

AGREEMENT FOR THE ADMINISTRATION OF A KIOSK DIRECTIONAL SIGN PROGRAM

This agreement for the administration of a kiosk directional sign program ("Agreement") is made and entered into this 20th day of March, 2007 ("Effective Date"), by and between the City of Redlands, a municipal corporation ("City") and Inland Directional Sign ("IDS") who are sometimes individually referred to herein as a "Party" and, together, as the "Parties."

In consideration of the mutual promises contained herein, City and IDS agree as follows:

ARTICLE 1 - ENGAGEMENT OF IDS

- 1.1 City hereby engages IDS to administer a kiosk directional sign program in the City in accordance with section 12.55.080 of the Redlands Municipal Code (the "Program").
- 1.2 The Program shall be carried out by IDS in a professional manner, and IDS represents that it has the skill and the professional expertise necessary to operate the Program at a level of competency presently maintained by other practicing professional consultants in the industry providing like and similar types of services.

ARTICLE 2 – OBLIGATIONS OF IDS

- 2.1 The Program which IDS shall undertake is more particularly described in Exhibit "A," entitled "Kiosk Program," which is attached hereto and incorporated herein by this reference.
- 2.2 IDS shall comply with all applicable Federal, State and local laws and regulations in the performance of this Agreement including, but not limited to, the Americans with Disabilities Act and the Fair Employment and Housing Act.

ARTICLE 3 – OBLIGATIONS OF CITY

- 3.1 City will make provision for IDS to enter upon City-owned property, as required by IDS, to operate the Program.
- 3.2 City designates Jeffrey L. Shaw, Community Development Director, as City's representative with respect to operation of the Program and such person shall have the authority to transmit instructions, receive information, interpret and define City's policies and decisions with respect to operation of the Program.

- 3.3 A. Review and approve proposed Kiosk site locations to ensure that such locations do not present any threat to the public health, safety or welfare.
- B. Provide IDS with a "blanket" permit to install Kiosk signs at various, approved locations throughout the City.
1. Kiosks proposed in the public right-of-way shall be installed pursuant to a "blanket" encroachment permit issued annually by the City.
 2. Encroachment permits and other permits issued by the City pursuant to this Agreement may be revoked pursuant to the termination provisions contained in Section 6.4 of this Agreement.
- C. Refer all inquiries for off-site signs to IDS.

ARTICLE 4 - PAYMENT AND NOTICE

- 4.1 IDS shall pay to City the sum of Twenty Dollars (\$20.00) per panel, per sign per month, on a quarterly basis.
- 4.2 All notices shall be given in writing by personal delivery or by mail. Notices, sent by mail should be addressed as follows:

City: Jeffrey L. Shaw
Community Development
City of Redlands
PO Box 3005
Redlands, CA 92373

Consultant: James Sullivan
Inland Directional Sign
P.O. Box 1388
Redlands, CA 92373-0441

When so addressed, such notices shall be deemed given upon deposit in the United States Mail. Changes may be made in the names and addresses of the person to who notices are to be given by giving notice pursuant to this section.

ARTICLE 5 - INSURANCE AND INDEMNIFICATION

- 5.1 All insurance required by this Agreement shall be maintained by IDS for the duration of its performance of the Program. IDS shall not perform any services pursuant to this Agreement

unless and until all required insurance listed below is obtained by IDS. IDS shall provide City with certificates of insurance and endorsements evidencing such insurance prior to commencement of the Program. All insurance policies shall include a provision prohibiting cancellation of the policy except upon thirty (30) days prior written notice to City.

- 5.2 A. IDS shall secure and maintain Workers' Compensation and Employer's Liability insurance throughout the duration of this Agreement in an amount which meets the statutory requirement with an insurance carrier acceptable to City.

B. IDS expressly waives all rights to subrogation against City, its elected officials, officers and employees for losses arising from work performed by IDS for City by expressly waiving IDS's immunity for injuries to IDS's employees and agrees that the obligation to indemnify, defend and hold harmless provided for in this Agreement extends to any claim brought by or on behalf of any employee of IDS. This waiver is mutually negotiated by the Parties. This waiver shall not apply to any damage resulting from the sole negligence of City, its agents and employees. To the extent any of the damages referenced herein were caused by or resulted from the concurrent negligence of City, its agents or employees, the obligations provided herein to indemnify, defend and hold harmless are valid and enforceable only to the extent of the negligence of IDS, its officers, agents and employees.

- 5.3 Hold Harmless and Indemnification. IDS shall indemnify, hold harmless and defend City and its elected officials, employees and agents from and against any and all claims, losses or liability, including attorneys' fees, arising from injury or death to persons or damage to property occasioned by any act, omission or failure to act by IDS, its officers, employees and agents in performing the Program services.

- 5.4 Assignment. IDS is expressly prohibited from assigning any of the Program services without the express written consent of City. In the event of mutual agreement between Parties to assign a portion of the Program services, IDS shall add the assignee as an additional insured and provide City with the insurance endorsements prior to the performance of any Program services by the assignee. Assignment does not include printing or other customary reimbursable expenses that may be provided in this Agreement.

- 5.5 Comprehensive General Liability Insurance. IDS shall secure and maintain in force throughout the duration of the Agreement comprehensive general liability insurance with carriers acceptable to City. Minimum coverage of One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate for public liability, property damage and personal injury is required. City shall be named as an additional insured and such insurance shall be primary and non-contributing to any insurance or self-insurance maintained by City.

- 5.6 **Business Auto Liability Insurance.** IDS shall secure and maintain business auto liability coverage, with minimum limits of One Million Dollars (\$1,000,000) per occurrence, combined single limit for bodily injury liability and property damage liability. This coverage shall include all IDS owned vehicles used on the project, hired and non-owned vehicles, and employee non-ownership vehicles. City shall be named as an additional insured and such insurance shall be primary and non-contributing to any insurance or self insurance maintained by City.

ARTICLE 6 - GENERAL CONSIDERATIONS

- 6.1 In the event any action is commenced to enforce or interpret any of the terms or conditions of this Agreement the prevailing Party shall, in addition to any costs and other relief, be entitled to the recovery of its reasonable attorneys' fees, including fees for in-house counsel of the Parties.
- 6.2 IDS shall not assign administration or operation of the Program to be undertaken under this Agreement, except with the prior written approval of City and in strict compliance with the terms, provisions and conditions of this Agreement.
- 6.3 IDS is for all purposes an independent contractor. IDS shall supply all tools and instrumentalities required to perform the Program services. All personnel employed by IDS are for its account only, and in no event shall IDS or any personnel retained by it be deemed to have been employed by City or engaged by City for the account of, or on behalf of City.
- 6.4 This Agreement may be terminated by City, in its sole discretion and without cause, by providing ten (10) business days' prior written notice to IDS (delivered by certified mail, return receipt requested) of intent to terminate.
- 6.5 Upon receipt of a termination notice, IDS shall immediately discontinue the Program and, within thirty (30) days' of the date of such termination notice, remove all signs associated with the Program at the sole cost of IDS. Any signs or kiosks not so removed by IDS shall become the property of City. May be removed and disposed of by City, at its sole discretion, without liability to IDS.
- 6.6 IDS shall maintain books and accounts of all payroll costs and expenses related to the Program. Such books shall be available at all reasonable times for examination by City at the office of IDS.
- 6.7 This Agreement, including the Exhibit incorporated herein by reference, represents the entire agreement and understanding between the Parties as to the matters contained herein, and any prior negotiations, written proposals or verbal agreements relating to such matters are

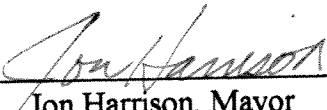
superseded by this Agreement. Any amendment to this Agreement shall be in writing, approved by City and signed by City and IDS.

- 6.8 This Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, duly authorized representatives of the City and IDS have signed in confirmation of this Agreement.

CITY OF REDLANDS

INLAND DIRECTIONAL SIGN

By: 
Jon Harrison, Mayor

By: 
James Sullivan, Vice President

Attest:

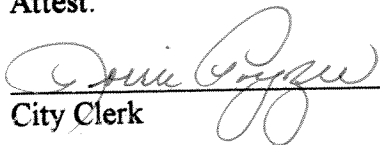

City Clerk

EXHIBIT "A"

DESCRIPTION OF SERVICES

1. Kiosk Directional Sign Program

- A. The City shall have ultimate control and authority for the program.**
- B. IDS shall be responsible for ensuring compliance and coordinating the program with all applicable participants.**
- C. IDS shall provide off-site signs on an approved Kiosk to any subdivider, tract developer or commercial developer who requests such signs, consistent with City requirements and approvals.**
- D. All signs shall be built and placed in accordance with the specifications of the Uniform Building Codes and permit specifications provided by the City.**
- E. IDS shall report any identified illegal signs to City's Community Development Director.**
- F. IDS shall be responsible for all administration costs including marketing of the services to participants and the collection of fees.**
- G. IDS shall, if requested by the City, place City public service signs on any Kiosk provided that the Kiosk has five (5) or fewer off-site signs. No Kiosk shall be required to be removed if it contains City public service signs, which have been requested by the City.**

2. Sign Program Elements.

- A. Sign structures shall conform with the City's sign ordinance. The sign design shall be submitted to and approved by the Planning Commission.**
- B. IDS shall administer a weekly maintenance program, including, but not limited to, the following elements:**
 - 1. Repairing all damaged signs;**
 - 2. Cleaning and painting signs as needed;**
 - 3. Removing signs placed on public property in violation of the City's sign ordinance and this program; and**
 - 4. Changing, adding or altering signs.**

- C. IDS shall retain ownership of the signs. The City shall have the option of purchasing the signs upon cancellation or termination of this Agreement, at their fair market value at that time.