

**SAN LUIS OBISPO COUNTY REGIONAL AIRPORT
DISPLAY ADVERTISING PERMIT**

P# _____

THIS DISPLAY ADVERTISING PERMIT (“Permit”) is made and entered into by and between County of San Luis Obispo (hereinafter referred to as "County") and Visitor Television LLC, (hereinafter referred to as "Permittee") in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

1. **PREMISES:** The County hereby authorizes Permittee, subject to the terms, conditions and covenants hereinafter set forth, the non-exclusive use of the following display advertising space at the San Luis Obispo County Regional Airport (the "Premises") as shown on Addendum B to Permittee’s proposal which is identified as Exhibit “A” attached hereto and further described below:

A. Two (2) each, approximately eight (8) square foot ceiling areas in the primary post security hold room in the terminal building.

B. One (1) approximately twelve (12) square foot wall area in the overflow post security hold room.

For the placement of three TV Digital Displays and Media Players

2. **USE OF PREMISES:** Permittee shall use the Premises, which are permitted in an as-is condition, for the sole purpose of ceiling and wall mounted display advertising (the “Display”). Permittee shall not use or permit the Premises to be used in whole or in part during the term of this Permit for any purpose other than as set forth herein, without first obtaining the written consent of the General Services Agency Director (“Director”) or Director’s Designee.

A. **All aspects of the Display, including but not limited to its placement, mounting, size, and type shall be approved by the Director or Director’s Designee, in writing, prior to its installation.**

B. The Display shall be well maintained and available for airport patron viewing, seven (7) days per week, for a period of 730 consecutive days (two years), commencing upon the date the County Board of Supervisors sign this Permit and ending at 11:59 PM on the 730th consecutive day of the Permit.

C. No permanent signs, names, or placards shall be inscribed, painted or affixed upon the Premises, without prior written consent of Director or Director’s Designee.

D. Permittee shall solely be responsible for providing of all services, equipment, supplies, and personnel for the installation, operation and maintenance of the Display.

E. Permittee enters into this Permit solely and exclusively as an independent contractor and only in that capacity and not as a partner, employee or other agent of the County.

F. Permittee shall have the non-exclusive right for general use, with others, of all Public Airport Facilities and improvements which are now or may hereafter be connected with or appurtenant to the Airport, to be used by Permittee for the purposes herein granted.

G. County denies Permittee vehicle access to the Airport Operations Area defined as that part of the airport used by aircraft for landing, taking off, surface maneuvering, loading and unloading, refueling, parking, or maintenance, where aircraft support vehicles and facilities exist (hereinafter "A.O.A.") and use of the Airport security gates.

H. County grants Permittee the right of ingress and egress from the Premises over and across public roadways serving the Airport for Permittee, its agents, employees, servants, patrons and invitees, suppliers of services and furnishers of materials. Said right shall be subject to such ordinances, rules, and regulations imposed by appropriate government agencies having jurisdiction now or may hereafter have application to the Airport.

I. Permittee shall have the right and **duty** to manage, operate and control the Display in a first class manner and to do all things necessary in the exercise of such management, operation and control subject to the regulations and policies of the Director or Director's Designee, and in accordance with the terms and conditions set forth in this Permit. Permittee shall not commit or suffer to be committed on the Premises any nuisance, unlawful act or waste and Permittee agrees to take all reasonable precautions to protect the Premises from damage, theft, vandalism and other such hazards and liabilities.

J. Permittee and Permittee's employees, if any, shall present a clean and neat appearance while on Airport premises and shall exhibit professional conduct and be courteous to members of the public.

K. Permittee hereby waives any and all claims against County for damages to any property of Permittee from any cause arising at any time, except for damage to Permittee's Display which is caused by the sole negligence of the County.

L. Permittee agrees, that prior to access to the Premises, Permittee shall submit to a TSA Fingerprint, Criminal History Record check performed by County. Permit execution is subject to background check approval. Permittee will be responsible upfront for the \$96 processing fee.

M. Permittee agrees to comply with TSA's security screening procedure at the security check point in order to gain access to the "post" screening area.

3. **TERM:** Unless terminated sooner as provided herein, the term of this Permit shall be for a period of 730 consecutive days (two years), commencing upon the date the County Board of Supervisors sign this Permit and ending at 11:59 PM on the 730th consecutive day of the Permit (the "Term").

4. **DISPLAY ADVERTISING FEE:** Permittee shall pay County as a display advertising fee (“Display Advertising Fee”), 25% of all advertising revenue generated from advertising on the three airport located digital displays as described in Permittee’s proposal, page 3 and 4, under the heading “Revenue Share.” (see exhibit A). Advertising Revenues shall include, but shall not be limited to, all gross revenues received or derived from the sale of advertising content by Visitor Television LLC on these three airport TV media displays. Advertising Revenues shall not be reduced by bank charges, uncollected or uncollectible credit accounts, charges made by collection agencies, bad debt losses, or any commission or other amount paid out or rebated by the Permittee to others with respect to any sale of the airport TV media display ads

The Display Advertising Fee shall be paid monthly in arrears by Permittee, due on the 15th of the month following the monthly reporting period, payable to the County of San Luis Obispo, and paid at the office of the Airport Manager, 903 Airport Drive, Suite 5, San Luis Obispo, CA 93401, Attn: Accounts Receivable or at other such place as the Director may designate. Reports and fees shall be submitted monthly not later than the 15th of the month for the preceding month. Said compensation will become delinquent if not received by the sixteenth day of each month as described above, and shall be subject to a late penalty of ten (10%) percent of the amount due, or ten (\$10) dollars, whichever is more, which shall be added to the principle then due and owing. If still unpaid for 30 days after the delinquency date the legal rate of interest shall apply.

County will charge Permittee, and Permittee shall pay at commencement of this permit, a one-time County information technology configuration fee related to the connection to the County’s network in the amount of Three Hundred (\$300) or actual time at the then current County IT full hourly rate for same, whichever is less.

Permittee shall receive up to a \$2445 display advertising fee credit for actual and reasonable costs associated with installing three TV displays, media players and power hook up, such costs to be approved in advance by the County. Said credit shall be limited to \$815 per display. Credit will be for installation costs, only, and not the cost to purchase equipment or supplies. Said credit will be applied against the Display Advertising Fee owed by Permittee to County during the Term, only. County will not be responsible to Permittee for any outstanding installation credit balance, if any, at the expiration of the Term.

5. **JANITORIAL:** Permittee agrees to keep the static display clean and in good repair.

6. **PARKING:** Permittee shall have the nonexclusive right to utilize existing County public parking facilities and spaces subject to all applicable fees.

7. **INSPECTION:** County, its agents and employees, shall have access to and the right to inspect static display at any time to examine the condition thereof, and to direct Permittee to make such repairs or modifications as may be necessary for the protection of persons or property, at the expense of Permittee, as further described in Article 11 below.
8. **NON-EXCLUSIVE RIGHTS:** Permittee may not have or enjoy, and may not grant, any exclusive rights of any kind which are forbidden by any applicable and pertinent law, statute, ordinance, rule or regulation of any governmental entity or agency. It is understood and agreed that nothing herein contained shall be construed to grant or authorize granting of an exclusive right of use which would be in violation of Section 308(a) of the Federal Aviation Act of 1958 [49 U.S.C., Section 1349(a)]. County will continue to offer advertising opportunities to other interested parties through its display advertising program. Such opportunities include, but are not limited to, terminal banner displays, brochure racks, Friends of Hearst Castle kiosk, Flight Information Display System monitors (FIDS) ads, airport website hosted banners, and pole banners. Additionally, Airport will continue to use its Bag Claim video for air service development needs, including displaying area Tourism Business Improvement District (TBIDS) partner created promotional videos.
9. **QUALITY OF SERVICE:** Permittee agrees that Permittee will provide a first class Display equal to or exceeding the standard met by comparable business providing similar displays during the entire Term. The Director or Director's Designee, reserves the right to prohibit the display of any item which it deems objectionable or beyond the scope of merchandise deemed necessary for proper service to the public, upon notice to the Permittee.
10. **RESTRICTIONS AND RESERVATIONS:** The rights granted Permittee herein are subject to the right of County to develop, maintain, improve and operate the Airport and its facilities as it sees fit, in a nondiscriminatory manner, without interference by Permittee. This Permit shall be subordinate and subject to the provisions of any existing or future agreements between County and the United States. This Permit is subject to the rights the United States Government now or may hereafter have or acquire affecting the control, operation, regulation and taking over of the Airport. This Permit is made subject to any approval of Federal Aviation Administration which may be required (see article 27 of this permit).
11. **REPAIR OF DAMAGE:** Permittee agrees to promptly repair any and all damage caused by Permittee in the use of the premises. Should Permittee fail or neglect to make repairs, as necessary to protect the health, safety, or welfare of individuals using the premises, or fails or neglects to make a repair required to protect the structural integrity and/or cosmetic appearance of the premises, County may, after written notice to Permittee, make said repair and charge Permittee for same, and Permittee shall pay said charges on demand. **UPON EXPIRATION OF PERMIT, PERMITTEE, AT PERMITTEE'S SOLE**

EXPENSE, WILL REMOVE THE DISPLAY AND RESTORE PREMISES TO SAME CONDITION AS BEFORE THE DISPLAY'S INSTALLATION.

12. **RULES:** The Director or Director's Designee, reserves the right at any time to make such reasonable rules and regulations as in his/her judgment may from time to time be necessary for the safety, care, and cleanliness of the Premises, and for the preservation of good order therein, and Permittee hereby agrees to strictly comply therewith. Media Player programming content audio level is subject to Director or Director's Designee approval.

Furthermore, Permittee agrees to observe, obey, and abide by all directives of the Director or Director's Designee, rules and regulations for the common and joint use of Airport facilities and for maintenance and conduct of Permittee's service which are now or may hereafter be imposed by Airport, Federal Aviation Administration, County, or any other governmental agency having jurisdiction at the Airport. *Permittee acknowledges receipt of San Luis Obispo County Airport's Title 24 – Airport Rules & Regulations (rev. 3/8/05).*

13. **LAWS:** Permittee shall at all times observe and comply with, and shall cause all his agents, employees and sub-Permittees to observe and comply with all present and future laws, statutes, ordinances, regulations, rules, resolutions, or other binding enactments of any governmental authority, now or at any time during this Permit. If any future laws, rules, regulations or ordinances are passed by the County and said legislative enactment has any impact fiscal or otherwise on Permittee, and if Permittee does not make a timely objection to County during the course of legislative process, Permittee will be deemed to have waived any right to object at a later time and waives all damages flowing therefrom.

14. **INSURANCE:** Permittee shall obtain and maintain for the entire term of the Permit and Permittee shall not perform any work under this Permit until after he has obtained insurance complying with the provisions of this paragraph. Said policies shall be issued by companies authorized to do business in the State of California. Permittee shall maintain said insurance in force at all times. The following coverage with the following features shall be provided:

A. **Commercial Liability Insurance:** Permittee shall maintain in full force and effect for the period covered by this Permit, commercial liability insurance. This insurance shall include, but shall not be limited to, comprehensive general and automobile liability insurance providing protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from any act or occurrence arising out of Permittee's operations in the performance of this Permit, including, without limitation, acts involving vehicles. The policy shall provide not less than single limit coverage applying to bodily and personal injury, including death resulting therefrom, and

property damage in the total amount of One Million Dollars (\$1,000,000). The following endorsements must be attached to the policy:

(1) If the insurance policy covers on an "accident" basis, it must be changed to "occurrence".

(2) The policy must cover personal injury as well as bodily injury.

(3) Blanket contractual liability must be afforded and the policy must contain a cross liability or severability of interest endorsement.

B. Workers' Compensation Insurance: In accordance with the provisions of sections 3700 et seq., of the California Labor Code, if Permittee has any employees, Permittee is required to be insured against liability for workers' compensation or to undertake self insurance. Permittee agrees to comply with such provisions before commencing the performance of this Permit.

C. Additional Insureds to be Covered: The commercial general liability policies shall name "County of San Luis Obispo, its officers, employees, and agents as additional insureds. The policy shall provide that the Permittee's insurance will operate as primary insurance and that no other insurance maintained by the County, or additional insureds will be called upon to contribute to a loss hereunder.

D. Certification of Coverage: Prior to commencing work under this Permit, Permittee shall furnish County with the following for each insurance policy required to be maintained by this Permit:

(1) A copy of the Certificate of Insurance shall be provided. The certificate of insurance must include a certification that the policy will not be canceled or reduced in coverage or changed in any other material aspect without thirty (30) days prior written notice to the County.

(2) A Workers' Compensation certificate of insurance must be provided.

(3) Upon written request by the County, the Permittee shall provide a copy of the complete insurance policy.

(4) Approval of Insurance by County shall not relieve or decrease the extent to which the Permittee may be held responsible for payment of damages resulting from Permittee's services or operations pursuant to this Permit. Further, County's act of acceptance of an insurance policy does not waive or relieve Permittee's obligations to provide the insurance coverage required by the specific written provisions of this Permit.

E. Effect of Failure or Refusal: If Permittee fails or refuses to procure or maintain the insurance required by this Permit, or fails or refuses to furnish County with the certifications required by *Subparagraph D.* above, County shall have the right, at its option, to forthwith terminate the Permit for cause.

15. INDEMNITY: Permittee shall defend, indemnify and hold harmless the County, its officers and employees from any and all claims and demands, costs, expenses, judgments, attorney fees or liabilities

that may be asserted by any person or entity that arise out of or in connection with the acts or omissions relating to the performance of any obligation or duty by Permittee provided for or relating (directly or indirectly) to this Permit, the tenancy created under this Permit, or the Premises hereunder. The obligation to indemnify shall be effective and shall extend to all such claims and losses, in their entirety, even when such claims or losses arise from the comparative negligence of the County, its officers and employees. However, this indemnity will not extend to any claims or losses arising out of the sole negligence or willful misconduct of the County, its officers and employees.

It is the intent of the parties to provide the County the fullest indemnification, defense, and hold harmless rights allowed under the law. If any word(s) contained herein are deemed by a court to be in contravention of applicable law, said word(s) shall be severed from this Permit and the remaining language shall be given full force and effect.

16. HAZARDOUS MATERIALS: Permittee shall at all times and in all respects comply with all federal, state and local laws, ordinances and regulations ("Hazardous Materials Laws") relating to industrial hygiene, environmental protection, or the use, analysis, generation, manufacture, storage, disposal or transportation of any oil, flammable explosives, asbestos, UREA formaldehyde, radioactive materials or waste, or other hazardous, toxic, contaminated or polluting materials, substances or wastes, including, without limitation, any "hazardous substances," "hazardous wastes," "hazardous materials" or "TOXIC SUBSTANCES" under such laws, ordinance or regulations (collectively, "Hazardous Materials").

Permittee shall, except in the event of County's sole negligence, indemnify, defend, protect, and hold County, each of County's officers, directors, employees, agents, attorneys, successors and assigns, free and harmless from and against any and all claims, liabilities, penalties, forfeitures, losses or expenses or death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly, by:

(a) The presence in, on, under or about the Premises or discharge in or from the Premises of any Hazardous Materials as a result of Permittee's use thereof or Permittee's use, analysis, storage, transportation, disposal, release, threatened release, discharge or generation of Hazardous Materials, to, in, on, under, about or from the Premises, or

(b) Permittee's failure to comply with any Hazardous Materials Law. Permittee's obligations hereunder shall include, without limitation, and whether foreseeable or unforeseeable, all costs of any required or necessary repair, cleanup or detoxification or decontamination of the Premises, and the preparation and implementation of any closure, remedial action or other required plans in connection therewith caused by Permittee and shall survive the expiration or earlier termination of the

term of the Permit. For purposes of the release and indemnity provisions hereof, any acts or omissions of County, or by employees, agents, assignees, Contractors or subContractors of County or others acting for or on behalf of County (whether or not they are negligent, intentional, willful or unlawful) shall be strictly attributable to County.

17. **NOTICE**: All notices, demands, or communication in connection with this Permit may be served upon County or Permittee by personal service or by mailing the same in the United States Mail, postage prepaid, and directed as follows:

County: San Luis Obispo County Regional Airport General Manager
San Luis Obispo County Airport
903 Airport Drive, Suite 5
San Luis Obispo, CA 93401

Permittee: Visitor Television LLC
Attn: Brian Trapp, Managing Partner
699 Embarcadero, Suite 10
Morro Bay, CA 93442

Either County or Permittee may change such address by notifying the other in writing and said address shall continue as the notification address until further written notice.

18. **POSSESSORY INTEREST**: Permittee recognizes and understands that this Permit may create a possessory interest subject to taxation and that Permittee will be required to pay any and all taxes levied on such interest prior to delinquency.

19. **CLOSURE**: At any time, should an occurrence necessitate the closing of the terminal or Premises to the general public, Permittee shall have no recourse by law to the County for losses incurred.

20. **WAIVER**: Permittee hereby waives any and all claims for damages that may be caused by County in re-entering and taking possession of the Premises, and all claims for damages that may result from the destruction of or injury to the Premises thereby, and all claims for damages to or loss of such property belonging to Permittee as may be in or upon the Premises at the time of such re-entering.

Permittee hereby also waives any and all claims against County for loss or damages to any property of Permittee from any cause arising at any time.

21. **ASSIGNMENT**: This Permit is of a personal nature and Permittee shall not assign, sublet, mortgage, pledge or otherwise transfer this Permit, either voluntarily or by operation of law, in whole or in part, except that Permittee may assign this Permit to any entity acquiring all or substantially all of the

assets or equity of Permittee, directly or indirectly, subject to the Director or designee's reasonable approval, which shall be obtained in advance.

22. **VENUE:** This Permit has been executed and delivered in the State of California and the validity, enforceability and interpretation of any of the clauses of this Permit shall be determined and governed by the laws of the State of California. The duties and obligations of the parties created hereunder are performable in San Luis Obispo County and such County shall be the venue for any action or proceeding that may be brought or arise out of, in connection with, or by reason of this Permit.

23. **IMMEDIATE SUSPENSION AND TERMINATION CLAUSE:** If Permittee or Permittee's agents, employees, or any party responsible to Permittee cause an occurrence on the Premises which seriously threatens or damages the health, safety and or welfare of the public, the Director may, upon written notice to Permittee, immediately suspend all activities on the Premises and this Permit may be terminated, if Permittee is determined to be negligent. Permittee shall have no recourse against County of said action and Permittee shall defend, and indemnify the County against all liability and loss arising from the occurrence.

24. **PROVISIONS DEEMED COVENANTS AND CONDITIONS:** The parties hereto agree that all of the provisions hereof are to be construed as covenants and conditions as though the words importing such covenants and conditions were used in each instance, and that all of the provisions hereof shall bind and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

Permittee agrees to pay all reasonable costs and expenses incurred by County in connection with the enforcement of the covenants and conditions of this Permit.

25. **SEVERABILITY:** The invalidity of any provision of this Permit shall not affect the validity or enforceability of any other provision of this Permit.

26. **ASSUMPTION OF RISKS:** Permittee represents that Permittee has inspected said Airport and Premises, and all facilities thereupon and in connection therewith, and that Permittee accepts the condition of same and fully assumes all risks incidental to the use thereof. The County shall not be liable to Permittee for any damages or injuries to the property or person, or to the agents, employees or business visitors of Permittee, which may result from hidden, latent or other dangerous conditions upon said Airport, building or Premises, or which may result from the negligence of the County, its agents, officers or employees, or which may result from any condition of fire, earthquake, flood, rainfall, or escape of water from any channel, regardless of the cause thereof.

27. **FEDERAL AVIATION ADMINISTRATION REGULATIONS:**

- A. Permittee for itself, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that in the event facilities are constructed, maintained, or otherwise operated on the licensed areas for a purpose for which a U. S. Department of Transportation (“DOT”) program or activity is extended or for another purpose involving the provisions of similar services or benefits, Permittee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations (“CFR”), DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the DOT - Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended
- B. Permittee for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that (i) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (ii) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination; (iii) if applicable, that Permittee shall use the licensed areas in compliance with all other requirements imposed by or pursuant to Title 49, CFR, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the DOT - Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
- C. In the event of breach of any of the above nondiscrimination covenants, County shall have the right to terminate this Permit and to reenter and repossess said land and the facilities thereon, and hold the same as if said Permit had never been made or issued. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed including expiration of appeal rights.
- D. Permittee shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided that Permittee may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchasers.
- E. Noncompliance with Provision (d) above shall constitute a material breach thereof and in the event of such noncompliance County shall have the right to terminate this Permit and the rights

hereby created without liability therefore or at the election of County or the United States either or both said Governments shall have the right to judicially enforce Provisions.

- F. Permittee agrees that, if applicable, it shall insert Provisions (a), (b), (c), (d), and (e) above in any agreement by which said Permittee grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the areas herein covered by this Permit.
- G. Permittee assures that, if applicable, it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to ensure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Permittee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Permittee assures that, if applicable, it will require that its covered suborganizations provide assurances to Permittee that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR 152, Subpart E, to the same effort.
- H. County reserves the right to further develop or improve the landing area of Airport as it sees fit, regardless of the desires or view of Permittee and without interference or hindrance.
- I. County reserves the right, but shall not be obligated to Permittee to maintain and keep in repair the landing area of Airport and all publicly owned facilities of said Airport, together with the right to direct and control all activities of the Permittee in this regard.
- J. This Permit shall be subordinate to the provisions and requirements of any existing or future agreement between County and the United States, relative to the development, operation or maintenance of Airport.
- K. There is hereby reserved to County, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the licensed areas herein covered by this Permit. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace or landing at, taking off from or operation on the Airport.
- L. Permittee agrees to comply with the notification and review requirements covered in 14 CFR Part 77 of the Federal Aviation Regulations in the event future construction of a building is planned for the areas covered by this Permit, or in the event of any planned modification or alteration of any present or future building or structure situated on the areas covered by this Permit.

- M. Permittee by accepting this expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object, nor permit the growth of any tree on the areas licensed hereunder above the mean sea level elevation allowed by 14 CFR Part 77. In the event the aforesaid covenants are breached, County reserves the right to enter upon the areas covered by this Permit and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of Permittee.
- N. Permittee by accepting this Permit agrees for itself, its successors and assigns that it will not make use of the areas covered by this Permit in any manner which might interfere with the landing and taking off of aircraft from Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, County reserves the right to enter upon the areas hereby covered by this Permit and cause the abatement of such interference at the expense of Permittee.
- O. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308a of the Federal Aviation Act of 1958 (49 U.S.C. 40103; P.L. 103-272; 108 STAT. 1102, and as may be amended).
- P. This Permit may constitute an agreement covered by applicable sections of 49 CFR 26. If so, Permittee acknowledges and agrees as follows: It is the policy of the DOT that disadvantaged business enterprises as defined in 49 CFR 26 shall have the maximum opportunity to participate in the performance of agreements as defined in 49 CFR 26.5. Permittee is charged with knowledge and understanding of 49 CFR 26.5, and compliance with its provisions is a material part of the agreed upon performance of this License.
- Q. Permittee hereby assures that no person shall be excluded from participation in, denied the benefits of or otherwise discriminated against in connection with the award and performance of any contract, including leases, covered by 49 CFR 26 on the grounds of race, color, national origin or sex.
- R. Permittee hereby assures that, if applicable, it will include the above provisions (p) and (q) in all subleases and cause sublessees to similarly include said provisions in further sub-subleases.
- S. This Permit may be subject to the requirements of the DOT's Regulations, 49 CFR Part 23. Subpart F. Permittee agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any agreement covered by 49 CFR Part 23, Subpart F. Permittee agrees to include the above statements, if applicable, in any subsequent agreements that it enters and cause those businesses to similarly include the statements in further agreements.

28. ENTIRE AGREEMENT AND MODIFICATIONS: This Permit embodies the whole agreement between the parties hereto as it pertains to the subject real property and there are no promised terms, conditions, or obligations referring to the subject matter hereof, other than as contained herein. Any alterations, changes or modifications to this Permit must be in writing and executed by both Permittee and County. In the event of any conflict or inconsistency between the County's Display Advertising Permit and the Visitor Television LLC Proposal which has been included as Ex. A, the County's Display Advertising Permit shall govern and control.

////////////////////////////////// NOTHING FURTHER PAST THIS POINT //////////////////////////////////

IN WITNESS WHEREOF, the parties have duly executed this Permit. **COUNTY OF SAN LUIS OBISPO**

COUNTY OF SAN LUIS OBISPO

By: _____
Chairperson of the Board of Supervisors

Approved by the Board of Supervisors this _____ day of _____, 2013.

ATTEST:

Clerk of the Board of Supervisors

APPROVED AS TO FORM AND LEGAL EFFECT:

RITA L. NEAL
County Counsel

By: Shanna Matijevic
Deputy County Counsel

Date: 5/30/13

PERMITTEE: Visitor Television LLC,

I, Brian Trapp, certify that I am authorized to sign as Managing Partner for Visitor Television LLC, the within instrument in my stated capacity and that said execution of the same shall be binding.

By: Brian Trapp

Title: Managing Partner

Date: 5/28/13

Recommended by:

Janette D Pell
Janette D. Pell
General Services Agency Director

Date: 5-30-13

Exhibit A



April 22, 2013

Phil D'Acri
San Luis Obispo County Regional Airport
903 Airport Drive, Suite 5
San Luis Obispo, CA 93401

Dear Mr. D'Acri,

We are pleased to provide this executive summary for an agreement for Visitor TV to provide and manage digital displays at the San Luis Obispo County Regional Airport. We believe this is an exciting opportunity to enhance the traveler experience, promote the local economy and realize revenues for both SLO County Regional Airport and Visitor TV, among other benefits and collaborative promotions.

This executive summary presents the ideas you and I have discussed and shall serve as a starting point for creating a mutually beneficial agreement.

OVERVIEW

We propose forming an agreement for Visitor TV to provide original, beautifully produced programming appropriate for all ages created for the SLO County traveler along with managing all aspects of securing and creating advertising from businesses appropriate for all ages for display on the digital displays within the post-security area (enplaning) at the SLO County Regional Airport. Visitor TV will install and maintain the digital displays to air the programming. Visitor TV and SLO County Regional Airport will share in the fees generated from the advertising in an agreed upon revenue share.

DIGITAL DISPLAYS - ENPLANING AREA

Following are the basic requirements of the agreement to provide programming on the digital displays at the airport.

The following will be provided by Visitor TV:

- **Programming** - Visitor TV will provide original, high-quality, family-friendly programming of interest to travelers and locals alike about the best entertainment and adventures found in San Luis Obispo County. Visitor TV shall provide the airport with newly produced content as it becomes available. Details on programming are as follows:
 - Duration: Programming is typically between two to four minutes in length.
 - Programming topics may include:
 - Tidepooling on the Central Coast
 - Hiking on the Central Coast
 - Farm To Table on the Central Coast
 - Exploring Hearst Castle



- Wine Tasting on the Central Coast
 - Beer Tasting in Wine Country
 - The Elephant Seals
 - Exploring the Central Coast on the Water: Kayaking, Sailing, Stand Up Paddling, Whale Watching
 - Biking on the Central Coast: Mtn. Biking and Road Cycling
- **Advertising** - Visitor TV will manage all aspects of its advertising content - from marketing to sales to billing - from businesses with commercials that are appropriate for all ages.
 - **Digital Displays** - Visitor TV will purchase, install, maintain, repair and replace as needed the digital displays to air Visitor TV. The digital displays and media players will remain the property of Visitor TV.
 - Terms: SLO County Regional Airport will provide Visitor TV credit towards future revenue share for the total cost of installation for the digital displays. Please see **"ADDENDUM A: Email Quote from Electricraft"** and **"TERMS: Credit for the Installation of the Digital Displays"**.
 - Locations: For the highest visibility to travelers, three digital displays will be installed - two in the main enplaning area (Locations 1a and 1b) and one in the side waiting room (Location 2) - subject to management approval of work plan. Please see **"ADDENDUM B: Locations of Digital Displays"** for photos of the locations and **"ADDENDUM C: Installation Work Plan per Electricraft"** for details on the installation.
 - Technical details of a sample digital display: The digital display will be capable of playback in HD in 1080p or higher. Size of the displays will be based on the available wall space.
 - **Media Players** - Visitor TV will purchase, install and maintain the commercial grade media players to distribute, update, monitor and air Visitor TV. This media player offers highly reliable and constant playback of programming. The media players will remain the property of Visitor TV.
 - Updating Content: The content on the media players may be updated remotely via a WiFi connection to the Airport internet or by physically replacing the removable media cards in the media player. Considering the high location of the media players at the airport (near the ceiling) and the frequent updates to the content (daily, weekly or monthly) it is strongly preferred that the media players be connected via WiFi to the airport internet so that the content may be updated safely and immediately with relevant and timely information. The airport will work with Visitor TV and County IT to facilitate connecting the media players to the airport WiFi.

The following will be provided by SLO County Regional Airport:

- **Power** - SLO County Regional Airport will maintain power to the equipment to the best of it's ability. The airport will not be responsible for power outages by PG&E, etc. Electricity used will be covered in the gross rent (revenue split).
- **Internet** - SLO County Regional Airport will work with County IT to facilitate connecting the media players to the airport WiFi.
- **Playback** - The digital displays will operate continuously. Playback on the digital displays within the post-security area (enplaning) will be with sound. Sound level subject to airport management approval.



COLLABORATIVE PROMOTIONS

Visitor TV and SLO County Regional Airport share in the benefits of promoting travel to the Central Coast. With this mutual interest, there are exciting opportunities to cross-promote each business to further stimulate tourism. The following are possible collaborative promotions:

- **Self Advertising on Visitor TV Hotel Network** - At no cost to SLO County Regional Airport, Visitor TV will air a :30 commercial spot for the SLO County Regional Airport throughout the Visitor TV Hotel Network consisting of 88 hotels with 6,254 hotel guest rooms for an estimate annual occupancy and audience of 2.8 million travelers. \$9,420/year value.
- **iFlySLO.com logo and link on Visitor TV website** - At no cost to SLO County Regional Airport, Visitor TV will include the logo and link to the iFlySLO.com website on the front page of their site - visitortv.com. \$200 - \$4,000/year value.
- **Visitor TV Content and Announcements on Digital Displays** - Visitor TV may air it's own promotional content and announcements about Visitor TV on the digital displays at no cost to Visitor TV. Visitor TV may air up to 30 seconds of content every 15 minutes.
- **SLO County Regional Airport Content and Announcements on Digital Displays:** SLO County Regional Airport may air promotional content and announcements about the airport on enplaning digital displays at no cost to the airport. SLO County Regional Airport may air up to 30 seconds of content every 15 minutes.

ADVERTISING RATES

Based on the statistics for passenger travel at the SLO County Regional Airport and our 15+ years of experience in offering video advertising to travelers, we anticipate charging businesses the following rates for advertising on the digital displays:

- **Advertising Rates for Post-Security Area** - Visitor TV estimates a market advertising rate for a :30 and :60 advertising spot airing at least once every hour, 24 hours a day on all enplaning digital displays to be \$199 - \$299/month.

TERMS

- **Credit for the Installation of the Digital Displays:** SLO County Regional Airport will credit future revenue share to Visitor TV for the installation of the digital displays at a rate no greater than the install quote provided - please see "**ADDENDUM A - Email Quote from Electricraft**". The digital displays will remain the property of Visitor TV. Visitor TV will be responsible for the installation, maintenance, repair and replacement of the digital displays.
- **Revenue Share** - Visitor TV and SLO County Regional Airport will share in a 75/25 split, respectively, of all Advertising Fees generated from advertising on the airport digital displays. Visitor TV estimates securing



5-30 advertising clients for the above digital displays which could generate between \$645 - \$8,070/month in advertising fees based on the above Advertising Rates. As an example, based on these terms, the potential revenue share for Visitor TV and SLO County Regional Airport may be upwards of \$6,052.50 and \$2,017.50, respectively, on a monthly basis.

- **Duration** - The partnership will have an initial duration of 24-months from the date the displays go live and rolling month-to-month thereafter until a new contract can be negotiated. The initial 24-month period is important to recoup the investment of installing the digital displays and to encourage potential advertisers to make an investment in advertising on the airport displays.
- **Cancellation** - The agreement may be cancelled at any time after the initial 24-month period for any reason and with 90 days written notice. A 90 day cancellation is important so that arrangements may be made with advertisers for alternatives to their advertising on the digital displays.
- **Restore of Space** - At the end of the agreement should the equipment be removed, Visitor TV shall restore the leased space to it's original condition in keeping with regular wear and tear of the building.

TIMING

Time is of the essence. Springtime is the "selling season" for tourism advertising with the anticipation of the increase in travel beginning in earnest Memorial Day Weekend. Also, the sales cycle - from contract signing to a produced commercial - for Visitor TV takes 30-60 days. Therefore, to capture as much of the advertising dollars that will be allocated by local businesses to attract tourists for the 2013 summer, we urge the SLO County Regional Airport to review and approve this agreement as expeditiously as possible.

CONCLUSION

We are excited about the opportunity this partnership brings! We believe our work together will not only prove to be great for the business but a rewarding investment for both SLO County Regional Airport and Visitor TV in the near future and for years to come.

We look forward to an open discussion on all the above.

Sincerely,

Brian Trapp, Managing Partner
Visitor Television LLC



**ADDENDUM A:
Email Quote from Electricraft**



Email Quote

To: Visitor TV	From: Wes Treder
ATTN: Brian Trapp	
Email: brian@visitortv.com	Pages: 1
Phone: (805) 772-2491	Date: April 22, 2013
Re: San Luis Obispo Airport – SBP TV Power & Installation	CC: File

In response to your request, our fixed price, lump sum, quotation for the above referenced work is as follows to cover the electrical work including material, tax and labor during straight time hours Monday through Friday for a complete installation as outlined below:

Per verbal direction from Brian Trapp of Visitor TV.

Television Power

Specifically Including:

- Extend new power circuit to proposed TV location and cut in new electrical outlet with all required raceway, fittings, supports and conductors.
- Coordinate access with TSA and airport Staff.

Specifically Excluding:

- Overtime / Afterhours work.

Total \$ 565.00 / Location

Television Installation

Specifically Including:

- Install bracket and television as directed by Visitor TV. Bracket and television are understood to be supplied by others.

Specifically Excluding:

- Overtime / Afterhours work.
- Television and mounting brackets

Total \$ 250.00 / Location

In accordance with the California Code of Regulations Title 8, Chapter 2, Subchapter IV our electricians have been tested and are certified Journeyman General Electricians. Our standard additional insured endorsement CG 2010 11 85 is included in this quote. Any additional endorsements or waivers can be provided at an additional charge.

Thank you for the opportunity to quote. This quote is valid for a period of 30 days. Our invoices are due and payable upon presentation. All balances over 30 days past due shall have service charges added of 1.5% per month. Please feel free to call regarding any questions you may have.

Sincerely,

Jon W. Treder (Wes), **LEED AP**
Vice President / Project Manager

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805.544.8224 • Fax: 805.544.0208 • info@electricraftinc.com • Lic#488443

P.O. Box 848, Morro Bay, CA 93443 | www.visitortv.com | Tel: 805-772-2491 | info@visitortv.com



**ADDENDUM B:
Locations of Digital Displays**

Please find the following photos for the locations of the digital displays:

1a & 1b: Mount from ceiling.

2: Wall mount.





**ADDENDUM C:
Installation Work Plan per Electricraft**

Wes Treder <wtreder@electricraftinc.com>
To: Brian Trapp <brian@visitortv.com>
RE: SLO Airport SBP - Television Power

April 22, 2013 4:08 PM

2 Attachments, 85 KB

Good Afternoon Brian,

Please find the attached proposal with an updated date.

Here is a brief work plan:

- Identify TV locations with Visitor TV and Airport staff.
- Determine if a TV wall support bracket or TV ceiling mounting kit will be required. Identify wall studs and ceiling joist to mount TV brackets to.
- Cut in new receptacle to wall or ceiling as required. Fish new conduit and conductors to accessible ceiling space.
- Provide circuit to feed new TV's
- Mount TV to mounting bracket and confirm proper operation.

Please let me know if the Airport is requiring more information or addressing how security will be dealt with.

Thank you Brian,

WES



From: Brian Trapp [<mailto:brian@visitortv.com>]
Sent: Thursday, April 18, 2013 2:58 PM
To: Wes Treder
Subject: Re: SLO Airport SBP - Television Power

Hi Wes,

Per my voicemail today, the airport has requested a work plan from Electricraft for the installation of the digital displays. Attached are photos of the three locations where the displays will be installed. If you would please provide this work plan.

Also, our quote has expired. If you would please update it.

Brian

--

Brian Trapp
VISITOR TV - Let the adventure begin.

(805) 234-1188 Cell
(805) 772-2491 Office
www.visitortv.com

On Mar 18, 2013, at 10:34 AM, Wes Treder <wtreder@electricraftinc.com> wrote:

Good Morning Brain,