, plans, specifications, documents, records, disks, or other information (including electronic copies) produced or developed by the PROFESSIONAL or subconsultants, shall become the property of the CITY for its use and/or distribution as may be deemed appropriate by the CITY; provided that any materials used by the PROFESSIONAL and any subconsultants for which a patent or copyright protection has previously been secured by them shall remain the property of the PROFESSIONAL or subconsultants.

10.2 To the extent allowed by law, the PROFESSIONAL shall not divulge, furnish or make available to any third person, firm or organization, without the CITY's prior written consent, or

unless incident to the proper performance of the PROFESSIONAL's obligations hereunder, or in the course of judicial or legislative proceedings where such information has been properly subpoenaed, any non-public concerning the services to be rendered by the PROFESSIONAL hereunder, and PROFESSIONAL shall require all of its employees, agents, subconsultants, and subcontractors to comply with the provisions of this paragraph.

10.3 To the extent allowed by law, the PROFESSIONAL shall not divulge, furnish or make available to any third person, firm or organization, without the CITY's prior written consent, or unless incident to the proper performance of the PROFESSIONAL's obligations hereunder, or in the course of judicial or legislative proceedings where such information has been properly subpoenaed, any non-public concerning the services to be rendered by the PROFESSIONAL hereunder, and PROFESSIONAL shall require all of its employees, agents, subconsultants, and subcontractors to comply with the provisions of this paragraph.

## **XI. TRUTH-IN-NEGOTIATION CERTIFICATE**

11.1 Execution of this Agreement by the PROFESSIONAL shall act as the execution of a truth-in-negotiation certificate certifying that the wage rates and costs used to determine the compensation provided for in this Agreement are accurate, complete, and current as of the date of the Agreement.

11.2 The said rates and costs shall be adjusted to exclude any significant sums should the CITY determine that the rates and costs were increased due to inaccurate, incomplete, or noncurrent wage rates or due to inaccurate representations of fees paid to outside consultants. The CITY shall exercise its rights under this "Certificate" within one (1) year following payment.

## **XII. NOTICE**

12.1 Any notice, request, instruction or other document required or permitted to be given hereunder by either party hereto to the other shall be in writing, and delivered personally, or sent by certified or registered mail, postage prepaid, return receipt requested, to the address set forth for such party at the bottom of this Agreement. Any notice so given shall be deemed received when personally delivered or three (3) calendar days after mailing. Any party may change the address to which notices are to be sent by giving notice of such change of address to the other party in the manner herein provided for giving notice.

Notice as the City of Coral Gables shall be to:

City Manager  
City of Coral Gables  
405 Biltmore Way  
Coral Gables, FL 33134

cc: City Attorney

Notice as to PROFESSIONAL shall be to:

Carlos Hidalgo  
Marketing Manager  
Arcoart Plus, LLC d/b/a Trolinet

145-147 Menores Avenue  
Coral Gables, FL 33134

### **XIII. TERMINATION**

**13.1 Termination by City for default.** CITY may, by written notice to PROFESSIONAL, terminate the whole or any part of this Agreement if, in the judgment of the City Manager:

- a) PROFESSIONAL has materially breached any portion of this Agreement;
- b) PROFESSIONAL has failed to follow the advertising standards and guidelines as provided under Paragraph 2.1(e) and the review of advertising provisions under Paragraph 2.1(f);
- c) PROFESSIONAL fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required under this Agreement;
- d) PROFESSIONAL has assigned or delegated its duties or subcontracted any performance of this Agreement without prior written consent by the CITY;
- e) Insolvency of PROFESSIONAL. PROFESSIONAL shall be deemed insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not PROFESSIONAL is insolvent within the meaning of such laws;
- f) There has been a filing of a voluntary or involuntary petition regarding PROFESSIONAL under the Federal Bankruptcy Code;
- g) There has been the appointment of a Receiver or Trustee for PROFESSIONAL;
- h) There has been an execution by PROFESSIONAL of a general assignment for the benefit of creditors;
- i) PROFESSIONAL fails to obtain or maintain insurance or bonding herein required.

**13.1.1 Return of Payments.** Upon the occurrence of a default hereunder, all payments, advances, or other compensation paid by the CITY to the PROFESSIONAL while the PROFESSIONAL was in default shall be immediately returned to the CITY.

**13.1.2 Expenses.** The PROFESSIONAL shall be liable to the CITY for all expenses incurred by the CITY in preparing and negotiating this Agreement, as well as all costs and expenses incurred by the CITY in the re-procurement of the services, including consequential and incidental damages.

**13.1.3 Obligations to City.** The PROFESSIONAL agrees that termination of this Agreement under this section shall not release the PROFESSIONAL from any obligation accruing prior to the effective date of termination.

**13.1.4 No default.** If, after CITY has given notice of termination under the provisions hereunder, it is determined by CITY that PROFESSIONAL was not in default under these provisions, or that the default was excusable under these provisions, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Paragraph 13.2 (Termination for Convenience).

**13.1.5 Non-exclusive.** The rights and remedies of CITY provided in this Paragraph 13.1 are non-exclusive and cumulative.

13.2 **Termination for Convenience.** This Agreement may be terminated when such action is deemed by CITY to be in its best interest. Termination shall be effected by delivery to PROFESSIONAL of a notice of termination specifying the extent to which performance of Agreement is terminated and the date upon which such termination becomes effective, which shall be no less than ten (10) days after the notice is sent.

13.3 **Termination with or without cause.** This Agreement may be terminated by the CITY, with or without cause. Termination shall be effected by delivery to PROFESSIONAL of a thirty (30) day written notice of termination specifying the extent to which performance of the Agreement is terminated and the date upon which such termination becomes effective.

13.4 **Professional's responsibilities.** After receipt of a Termination Notice, and except as otherwise directed by the CITY, the PROFESSIONAL shall:

- A. Stop work on the date and to the extent specified.
- B. Terminate and settle orders and subcontracts relating to the performance of the terminated work.
- C. Transfer all work in process, completed work, and other material related to the terminated work to the CITY.
- D. Continue to complete all parts of the work that have not been terminated.

13.5 **Payments for work performed.** After receipt of a notice of termination, PROFESSIONAL shall submit its termination claim and invoice to CITY, in the form and with any certifications as may be prescribed by CITY. Such claim and invoice shall be submitted promptly, but not later than three (3) months from the effective date of termination. Upon failure by PROFESSIONAL to submit its termination claim and invoice within the time allowed, CITY may determine on the basis of the information available to the CITY, the amount, if any, due to PROFESSIONAL in respect to the termination, and such determination shall be final. When such determination is made, CITY shall pay PROFESSIONAL the amount so determined. The PROFESSIONAL shall have no recourse or remedy from a termination made by the CITY except to retain the fees earned for the services that were performed in complete compliance with this Agreement as full and final settlement of any claim, action, demand, cost, or charge.

13.6 **Termination by Professional.** This Agreement may be terminated by the PROFESSIONAL upon sixty (60) days prior written notice to the CITY in the event of substantial failure by the CITY to perform in accordance with the terms of the Agreement through no fault of the PROFESSIONAL.

13.7 **Professional's warranty.** The PROFESSIONAL warrants that it has not employed or retained any company or person, other than a bone fide employee working solely for the PROFESSIONAL to solicit or secure this Agreement and that he or she has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bone fide employee working solely for the PROFESSIONAL, any fee, commission, percentage, gift, or other compensation contingent upon or resulting from the award or making of this Agreement.

13.8 **Documents.** Upon termination of this Agreement, all schematics, designs, plans, specifications, documents, records, disks, or other information (including electronic copies) produced or developed by the PROFESSIONAL or subconsultants, whether finished or not, shall



become CITY property. Failure to timely deliver the documentation shall be cause to withhold any payments due without recourse by the PROFESSIONAL until all documentation is delivered to the CITY.

#### **XIV. UNCONTROLLABLE FORCES**

14.1 Neither the CITY nor PROFESSIONAL shall be considered to be in default of this Agreement if delays in or failure of performance shall be due to Uncontrollable Forces, the effect of which, by the exercise of reasonable diligence, the nonperforming party could not avoid. The term "Uncontrollable Forces" shall mean any event which results in the prevention or delay of performance by a party of its obligations under this Agreement and which is beyond the reasonable control of the nonperforming party. It includes, but is not limited to, fire, flood, earthquake, storm, lighting, epidemic, war, riot, civil disturbance, sabotage, and governmental action.

14.2 Neither party shall, however, be excused from performance if nonperformance is due to forces which are preventable, removable, or remediable, and which the nonperforming party could have, with the exercise of reasonable diligence, prevented, removed, or remedied with reasonable dispatch. The nonperforming party shall, within a reasonable time of being prevented or delayed from performance by an uncontrollable force, give written notice to the other party describing the circumstances and uncontrollable forces preventing continued performance of the obligations of this Agreement.

#### **XV. AUDITS**

15.1 **Financial records.** The PROFESSIONAL shall maintain accurate and complete financial records of its activities and operations relating to this Agreement in accordance with generally accepted accounting principles. PROFESSIONAL shall maintain adequate records to justify all charges and costs incurred in performing the services for at least three (3) years after completion of this Agreement. PROFESSIONAL shall also maintain accurate and complete employment and other records relating to its performance of this Agreement. PROFESSIONAL agrees that CITY, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy or transcribe any pertinent transaction, activity, or records relating to this Agreement. All financial records, timecards and other employment records, and proprietary data and information shall be kept and maintained by PROFESSIONAL and made available to the CITY during the terms of this Agreement and for a period of three (3) years thereafter unless CITY'S written permission is given to dispose of any such material prior to such time. All such materials shall be maintained by PROFESSIONAL at a location in Miami-Dade County, Florida, provided that if any such material is located outside Miami-Dade County, then, at CITY'S option PROFESSIONAL shall pay CITY for travel, per diem, and other costs incurred by CITY to examine, audit, excerpt, copy or transcribe such material at such other location. The CITY shall have access to such books, records, and documents as required in this section for the purpose of inspection or audit during normal working business hours at the PROFESSIONAL'S place of business.

15.2 **Copies of audits.** In the event that an audit is conducted by PROFESSIONAL specifically regarding this Agreement by any Federal or State auditor, or by any auditor or accountant employed by PROFESSIONAL, then PROFESSIONAL shall file a copy of the audit report with the CITY'S Auditor within thirty (30) days of PROFESSIONAL'S receipt thereof, unless otherwise provided by applicable Federal or State law. CITY shall make a reasonable effort to maintain the confidentiality of such audit report(s).

15.3 **Breach.** Failure on the part of PROFESSIONAL to comply with the provisions of Paragraph 15.1 shall constitute a material breach upon which the CITY may terminate or suspend this Agreement.

15.4 **City Audit Settlements.** If, at any time during or after the term of this Agreement, representatives of the CITY conduct an audit of PROFESSIONAL regarding the work performed under this Agreement, and if such audit finds that CITY'S dollar liability for any such work is less than payments made by CITY to PROFESSIONAL, then the difference shall be either repaid by PROFESSIONAL to CITY by cash payment upon demand or, at the sole option of CITY, deducted from any amounts due to PROFESSIONAL from CITY. If such audit finds that CITY'S dollar liability for such work is more than the payments made by CITY to PROFESSIONAL, then the difference shall be paid to PROFESSIONAL by cash payment.

## **XVI. MISCELLANEOUS**

16.1 **Modification.** This agreement may not be amended or modified unless in writing and signed by both parties.

16.2 **Assignment and subcontracting.** This Agreement and the rights of the PROFESSIONAL and obligations hereunder may not be transferred, pledged, sold, assigned, or delegated by the PROFESSIONAL without the express prior written consent of the CITY via executed amendment. It is understood that a sale of the majority of the stock or partnership shares of the PROFESSIONAL, a merger or bulk sale, an assignment for the benefit of creditors shall each be deemed transactions that would constitute an assignment or sale hereunder requiring prior to CITY approval.

16.2.1 Any transfer, pledge, sale, assignment, or delegation without such express prior written consent shall be null and void and shall constitute a material breach of this Agreement, upon which the CITY may immediately terminate the Agreement in accordance with the provisions of paragraph 13.1 (Termination by Default). The CITY may assign its rights, together with its obligations hereunder.

16.3 **Availability of funds.** The obligations of the CITY under this Agreement are subject to the availability of funds lawfully appropriated for its purpose by the City Commission.

16.4 **Compliance with laws.** In performance of the services, the PROFESSIONAL will comply, in every respect, with any and all applicable regulatory requirements, including federal, state, special district, and county and municipal laws, rules, regulations, orders, codes, criteria, notices, and standards now or hereafter in force or issued which may be applicable to any and all of the work or operations to be done, performed or carried on by the PROFESSIONAL under the provisions of this agreement. It shall be the responsibility of the PROFESSIONAL to obtain and maintain, at no cost to the CITY, any and all license and permits required to complete the services provided pursuant to this Agreement.

16.5 **Conflict of Interest.** PROFESSIONAL covenants that no person employed by the PROFESSIONAL which exercises any functions or responsibilities in connection with this Agreement has any personal financial interests direct or indirect with the CITY. PROFESSIONAL further covenants that, in the performance of this Agreement, no person having a conflicting interest shall be employed. Any such interests on the part of PROFESSIONAL or its employees must be disclosed in writing to CITY.

16.5.1 **PROFESSIONAL** is aware of the conflict of interest code of the City of Coral Gables, the Conflict of Interest and Code of Ethics of Miami-Dade County, Florida, Section 2-11.1 et seq., and the Ethics Laws of the State of Florida, and agrees that it shall fully comply in all respects with the terms of said laws.

16.6 **Federal and State taxes.** The CITY is exempt from Federal Tax and State Sales and Use Taxes. Upon request, the CITY will provide an exemption certificate to the PROFESSIONAL. The PROFESSIONAL shall not be exempted from paying sales tax to its suppliers for materials to fulfill the contractual obligations with the CITY, nor shall the PROFESSIONAL be authorized to use the CITY'S Tax Exemption Number in securing such materials.

16.7 **Entirety of agreement.** The CITY and the PROFESSIONAL agree that this Agreement, as amended from time to time, sets forth the entire agreement between the parties, and that there are no promises or understandings other than those stated herein. This Agreement supersedes all prior agreements, contracts, proposals, representations, negotiations, letters, or other communications, written or oral, between the CITY and the PROFESSIONAL pertaining to the services. None of the provisions, terms, and conditions contained in this Agreement may be added to, modified, superseded, or otherwise altered, except by written instrument executed by the parties hereto.

16.7.1 The following documents are made an integral part of this Agreement:

- A. Request for Proposal;
- B. Performance and Payment Bonds, if applicable;
- C. Insurance Certificates and related documents;
- D. Response to Request for Proposal of PROFESSIONAL.

16.8 **Counterparts.** This Agreement may be executed simultaneously in several counterparts, each of which will be an original, but all of which together will constitute one and the same instrument.

16.9 **Waiver.** A waiver by either the CITY or the PROFESSIONAL of any breach of this Agreement shall not be binding upon the waiving party unless such waiver is in writing. In the event of a written waiver, such a waiver shall not affect the waiving party's rights with respect to any other or further breach. The making or acceptance of a payment by either party with knowledge of the existence of a default or breach shall not operate or be construed to operate as a waiver of any subsequent default or breach.

16.10 **Severability, survival.** If any provision of this Agreement is found to be void and unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall nevertheless be binding upon the parties with the same effect as though the void or unenforceable provision had been severed and deleted.

16.11 **Governing law and venue.** This Agreement shall be governed and construed in accordance with the laws of the State of Florida. Any and all legal action necessary to enforce the Agreement will be held in Miami-Dade County, and the Agreement will be interpreted according to the laws of Florida.

**16.12 Priority of provisions.** The invalidity, illegality, or unenforceability of any provision of this Agreement, or the occurrence of any event rendering any portion or provision of this Agreement void, shall in no way effect the validity or enforceability of any other portion or provision of the Agreement. Any void provision shall be deemed severed from the Agreement, and the balance of the Agreement shall be construed and enforced as if the Agreement did not contain the particular portion or provision held to be void. The parties further agree to reform the Agreement to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision.

**16.12.1** The provisions of this section shall not prevent the entire Agreement from being void should a provision, which is of the essence of the Agreement, be determined to be void.

**16.13 Joint preparation.** Preparation of this Agreement has been a joint effort of the CITY and the PROFESSIONAL and the resulting document shall not, solely as a matter of judicial construction, be construed more severely against one of the parties than any other.

**16.14 Headings.** The headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of the Agreement.

**IN WITNESS WHEREOF,** the parties have executed this Agreement as of the day and year first above written.

Approved as to Insurance:

Print Name: Michael Sparber  
Risk Management Division

AS TO CITY:

Maria Alberro Jimenez **RES. NO. 2008-110**  
Interim City Manager

Approved by:

Print Name: DANICO BENEDIT  
Department: Procurement Division

Approved by:  
Department Director or head of  
Negotiations team as to  
the negotiated business terms

Print Name: R. ALBERTO DELGADO  
Department: Public Works

ATTEST:

Walter J. Foeman  
City Clerk

APPROVED AS TO FORM:

Elizabeth M. Hernandez  
City Attorney

ATTEST:

Corporate Secretary

Print Name: Lorena Hidalgo  
(SEAL)

AS TO PROFESSIONAL

Title: Marketing Director  
Print Name: Carlos Hidalgo

(OR)  
WITNESSES (2):

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

PREPARED BY:  
ELIZABETH M. HERNANDEZ, ESQ.  
405 BILTMORE WAY  
CORAL GABLES, FL 33134