



Text File

Introduced: 12/21/2018

Bill No: 2018-1239, **Version:** 1

Committee: Committee on Public Works

Status: Passed Finally

Resolution authorizing the Mayor and the Director of the Department of Mobility and Infrastructure, on behalf of the City of Pittsburgh, to enter into a license and operating agreement or agreements with HFT Management, Inc., dba Gateway Outdoor Advertising, for services related to installation, operation, maintenance and advertising of transit shelters and associated street furniture.

WHEREAS, the City of Pittsburgh released a Request for Proposal on September 7, 2017 for services entitled Transit Shelter Advertising and Associated Street Furniture; and

WHEREAS, after engaging in a selection process, the City has selected HFT Management, Inc. dba Gateway Outdoor Advertising, as best able to perform these professional services; and

WHEREAS, the City now seeks to enter into an agreement with HFT Management, Inc. dba Gateway Outdoor Advertising, in order to acquire the transit shelter advertising and associated street furniture professional services requested.

Be it resolved by the Council of the City of Pittsburgh as follows:

Section 1. The Mayor and the Director of the Department of Mobility and Infrastructure, on behalf of the City, are now authorized to enter into a license and operating agreement or agreements with HFT Management, Inc., dba Gateway Outdoor Advertising, for services related to installation, operation, maintenance, and advertising of transit shelters and associated street furniture. The Agreement authorized hereunder shall be limited to a term of ten (10) years with options to extend for up to two successive periods of five (5) years each. All agreements must be approved by the City Solicitor as to form.

Section 2. Under the agreement, the City will receive an annual amount from the contractor to be provided in quarterly payments. The annual amount shall be composed of a guaranteed minimum amount and a revenue percentage fee. The specific amounts to be paid to the City shall be as follows:

For years 1 through 3 of the agreement, the contractor shall pay the greater of an annual guaranteed minimum of \$100,000 or a percentage fee of 15%;

For years 4 through 6 of the contract, the contractor shall pay the greater of an annual guaranteed minimum of \$150,000 or a percentage fee of 17%;

For years 7 through 10 of the contract, the contractor shall pay the greater of an annual guaranteed minimum of \$200,000 or a percentage fee of 20%;

In the event that the first five-year option is exercised, for each year of that extension the contractor shall pay the greater of an annual guaranteed minimum of \$225,000 or a percentage

fee of 20%;

In the event that the second five-year option is exercised, for each year of that extension contractor shall pay the greater of an annual guaranteed minimum of \$250,000 or a percentage fee of 22%.

All services under this agreement will be performed without appropriation of funds from the City. Any payments made by the City will occur through a deduction from the annual amount.

Section 3. The Controller shall direct the first twenty-five thousand dollars (\$25,000) of each quarterly payment acquired under these authorized agreements to be deposited into the Pittsburgh Shade Tree Trust Fund account 4000285300.43905.00. The remainder of all proceeds shall be deposited into the General Fund designated as the following code accounts in the applicable budget year:

JDE Fund	JDE JOB NO.	Budget Year	Account No.	Subclass No.
11101	600000	2019	43905	43
11101	600000	2020	43905	43
11101	600000	2021	43905	43
11101	600000	2022	43905	43
11101	600000	2023	43905	43
11101	600000	2024	43905	43
11101	600000	2025	43905	43
11101	600000	2026	43905	43

11101	600000	2027	43905	43
11101	600000	2028	43905	43

Section 4. In the event that the one or both of the five year options are exercised, the Controller shall direct the first twenty-five thousand dollars (\$25,000) of each quarterly payment acquired under these authorized agreements to be deposited into the Pittsburgh Shade Tree Trust Fund account 4000285300.43905.00. The remainder of all proceeds shall be deposited into the General Fund designated as the following code accounts in the applicable budget year:

JDE Fund	JDE JOB NO.	Budget Year	Account No.	Subclass No.
11101	600000	2029	43905	43
11101	600000	2030	43905	43
11101	600000	2031	43905	43
11101	600000	2032	43905	43
11101	600000	2033	43905	43
11101	600000	2034	43905	43
11101	600000	2035	43905	43
11101	600000	2036	43905	43
11101	600000	2037	43905	43
11101	600000	2038	43905	43