



COUNTY OF LOS ANGELES  
DEPARTMENT OF BEACHES AND HARBORS



STAN WISNIEWSKI  
DIRECTOR

KERRY GOTTLIEB  
CHIEF DEPUTY

May 23, 2002

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVE AMENDMENT TO THE LIFEGUARD TOWER  
SAFETY SIGN SPONSORSHIP AGREEMENT #66144**

**(THIRD AND FOURTH DISTRICTS)  
(3 VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Find that the recommended action is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Class 4(j) of the County's Environmental Document Reporting Procedures and Guidelines.
2. Authorize the Chair of the Board of Supervisors to sign the attached amendment (Amendment) to extend the current Lifeguard Tower Safety Sign (Safety Sign) Sponsorship Agreement #66144 (Agreement) with Transportation Displays Incorporated, renamed Viacom Outdoor Group Incorporated (Viacom), on a month-to-month basis for a maximum of twelve months, with prorated payment obligations, and to require Viacom to honor the County's exclusive advertising rights for its bottled water and carbonated beverage sponsor on the Safety Signs, while leaving all other terms of the Agreement intact.
3. Grant the Director of the Department of Beaches and Harbors (Director) authority, through this Amendment, to execute nonmaterial amendments to the Agreement.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The current ten-year Agreement with Viacom was approved by your Board on June 16, 1992 and will terminate on June 15, 2002. Through this Agreement, Viacom has annually

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provided and maintained Safety Signs placed on the back of lifeguard towers on beaches owned or operated by Los Angeles County (Beaches), and made annual payments to the County from the sale of advertising space on the Safety Signs, which monies have substantially funded the Department's Water Awareness, Training, Education and Recreation (W.A.T.E.R.) youth program.

The Department of Beaches and Harbors (DBH) chose to delay obtaining a new Safety Sign sponsorship agreement for your Board's approval at this time due to the unfavorable economic conditions that have prevailed after September 11<sup>th</sup> and the subsequent severe decline in the advertising industry. DBH believes that the County will obtain a more financially favorable sponsorship agreement by delaying its solicitation process until Fall 2002. Another benefit to extending this Agreement is avoiding a disruption of this program during the busy summer season. Therefore, DBH has negotiated with Viacom a month-to-month extension, for a maximum of twelve months, of the current sponsorship agreement while the County prepares to enter into a new agreement within the upcoming year.

During the extension period, Viacom will continue as the Official Sponsor of this Department's W.A.T.E.R. youth program, which utilizes County lifeguards to teach ocean education skills to inner city and special needs youth. This program has been highly successful in reaching out to thousands of these youth and making it possible for them to receive education in ocean safety/recreation skills and the marine environment. For this sponsorship right, the County will continue to receive ongoing revenue through Viacom's payment of a \$310,000 sponsorship fee, paid on a monthly prorated basis, which fee is equivalent to what Viacom paid the County for the tenth agreement year.

Another important public service continued by this Amendment will be the provision and maintenance, at no cost to the County, of the Safety Signs on lifeguard towers that give beachgoers important beach use and safety information. In exchange for these benefits, Viacom will be allowed to continue to sell advertising in a 27" x 54" space on the Safety Sign itself, except that Viacom will be required to honor the exclusive beach advertising rights recently granted by your Board to Great Spring Waters of America, Inc., since renamed Nestlé Waters North America Inc., by not selling advertising on the Safety Signs for products in competition with Nestlé Waters' bottled water and carbonated beverages.

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The Amendment will also grant authority to the Director to execute nonmaterial amendments to the Agreement. Such amendments would not involve changes that affect the essential requirements of the Agreement (e.g., financial terms, scope of service, or liability issues).

#### Implementation of Strategic Plan Goals

The services provided through this Amendment will help to promote both "Service Excellence" and "Fiscal Responsibility" of the County's Strategic Plan Goals. It promotes Service Excellence by providing the public with important beach safety information at beach lifeguard towers, as well as by continuing to give inner-city youth access to quality instruction in ocean education and safety skills. The Amendment will also assist DBH in strengthening the County's Fiscal Responsibility by continuing this successful public-private partnership and the attendant financial benefits without interruption.

#### FISCAL IMPACT/FINANCING

This Amendment will provide the County with payments for every month the extension is in effect, up to a maximum of twelve months. The \$310,000 sponsorship fee will be paid on a prorated basis with 4 monthly payments each of \$46,500 being made for the period from June 16, 2002 through October 15, 2002 and, thereafter, 8 monthly payments each of \$15,500 being made for the period from October 16, 2002 through June 15, 2003.

#### FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Other than the extension of the Agreement, the prorated payment schedule and the provisions relating to the exclusive carbonated beverage and bottled water sponsor and nonmaterial amendments, all other provisions of the Agreement, including the County's indemnification and insurance protection, will remain in effect.

This Amendment contains a provision for cancellation upon either party's 30-days' written notice to the other party, which will allow DBH to coordinate the termination of this sponsorship with the beginning of a new marketing agreement for these services.

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County Counsel has approved the Amendment as to form. The Beach Commission has approved this Amendment.

**ENVIRONMENTAL DOCUMENTATION**

Approval of this Amendment is categorically exempt from the provisions of CEQA pursuant to Class 4(j) of the County's Environmental Document Reporting Procedures and Guidelines.

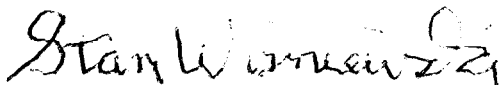
**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of this Amendment will enable the Department to continue providing important public beach use and safety information at beach lifeguard towers for the 55 million annual visitors to our County's beaches, while also maintaining sponsorship of the W.A.T.E.R. youth program, which provides ocean educational instruction to thousands of youth from all Supervisorial Districts.

**CONCLUSION**

Instruct the Executive Officer, Board of Supervisors, to forward an approved copy of this Board letter and two executed originals of the Amendment to the Department of Beaches and Harbors.

Respectfully submitted,

  
Stan Wisniewski, Director

Attachment (1)

c: Chief Administrative Officer  
Executive Officer, Board of Supervisors  
County Counsel  
Auditor-Controller

SW:kg

**AMENDMENT NO. 2 TO AGREEMENT NO. 66144  
BY AND BETWEEN THE COUNTY OF LOS ANGELES  
AND VIACOM OUTDOOR GROUP INC.**

This Amendment is entered into this \_\_\_\_ day of \_\_\_\_\_, 2002, by and between the COUNTY OF LOS ANGELES (the "County"), a political subdivision of the State of California, and VIACOM OUTDOOR GROUP INC. (the "Sponsor"), a Delaware corporation.

RECITALS

- A. On June 16, 1992, the Sponsor and the County entered into Agreement No. 66144 (the "Agreement") whereby the Sponsor agreed to underwrite a portion of the costs for, and become the sponsor of, the Department of Beaches and Harbors' Water Awareness, Training, Education and Recreation (W.A.T.E.R.) program and provide beach Safety Signs on lifeguard towers in exchange for the exclusive right to sell advertising on those donated beach Safety Signs that are placed on lifeguard towers on Los Angeles County Beaches.
- B. The County desires to secure exclusive advertising rights for its exclusive carbonated beverage and bottled water sponsor on Los Angeles County Beaches, including advertising on the beach Safety Signs.
- C. Both parties desire to extend this Agreement beyond its current expiration date on a month-to-month basis for a maximum of twelve months.

AMENDMENT

NOW, THEREFORE, in consideration of the above, it is hereby agreed by and between the parties as follows:

- 1. Section 2, Rights and Obligations between County and Sponsor, is hereby amended as follows:
  - a. Subsection 2.J(1) is added as follows:

The term of this Agreement may be extended beyond its current expiration date of June 15, 2002, for a maximum of twelve months from June 16, 2002 until June 15, 2003. This Agreement shall be extended for each of the above monthly periods without the necessity of further action by either of the parties. Either party may terminate the Agreement with or without cause during any of the above-referenced twelve monthly periods by giving 30 days' advance written notice of termination to the other party. If the Agreement is cancelled any time during a monthly period by the Sponsor, then the full payment for that monthly period will be still be due to County as specified in Subsection 2.M(1). If the Agreement is cancelled any time during a monthly period by the County, then the

full payment for that monthly period as specified in Subsection 2.M(1) will be adjusted prorata and the County shall refund such amount to Sponsor. Unless earlier terminated as provided herein, this Agreement shall terminate without further action by either party on June 15, 2003.

- b. Subsection 2.M(1) is added as follows:

During the twelve-month extension period, Sponsor will pay the County a monthly fee of \$46,500 during the four-month period from June 16, 2002 through October 15, 2002 and, thereafter, pay a monthly fee of \$15,500 during the eight-month period from October 16, 2002 through June 15, 2003. The first monthly payment will be due on June 16, 2002, with each monthly payment thereafter due on the 16<sup>th</sup> of the month. All late payments will accrue interest at an annual interest rate of 10% beginning the day after the payment is due.

- c. Subsection 2.E(1) is added as follows:

The Sponsor agrees that advertisements sold for placement during the twelve-month extension period on the Safety Signs will not include advertising for any product that is in direct competition with the County's exclusive carbonated beverage and bottled water sponsorship provider, as defined by County.

2. Section 16, Entire Agreement, is hereby amended as follows:

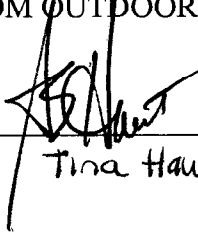
The second sentence is deleted and replaced with the following:

Only amendments to the Agreement that do not materially change the scope of the Agreement, increase the County's financial responsibility, or impose additional liability on the County may be executed without approval of the Los Angeles County Board of Supervisors. All such amendments must be in writing and shall not be effective unless and until executed by Sponsor and, in the case of the County, by the Director.

3. Except as otherwise expressly stated herein, all other terms and conditions of the Agreement shall remain in full force and effect and are hereby reaffirmed by the County and the Sponsor.


IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 2 to Agreement No. 66144 as of the date first above written.

VIACOM OUTDOOR, INC., a Delaware corporation <sup>GROUP</sup>

By:   
Tina Haut / Executive VP

COUNTY OF LOS ANGELES

By: \_\_\_\_\_  
Zev Yaroslavsky, Chairman, Board of Supervisors

  
AMY G. BERLIN  
NOTARY PUBLIC, State of New York  
No. 02BE5066965  
Qualified in New York County  
Commission Expires Oct. 7, 2002

ATTEST:

VIOLET VARONA-LUKENS  
Executive Officer-  
Clerk of the Board of Supervisors

By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

LLOYD W. PELLMAN  
County Counsel

By: \_\_\_\_\_  
Deputy