



RESOLUTION NO. 13-031
STATE OF LOUISIANA
PARISH OF ORLEANS

**AUTHORIZE CHANGE ORDER #003 WITH LAUREL NEW
ORLEANS, LLC TO INCLUDE NON-ADVERTISING SHELTERS AND
TO EXTEND INITIAL CONTRACT TERM BY FIVE (5) YEARS**

Regional
Transit
Authority

Introduced by Commissioner Goodly,

seconded by Commissioner Roth.

WHEREAS, Laurel Communications, LLC was originally under contract (hereinafter "Agreement") with the RTA to construct, erect, install, repair and maintain shelters at its own expense in return for the exclusive right to sell advertising on those shelters, this Agreement entered into on April 18, 2008 (attached hereto); and

WHEREAS, the RTA Board of Commissioners authorized staff to issue Change Order #001 to Laurel New Orleans, LLC (attached hereto) for the supply, installation and maintenance of additional shelters, kiosks and streetcar boarding platforms as a systemic upgrade to the overall RTA operation, in the amount of three million six hundred fifty-one thousand eighty-four and 00/100 dollars (\$3,651,084.00) on July 1, 2009; and

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WHEREAS, the Board of Commissioners authorized staff to issue Change Order #002 to Laurel New Orleans, LLC (attached hereto) for the reduction of its contract with RTA in the amount of one million dollars (\$1,000,000) on August 26, 2010, yielding an amended contract value of two million six hundred fifty-one thousand eighty-four and 00/100 dollars (\$2,651,084.00), due to the limited number of accessible and commercial locations wherein advertising shelters can be placed under the Municipal Code of the City of New Orleans; and

WHEREAS, Laurel New Orleans, LLC has to date constructed over two hundred (200) advertising shelters and is reaching a practical limit for new locations for its advertising shelters; and

WHEREAS, Laurel New Orleans, LLC and RTA have determined that non-advertising shelters are an efficient way to provide additional bus shelters for RTA riders and RTA has obtained funding for up to approximately one hundred (100) non-advertising shelters; and

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WHEREAS, RTA wishes Laurel New Orleans, LLC to construct and perform maintenance services for these non-advertising shelters and both parties wish to amend the Agreement through Change Order # 003 to memorialize their mutual agreements concerning the non-advertising shelters and other related matters; and

WHEREAS, RTA and Laurel New Orleans, LLC have agreed to compensate Laurel New Orleans, LLC for these services by extending the initial term of this agreement by five (5) years and reducing the renewal option by five (5) years.

THEREFORE, the parties hereby amend the Agreement as follows:

Laurel New Orleans, LLC (hereinafter referred to as the "Company") will erect and install up to approximately 100 non-advertising shelters to be funded by and owned by the RTA (the "RTA non-advertising shelters"), in accordance with and subject to the terms and conditions of this Agreement. The RTA shall have sole and exclusive ownership of the RTA non-advertising shelters. RTA non-advertising shelters shall be installed in locations requested by RTA from time to time subject to feasibility and ability to obtain necessary approvals and permits.

The procedures in Section 3 related to construction of and payment for RTA shelters shall also apply to RTA non-advertising shelters.

The first paragraph of Section 9 of the Agreement will be replaced in its entirety by the following which outlines the Company and RTA obligations with respect to maintenance and repair of the RTA non advertising shelters:

9. Maintenance: The Company shall maintain Company shelters, RTA shelters, and RTA non-advertising shelters, as specified, in good repair. Company shall be solely responsible for the cleaning, repairing or replacement of any parts on all shelters. The RTA will be responsible for the cost of replacement parts for the RTA shelters other than light bulbs and for the cost of all parts for the RTA non-advertising shelters. If the Company furnishes replacement parts for the RTA shelters or the RTA non-advertising shelters, the RTA will reimburse the Company for any expenditures made for such purpose on its behalf. If any RTA shelters or RTA non-advertising shelters require any repairs beyond routine maintenance, including but not limited to any parts replacement other than light bulbs, any work requiring specialized services or hiring of outside contractors, any severe damage caused by vandalism, vehicular accident or other cause, any electrical repairs or repairs which incur unusual cost, the Company will give the RTA an estimate of the cost for the repair (including cost of Company or subcontract labor). Once the RTA approves the proposed repair the Company will carry out the repair, and the RTA will reimburse the Company for the repair (including cost of Company or subcontract labor). Any reimbursements due the Company pursuant to this section may be handled as an offset of Fees due the RTA, unless the reimbursements exceed \$10,000 in aggregate at any one time in which case the Company may bill the RTA and the RTA will pay the Company within 30 days.

Section 14 (c) shall be replaced in its entirety by the following:

The initial term of this agreement shall conclude August 24, 2024. At the end of the initial term this contract may be renewed for a five (5) year period by mutual consent of the parties hereto.

Section 14 (f) shall be amended by replacing the word ten (10) with the word five (5).

Section 14 (g) shall be amended by deleting the term "ten year" from this section.

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WHEREAS, staff has determined that this amended language, through the aforesaid Change Order # 003, is in the best financial and operational interests of the RTA.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the RTA that the Chairwoman of the Board, or her designee, hereby authorizes staff to issue Change Order #003 to Laurel New Orleans, LLC, so as to include non-advertising shelters, and, moreover, to incorporate all additional changes as delineated above, including but not limited to an extension of the initial contract term by and between RTA and Laurel New Orleans, LLC for a period of five (5) years.

THE FOREGOING WAS READ IN FULL, THE ROLL WAS CALLED ON THE ADOPTION THEREOF AND RESULTED AS FOLLOWS:

YEAS:


NAYS:

ABSTAIN:

ABSENT:

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AND THE RESOLUTION WAS ADOPTED ON THE 28th DAY OF
May, 2013.


BARBARA C. MAJOR
CHAIRWOMAN
BOARD OF COMMISSIONERS