



TO: HPTE BOARD OF DIRECTORS
DATE: OCTOBER 19, 2016
FROM: DAVID SPECTOR, DIRECTOR
SUBJECT: UPDATE -REQUEST FOR PROPOSALS FOR NETWORK BASED REVENUE GENERATING OPPORTUNITES ON CDOT PROPERTIES

Purpose

Provide an information only update regarding the status of the Request for Proposals for Network Based Revenue Generating Opportunities on CDOT Owned Properties.

RFI and RFP Process

In July 2015, HPTE issued a Request for Information for Revenue and Other Value Generating Opportunities. HPTE received nine submittals, including a submittal from Branded Cities Network, LLC (Branded Cities), for a digital communications network. HPTE briefed the Board on these alternative revenue generating opportunities at the April 19, 2016, Board meeting.

Following the meeting, in consultation with the Colorado Attorney General's office and in accordance with the HPTE Project Proposal Guidelines for the receipt of unsolicited proposals, HPTE issued a Request for Proposals for Network Based Revenue Generating Opportunities on CDOT Owned Properties (RFP).

In response to the RFP, HPTE received one proposal, from a consortium of Branded Cities, Outfront Media, LLC, and Panasonic Corporation North America (Consortium). The Consortium proposes to "build a state-of-the-art digital communications network on CDOT-owned properties, facilities and/or rights-of-way throughout the State of Colorado." The Executive Summary of the Consortium's proposal is attached for review.

Next Steps

Discuss the RFP, the proposal and next steps in the process.

COLORADO

DEPARTMENT OF TRANSPORTATION
DIGITAL COMMUNICATIONS NETWORK



REQUEST FOR PROPOSAL NETWORK BASED REVENUE GENERATING OPPORTUNITIES ON CDOT OWNED PROPERTIES

SUBMITTED BY:

**BRANDED
CITIES™**
NETWORK

OUTFRONT
media

Panasonic



August 29, 2016

Mr. Nicholas J. Farber, JD
Enterprise Specialist
High Performance Transportation Enterprise
4201 E. Arkansas Ave, Room 230
Denver, Colorado 80222

RE: Request For Proposal - NETWORK BASED REVENUE GENERATING OPPORTUNITIES
ON CDOT OWNED PROPERTIES

Dear Mr. Farber:

Thank you for allowing us to submit this response to the above-referenced Request for Proposal. Through a consortium, Branded Cities Network, LLC ("Branded Cities"), Outfront Media, LLC ("Outfront") and Panasonic Corporation North America ("Panasonic") (collectively referred to as the "Consortium") are excited to present to the High Performance Transportation Enterprise Department ("HPTE"), of the Colorado Department of Transportation ("CDOT"), this revolutionary initiative that will both enhance the resident and visitor experience within the State as a result of a digital "cloud"-based communications network (the "Colorado Digital Communications Network" or "CDCN"), and generate significant annual revenue for the HPTE.

Enclosed is information on Branded Cities, Outfront, Panasonic and the proposed CDCN. Due to the Consortium's leadership and experience, the CDCN will provide several high profile and valuable amenities to the State, its residents and visitors, including public service and emergency messaging, current news, weather and traffic conditions and event messaging at no cost to the HPTE. In addition, establishing the CDCN will result in the creation of a substantial number of employment opportunities, including construction, management, sales and marketing, information technologies, operations and office administration jobs. The CDCN will become a significant new annual revenue source for the HPTE.

We are confident that as you review this response, you will find that the ideas and information contained herein, including various complex zoning, ownership, marketability and construction matters, will require a great deal of time, capital, depth of knowledge and specialized industry expertise. The Consortium is the most qualified team to perform all of the necessary work. The primary point of contact on behalf of the Consortium for any questions or comments for this matter is Chris McCarver, SVP - Real Estate and Public Affairs, who can be reached at (602) 224-3129. Additionally, Branded Cities is authorized by the Consortium to execute any additional forms as required to respond to this RFP.

As described herein, the Consortium is uniquely positioned, qualified and capitalized to fully explore, spearhead and bring this opportunity to fruition for the HPTE. The Consortium looks forward to your review of our qualifications and the information contained herein and is most grateful for your consideration.

Sincerely,

Steven Ellman
Chairman & CEO
Branded Cities Network, LLC

Jeremy Male
Chairman & CEO
Outfront Media, LLC

Jim Doyle
President
Panasonic Enterprise
Solutions Company

Enc: RFP Response Package

EXECUTIVE SUMMARY

The Consortium, comprised of Branded Cities, Outfront and Panasonic (backgrounds described in Section 1 of the Appendix), proposes to build a state-of-the-art digital communications network on CDOT-owned properties, facilities and/or rights-of-way throughout the State of Colorado. The CDCN will provide the State the ability to reach its residents and visitors with up-to-date information on news, weather, event information, civic messages and other pertinent information at **no cost** to the State or to its residents or visitors. All of these benefits will be provided throughout the entire term of a negotiated definitive agreement (the “Agreement”), assumed to be at least 20 years.



The Consortium will be responsible for performing the requisite research into complex zoning and related matters, designing, engineering, constructing, operating and managing the CDCN at no cost to HPTE, to bring this vision to fruition. In order to deploy the capital for the CDCN, as further described in Section 4 of the Appendix, the Consortium will contract with multiple advertisers throughout the term of the Agreement, and the HPTE will receive a portion of the revenue received by the Consortium for the CDCN. As highlighted in Section 13 of the Appendix, on an annual basis, the HPTE will receive [REDACTED] of all net revenue (net revenue is defined all gross revenue received, less repayment of the Consortium’s amortized capital costs). Based upon [REDACTED] faces and over a 20-year term, it is anticipated that the HPTE will receive [REDACTED] in revenue. Including the value of the media time that the Consortium is offering to the HPTE, the total compensation (revenue and media time) is in excess of [REDACTED] over the 20-year term.

Although “digital signage” has been deployed in various markets around the country, never before has a comprehensive digital network been constructed that includes benefits such as emergency messaging, local community messaging, all from private investment, without government subsidy, providing extraordinary revenue potential for a municipal partner. In addition, this network will result in the creation of a substantial number of employment opportunities including MBE/WBE vendor contracts, construction, management, sales and marketing, operations and office administration jobs.

CDOT’s and the HPTE’s experience is necessarily spent on transportation and safety issues throughout the State of Colorado. For this initiative, it is imperative that the HPTE select a vendor that has seasoned experts in the deployment of digital networks and can strategize and execute with minimal involvement from the HPTE so it can focus on its core business of transportation and safety. The Consortium plans to utilize its vast experience as outlined in Sections 3 and 11 of the Appendix to deploy, operate and maintain a well-distributed digital display network in Colorado. Because deployment of the CDCN will be so complex, we believe that the HPTE would benefit from having a single provider identified prior to the selection of the network sites for this State-wide initiative for the following reasons:

COMPLEXITY OF RESEARCH

This initiative will require substantial research regarding zoning and underlying ownership review. The HPTE will benefit from having one entity perform that research to comprehensively determine the appropriate placement of network displays.

COMPLIANT WITH THE STATE'S DOT RULES AND REGULATIONS

As outlined in Section 7 of the Appendix, the Consortium is an expert in the laws, rules and regulations relating to the construction of the proposed CDCN and certifies that it will comply with all such laws. The proposed CDCN will be within 660 feet of state highway rights-of-way, and therefore the provider will need to receive a permit from CDOT (described further in Section 7 of the Appendix). One of the requirements for a state permit to be issued is that there cannot be any other off-premise signs within 500 feet of the proposed network displays. The Consortium has significant experience in coordinating permit applications and addressing permitting requirements and is best equipped to ensure that permits are approved expeditiously and signage is erected in a timely manner.

WELL DISTRIBUTED

One of the fundamentals to building a powerful, effective digital communications network that can reach residents and visitors efficiently is having a well distributed network of inter-connected, centrally-controlled digital displays. Our plan achieves that objective.

WILL MAXIMIZE VALUE FOR THE STATE

Advertisers purchasing time on the CDCN will be able to streamline their media placement buys by working with a single provider. This provides a great benefit to CDCN advertisers and maximizes the value of the network for the HPTE. Multiple vendors operating within the same network could create market confusion and potentially devalue a world-class State asset. As further described in Section 4 of the Appendix, the Consortium will target local, regional and national advertisers while adhering to first-class standards of advertising and a client base suitable for this initiative.

EXTENSIVE MESSAGING CAPABILITIES

CDOT should expect the process for using the CDCN for public messages, emergency messaging and other civic messages to be a simple, streamlined process. Having a single provider that CDOT and HPTE call upon for posting messages on the network will ensure that CDOT and HPTE do not have to contact multiple parties in order to post before seeing their messages on the network.

Additionally, a single provider will make the technology platform of the CDCN uniform so that CDOT messaging (as well as sponsors' copy) will have a single set of specifications for formatting.

ROLES OF THE CONSORTIUM AND KEY PERSONNEL FOR THE PROPOSED CDCN

Branded Cities, Outfront and Panasonic have formed this Consortium to maximize each member's digital experience as further described in Sections 2 and 3 of the Appendix which, in turn, will maximize the value to the HPTE and CDOT. The following are the roles each team member will play:

■ Branded Cities

- Primary point of contact for the Consortium to the HPTE and CDOT
- Perform all research relating to zoning, underlying ownership and market distribution
- Perform all financial analysis and construction phasing
- Perform all functions to secure all necessary permits and governmental approvals

■ Outfront

- Finalize all rates, occupancy and construction phasing for financial model
- Oversee construction, operate and maintain the CDCN
- Market and sell all sponsor and advertising opportunities on the CDCN
- Interface with non-profit groups and local municipalities for community messaging
- Perform all content management functions of the CDCN
- Interface with the HPTE and CDOT for all emergency and other community messaging on behalf of CDOT

■ Panasonic

- Work with Outfront to recommend digital technology to be deployed
- Support all technology to be utilized for the proposed CDCN
- Construct, repair, maintain, inspect and refurbish the screens that make up the CDCN

The key personnel for the construction and operation of the CDCN shall be:

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Their biographies along with the background and experience of each Consortium member can be found in Section 2 of the Appendix.

LEGAL STRUCTURE

The Consortium proposes that the transaction be structured as a lease between CDOT (as lessor) and the Consortium (as lessee). If required due to the issuance of the RFP by HPTE, the Consortium would propose that it be structured as a lease between CDOT (as lessor) and HPTE (as lessee), with a sublease between HPTE (as sublessor) and the Consortium (as sublessee).

REPRESENTATIVE SAMPLE OF INVENTORY AND RESEARCH CONDUCTED

As further described in Section 9 of the Appendix, the Consortium has provided [REDACTED] properties that are representative samples of the properties that it would cultivate and seek approvals for CDCN displays. In addition, the Consortium has reviewed several other properties and have identified an excess of [REDACTED] additional properties to house the CDCN. Throughout the [REDACTED] properties and additional properties that have yet to be researched, the Consortium believes that there are [REDACTED] potential CDCN displays. Once the Consortium analyzes all CDOT-owned properties, the list of potential sites may increase, which would also increase the HPTE's revenue stream proportionately. The addresses of the four properties are:



In order to obtain all necessary local permits, the Consortium anticipates that [REDACTED] of these locations, as well as others that have been reviewed, will need to go through a process that could include either a variance to the local ordinance or an ordinance modification in order to allow a city to grant the necessary permits. There are a few ways of obtaining the variance or modification to the ordinance, which BCN can describe fully during the interview process if it is fortunate enough to be selected by the HPTE.

CDCN SPECIFICS

By subsidizing the proposed CDCN through the sale of advertising, the Consortium believes that the CDCN will provide tremendous benefits to the State of Colorado and its residents and visitors while meeting the HPTE's objectives of creating maximum value for the HPTE while preserving the continuity and integrity of the State's image. In the detailed sample project outline, we believe a coordinated effort by all parties will unlock the substantial short and long-term financial value of this initiative, as well as provide significant emergency and community messaging benefits to the HPTE and CDOT.

The following is a detailed description of the process by which the Consortium will deliver the proposed services. The ideas and strategies to implement this initiative are segmented into the following four sections:

- (A) Fundamentals of deploying a fully integrated digital network
- (B) Benefits of a state-of-the-art digital communications network
- (C) Planning process and design
- (D) Process / implementation

FUNDAMENTALS OF DEPLOYING A FULLY-INTEGRATED DIGITAL NETWORK

Building an impactful and effective communications platform requires that the following core criteria are addressed:

- I. Distribution (*frequency & visibility of specific locations of signage throughout Colorado*)
- II. Marketability (*value of signage to potential sponsors, approach, level of impact*)
- III. Site viability/assessment (*access issues, underground utilities, surrounding environmental factors, communications and electrical availability, real estate use*)
- IV. Infrastructure/Technology Deployment (*display specification, communications infrastructure, cameras, system interface*)

I. DISTRIBUTION

The effectiveness of communicating the content is heavily reliant on the reach and frequency that can be achieved. Given the breadth of CDOT-owned properties, we believe that installing the CDCN within the CDOT portfolio alone would more than suffice from a reach and frequency standpoint. The communication network displays will be located on one of the following main categories of CDOT-controlled property:

- (1) *CDOT-owned facilities*
- (2) *Excess right-of-way parcels owned by CDOT*
- (3) *CDOT-owned properties*

II. MARKETABILITY

As described further in the Appendix, the same principles which apply to building marketable media assets also apply to deploying an impactful and effective digital network, which include the following factors:

- Visibility
- Size of display image
- Approach to displays relative to vehicle speed
- Quality of image
- Height
- Illumination
- Environment
- Location to high trafficked corridors

From a market viability perspective, out-of-home media is typically valued based on industry standard metrics, such as daily effective circulation statistics (DEC), *Eyes-On* measurement and/or pedestrian counts. Additionally, advertisers place a premium on signage located in areas that meet their targeted demographic. Because digital networks provide advertisers/sponsors a tremendous amount of flexibility, reach and frequency to distribute their message, the CDCN would provide a market solution to the advertising community unmatched throughout the country.

III. SITE VIABILITY AND ASSESSMENT

Operational, engineering and construction considerations are of paramount importance for this initiative. The varying deployment scenarios require that a complete analysis be conducted on a site-by-site basis. From an operational perspective, variables to take into account include:

- Access to proposed sites (*construction, on-going maintenance access to the displays*)
- Underground and overhang utility issues (*utilities like electricity, water, communications*)
- Existing structural engineering issues (*weight load restrictions, utilities*)
- Surrounding environmental factors (*railroad lines, traffic flow, location, ensuring unobstructed views*)
- Regulatory compliance (*CDOT requirements*)

IV. INFRASTRUCTURE/TECHNOLOGY DEPLOYMENT

There are a number of potential deployment scenarios, described more fully in Section 8 of the Appendix. We believe that, from an infrastructure and engineering perspective, the structures will most likely be free-standing (requiring a steel structure built into the ground) since the existing buildings at the proposed sites are not engineered to support the proposed digital display(s). Addressing underground, access and utility issues are critical to building new free-standing structures.

The following potential capabilities should be integrated into these network displays to achieve optimal benefit of the displays and maximize the CDCN's effectiveness:

- Industry standard format (*sizes such as 14' x 48'*)
- Lighting control systems (*brightness adjusts based on time of day, weather conditions*)
- Security and access system (*prevent unwarranted access*)
- Ability to integrate software platforms with state and federal protocols
- Fully scalable programming capabilities (*segmented display messaging*)
- Communications solution (*satellite or dedicated T1 line*)

Our combined experience in building customized large format signage solutions throughout the country provides many best practices to draw from based upon the specific issues presented. We are confident that we can develop the optimal solution for the HPTE and CDOT.

BENEFITS OF AND DESIGNING FOR A STATE-OF-THE-ART DIGITAL COMMUNICATIONS NETWORK

The benefits of the CDCN include the following:

- I. Community Messaging
- II. Public Safety/Emergency Messaging
- III. Technology/Infrastructure Investments
- IV. Content Review and Restrictions
- V. Economic Impact/Jobs
- VI. Create long-term sustainable revenue streams to the HPTE
- VII. Position the HPTE and CDOT as an innovator
- VIII. Financial Compensation to the HPTE

I. COMMUNITY MESSAGING

It is imperative that the CDCN integrates seamlessly into the fabric of the State, while making a positive impact on the State, its residents and its visitors. The Consortium's vision for the CDCN is that, in addition to several other benefits listed herein, a portion of the network time and all of its capabilities would be shared with the State to promote various civic messages, events, public service messages and the like so that the residents and the visitors of the State of Colorado be informed with up-to-date information. As explained below, the Consortium will work with the HPTE and CDOT to meet its public safety goals through the use of the CDCN.

The Consortium will provide the HPTE and CDOT with a minimum of three (3) minutes per hour (5% of total programming time) to utilize the network for the foregoing community messaging. From time to time, the amount of programming space could exceed 5% with the use of any additional unused space (during periods not used by advertisers). Such time will be provided at no cost to the HPTE. The community messaging portion differs from the emergency messaging component (as described below) because the community messaging component is interspersed with the normal rotation of commercial advertising.

This consistent presence on the network ensures that the CDOT will be able to reach its citizenry with relevant and timely community information, such as:

- Traffic updates (*airport conditions, road closures, detours, travel times, alternate routes*)
- Weather alerts (*weather advisories, icy conditions, storm warnings*)
- Special events (*Colorado State Fair, Cherry Creek Arts Festival, Dragon Boat Festival, etc.*)
- CDOT services promotions (*recycling & conservation programs, direct traffic to websites & social*)
- CDOT agency information (*display customized messaging*)
- Community news (*upcoming construction*)

In order to assist in facilitating HPTE's and CDOT's use of community messaging, Branded Cities will furnish up to six themed templates for HPTE's and CDOT's use. Such templates will be created at no cost to HPTE and/or CDOT.

II. PUBLIC SAFETY/EMERGENCY MESSAGING

In addition to dedicated community messaging time, the Consortium envisions providing HPTE and CDOT with use of the CDCN for the display of emergency messages on an as-needed basis. Emergency messages may include, but shall not be limited to, Amber Alerts, evacuation notices, homeland security and/or public safety messages and the like.

HOW THE POSTING OF EMERGENCY MESSAGING WORKS

As described further in Section 6 of the Appendix, in the event of an emergency, participating agencies would be able to contact a call center to request CDCN postings. The alert message would be inserted into a pre-approved template. After sign-off by HPTE and CDOT, the message would be displayed, pre-empting the regularly scheduled programming. Display times and locations will be tracked in order to quantify the scope of the communications. The HPTE or its designee would notify the call center to modify or cancel alerts. OEM, described in the following paragraphs, will be an integral part of this program's success. Effective coordination among the various federal, state and local agencies will ensure that vital information reaches the general population efficiently and in a timely manner.

Office of Emergency Management ("OEM")

As the agency responsible for coordinating HPTE and CDOT's emergency preparedness, OEM needs to continue to be innovative in its approach to protecting public safety and responding to emergencies by adopting cutting-edge technology. The utilization of such technologies provides assistance to people and institutions for disaster recovery, mitigates the effects of these events and can prevent emergencies and disasters from occurring or worsening. Among the stated goals of OEM which can be addressed by the successful deployment of the CDCN are the following:

- Improve CDOT's safety and preparedness
- Support crime fighting with technology

EMERGENCY MESSAGING

There have been countless success stories in jurisdictions throughout the United States as it relates to the effectiveness of distributing vital public safety messages through digital networks. Generally, these forms of emergency messaging are broken down into the following categories:

- Emergency information (*road closures, real-time traffic updates, evacuation routes*)
- Natural disasters (*weather warnings*)
- Amber Alerts (*missing child description/vehicle last seen in*)
- Catching criminals (*FBI Most Wanted*)

As described further in Section 5 of the Appendix, the FBI, the National Center for Missing and Exploited Children (NCMEC), the U.S. Marshals Service, and state, county and city sheriff and police departments currently use digital media to help keep their community safe. Due to its transmission speed, key locations and broad range, the public safety possibilities for the CDCN are limitless. For instance, through OEM, Homeland Security, FEMA and CDOT emergency protocols could be easily integrated into the CDCN based on existing protocols established with other governmental agencies. Because the CDCN can be updated remotely and instantaneously, the CDCN would be ideal for quickly pushing emergency information to the public.

III. TECHNOLOGY/INFRASTRUCTURE INVESTMENTS

VARIABLE MESSAGE DISPLAYS (LED)

In addition to the scalability and flexibility benefits of variable message technology, digital displays are extremely effective and necessary to build the foundation of any next generation communications network. Panasonic's digital displays produce high quality images that are internally illuminated with the ability to adapt automatically to ambient light conditions, making them the platform of choice to meet this program's desired goals.

ENERGY EFFICIENCY

The Consortium is thoughtful and deliberate in searching for ways to reduce energy consumed by its group. In fact, the Consortium members have been at the forefront of pioneering changes to technology such as Automatic Brightness Controllers (or "ABCs"), timers and the LED displays themselves. The Consortium will install ABCs and timers on each of the displays so that in conditions of adverse weather and nighttime hours, the CDCN will run at approximately 5% of capacity. Further, the Consortium will not run the CDCN from the hours of 12am - 6am daily.

MOTORIST SAFETY

There have been several independent, third-party studies performed relating to motorist and traffic safety. The studies have conclusively determined that LED displays do not pose a safety risk or concern. CDOT has adopted rules and regulations that are supported by both the studies performed as well as the Federal Highway Administration. The Consortium certifies that it will comply with all CDOT rules and regulations relating to the standards it has adopted, including, but not limited to dwell times, placement, lighting levels and restriction on the posting of full-motion copy.

IV. CONTENT REVIEW AND RESTRICTIONS

The Consortium will operate and maintain the CDCN in a first-class, professional manner. As further described in Section 10 of the Appendix, the Consortium has a process to review all copy to be posted to ensure compliance with restrictions in place. Further, the following categories of advertising shall not be displayed on the CDCN unless previously approved in writing by the HPTE:

1. Tobacco products other than e-cigarettes
2. Gentlemen's Clubs
3. Sexually explicit content
4. Political candidates
5. Political causes (i.e. pro-life/pro-choice), other than national, state or local election related results or political news
6. Any libelous content
7. Content that would be considered offensive by a reasonable and prudent person
8. Competitive to the State of Colorado (i.e. "Move your business to another state")
9. Religious content
10. Other content that is prohibited to be displayed per any local ordinance, state statute or other applicable laws

V. ECONOMIC IMPACT/JOBS

LOCAL LABOR AND RESOURCES

In addition to the local hires required to assist in staffing this project (as described in Section 11 of the Appendix) there will be any number of local vendors needed to support the many disciplines required to be successful, including architectural, structural and electrical engineering, real estate, legal, IT, manufacturers/fabricators, construction and various professional services support. Although it is imperative that this project's oversight remain with the Consortium, with input from the HPTE and CDOT, it is equally important that qualified local vendors are properly utilized. Where commercially reasonable, the Consortium will work with WBE/MBE companies approved by HPTE and CDOT.

VI. CREATE LONG-TERM SUSTAINABLE REVENUE STREAMS TO THE HPTE/CDOT

The Consortium is confident that it is the ideal provider to research, analyze, construct and operate the CDCN. The Consortium's industry leadership position, fitness and proven track record in providing innovative technology solutions to its clients and partners will provide the HPTE and CDOT unrivaled security and peace of mind that this initiative will be executed properly utilizing the best technology available. The Consortium will provide the necessary capital to build the infrastructure necessary to deploy the CDCN.

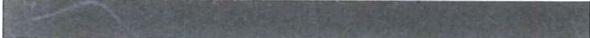
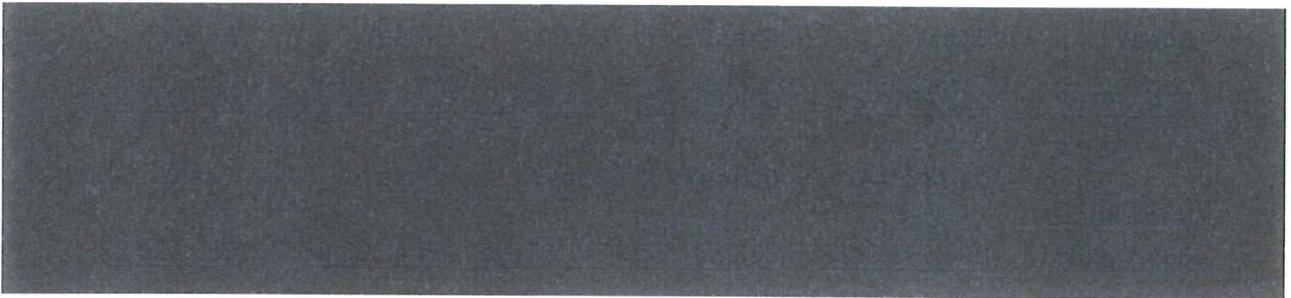
Among the key identifying characteristics of this innovative proposal are the long-term, sustainable revenue streams and the unprecedented technology and capital infrastructure provided at no cost for the benefit of the State and its residents. The Consortium anticipates these capital investments to include network displays, structure infrastructure, cameras, embellishments, cloud-based systems, data connectivity, systems integrations and other related items. Depending on the final project scope as defined in the Agreement, the Consortium projects its investment to be in the \$30 - \$40 million range.

VII. POSITION THE STATE OF COLORADO AS AN INNOVATOR

As outlined herein, the numerous benefits to HPTE and CDOT – including deploying technology infrastructure, establishing a state-of-the-art communications platform for community/public safety messaging and providing a long-term sustainable revenue stream for the HPTE – would position CDOT as an early adopter of this revolutionary initiative. Due to this project's unique nature, it will require a tremendous coordination of unique skill sets that would set it apart from other initiatives. When the opportunity is fully realized, the CDCN will become one of the leading examples of creative private/public partnerships and best practices in the United States.

VIII. FINANCIAL COMPENSATION TO THE HPTE

As further described in Section 13 of the Appendix, for the term of the agreement, and based on the construction phasing, the Consortium will pay the HPTE according to the following schedule:



PLANNING PROCESS AND DESIGN

The Consortium will utilize its expertise and resources to build the CDCN in a manner that is integrated with and complements the CDOT-owned properties, facilities and rights-of-way and the surrounding environments. Please refer to Section 8 of the Appendix for more information.

TIMELINE - PROCESS AND IMPLEMENTATION

We believe that all research, analysis, negotiation of the Agreement, construction and operation of the CDCN and all the benefits described herein can be completed within 2 years, as described in Section 12 of the Appendix.

FEES AND COSTS

The Consortium expressly acknowledges that while no submission fee is required, the HPTE and CDOT may require the Respondent to pay an amount determined by the HPTE to cover the actual costs incurred by the HPTE in further considering and evaluating the Opportunity.

SUMMARY

When implemented, the CDCN will be an integral part of reaching the residents and visitors of Colorado with timely, and sometimes critical information. Additionally, the CDCN will provide substantial revenue to the State, as further outlined in Section 13 of the Appendix. The Consortium looks forward to your review and welcomes the opportunity to discuss your comments and questions relating to this response.

COLORADO

DEPARTMENT OF TRANSPORTATION
DIGITAL COMMUNICATIONS NETWORK



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