

BOARD OF REGENTS
EASTERN MICHIGAN UNIVERSITY

SECTION: ¹⁶
DATE: February 13, 2020

RECOMMENDATION

**CIVIC MEDIA GROUP, LLC. – UNIVERSITY SIGNAGE
OPERATING AGREEMENT**

ACTION REQUESTED

It is recommended that the Board of Regents delegate to the President or designee to negotiate and execute an agreement for the construction and operation of electronic signage at strategic locations on the University's campus. The agreement provides a term of 30 (thirty) years.

STAFF SUMMARY

The proposed operating agreement with Civic Media Group LLC (CMG) provides for CMG to construct and operate up to four (4) signs on the University's owned property. CMG will be financially responsible for all construction and operating costs associated with the signage. CMG will pay to the University monthly rent valued at 25% of the previous month's net signage revenues (revenues after legitimate expenses). The University maintains the ability to promote itself and its events on two (2) spots in the ad rotation of any of the signs (represents 25% of the available ad space).

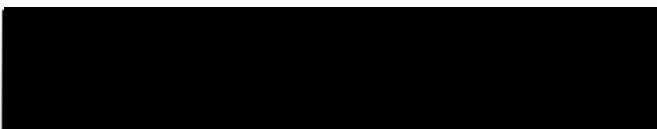
CMG agrees that no adult content, tobacco products, political, ideological or religious messages shall be shown or promoted on any of the signs. Further, CMG shall keep the signs in good repair and maintain them in a clean and attractive manner. CMG agrees to obtain general liability insurance in the amount of at least \$1,000,000 (one million dollars) for the signs. At the conclusion of the agreement, the University will maintain an ownership interest in any and all signs and capital improvements.

FISCAL IMPLICATIONS

The University estimates that the 30 year agreement will provide over \$2.5 million of value to the University in the form of (1) value of the University's ad space, (2) the University's share of the net revenue split (3) avoided upfront capital to install new signage, and (4) avoided cost of sign replacements throughout the 30 year term.

ADMINISTRATIVE RECOMMENDATION

The proposed Board action has been reviewed and is recommended for Board approval.



University Executive Officer

February 13, 2020

Date