

GREEN LAKE BOAT RENTAL AND FOOD SERVICE
CONCESSION AGREEMENT
Between
THE CITY OF SEATTLE
DEPARTMENT OF PARKS AND RECREATION
And
FIFTH AVENUE SPORTS, LLC DBA GREEN LAKE BOATHOUSE

THIS BOAT RENTAL AND FOOD SERVICE CONCESSION AGREEMENT (“Agreement”) is entered into between The City of Seattle (hereinafter referred to as the “City”), operating through its Department of Parks and Recreation (hereinafter referred to as the “Department”) and its Superintendent of Parks and Recreation (hereinafter referred to as the “Superintendent”) and Fifth Avenue Sports, LLC d/b/a Green Lake Boathouse (hereinafter referred to as the “Concessionaire”).

In consideration of the mutual covenants contained herein, the parties hereto agree as follows:

PART A: SPECIAL CONDITIONS AND COVENANTS OF AGREEMENT

A-1 GRANT OF CONCESSION.

The Department hereby grants to the Concessionaire for the full term of this Agreement upon the conditions, limitations, reservations and provisions herein, the concession right and privilege to operate the Concession at the Department’s Green Lake Park. As used in this Agreement, “Concession” means the right and privilege to conduct a business engaging in boat rentals; miscellaneous fishing and sports related rentals; retail sales, including small boats, boating supplies, and other retail items; and food service and sales. All items offered for sale or rental at or from the Premises are subject to the prior approval of the Department.

A-2 CONCESSION PREMISES.

For purposes of operating the Concession rights under this Agreement, the Concessionaire shall have the exclusive use of the Concession Premises. The “Concession Premises” are those portions of Green Lake Park described as follows: the boat rental building, the area between the rear of the boat rental building and the tennis court fence, the boat staging area at the shoreline, and an outdoor concession stand area adjacent to the building, all as depicted on **Exhibit 1** - Green Lake Boat Rental and Food Concession Premises. The Concession Premises are located on a portion of Green Lake Park legally described on **Exhibit 2** – Green Lake Photos and Legal Description. The Concession Premises may be relocated or adjusted at any time at the option of the Department, subject to acceptance by the Concessionaire.

A-3 TERM OF AGREEMENT.

This Agreement shall commence when fully executed by both parties and shall expire at 11:59 P.M. five years from the execution date, unless terminated earlier under the terms herein. This Agreement may be extended for two additional five (5) year terms by mutual agreement of the parties.

A-4 TERMINATION FOR CONVENIENCE.

Either party may terminate this Agreement for convenience by giving the other party at least sixty (60) days written notice prior to the effective termination date. Each party acknowledges that in case of termination for convenience, both parties require ample time to prepare for the busy summer season; therefore, in order to be effective, any 60-day notice must be given to the other party between the months of August and December. This provision shall not be interpreted to limit either party's right to terminate for cause under Section B-6.

A-5 CONCESSION FEE.

The Concession granted herein for the term as specified, is given in exchange for the Concessionaire's performance of each of the following:

a. CONCESSION FEE.

Concessionaire shall pay the City a concession fee equal to the greater of 12% of Concessionaire's total Gross Receipts or \$45,000 annually (the "Concession Fee"). As used in this Agreement, "Gross Receipts" means total revenue and income received by Concessionaire from conducting business in, on and from the Concession Premises and Green Lake Park, less retail sales tax. Concessionaire shall pay the Concession Fee in monthly payments due in the time and manner provided in Subsection A-6, and each payment shall be accompanied by the Monthly Concessions Report required under Section A-6.e.

b. ALTERATIONS.

Concessionaire shall make annual improvements to the Concession Premises in the amount of 2% of gross sales, or a minimum of \$7,500, whichever is greater. Any alterations to the Concession Premises require the Department's review and approval before any actual construction work begins. All improvements shall remain the property of Concessionaire through the term of the Agreement. Upon termination or expiration of this Agreement, the improvements shall automatically become the City's property.

The Department has set aside an annual schedule of the first week of September to receive and review proposals for alterations from concessionaires and lessees under contract with the Department. The review and subsequent approval or disapproval of these proposed alterations will be completed and communicated to interested parties no later than December 31st of each year. In addition, the Concessionaire will submit an annual report for the Department's review setting forth the cost of any approved improvements made to the Concession Premises for the previous year as further described under Section A-6.e. The report will include documentation detailing the total actual costs incurred in order to complete the work, including vendor invoices, void checks or bank statements showing checks made to vendors, supply purchases, any reasonable Concessionaire staff time, including salary data, related to the work, and any material costs, all for the Superintendent's review and approval as to the valuation of the improvements. If the Department determines that this report does not amount to the minimum of \$7,500 or 2% of the Gross Receipts less sales tax, whichever is greater, due each year, Concessionaire will pay the difference to the

Department by March 30th of the following calendar year. Should approved improvements made in any one year total more than the amount due, the balance may be carried over to the following year as a credit to this annual requirement.

c. **PAYING LEASEHOLD EXCISE TAXES:**

In addition to the Concession Fee, Concessionaire shall pay the applicable Washington State Leasehold Excise Tax. Payments for Washington State Leasehold Excise Tax shall be listed as a separate item on all accounting, statements and check stubs.

The Concessionaire shall remit to the Department with each Concession Fee payment the appropriate payment for Washington State Leasehold Excise Taxes. The Leasehold Excise Tax rate at the time of this Agreement was executed is 12.84% of the Concession Fee payable to the Department, but such rate is subject to change by state legislative action.

d. **PROVIDING CONCESSION EQUIPMENT.**

Concessionaire shall provide all concession equipment, installation, maintenance and services sufficient to provide the Concession services at the Concession Premises.

e. **RENDERING SATISFACTORY CONCESSIONAIRE PERFORMANCE.**

Concessionaire shall satisfy all other conditions and requirements imposed on the Concessionaire by this Agreement.

f. **SATISFACTORILY EMPLOYING, TRAINING AND SUPERVISING STAFF.**

The Concessionaire shall at all times staff the Premises with sufficient, well-trained staff to reasonably serve the needs of customers in a safe and efficient manner. The Concessionaire's staff shall be trained in water safety, applicable laws, first aid and CPR procedures at the Concessionaire's sole cost and expense. One of the Concessionaire's supervisory employees shall be on continuous duty at any time the boat rental operation is open to the public or at any time a rental boat is occupied by customers.

g. **RENTAL RATES AND SALES PRICES.**

Rental prices shall be established by mutual agreement. The Department reserves the right to reject any or all portions of the Concessionaire's request for price adjustments. The Department's acceptance or rejection of the Concessionaire's price adjustment request does not in any way relieve the Concessionaire of any duty, responsibility or performance arising from this Agreement.

h. **FREE AND REDUCED PRICE BOAT USES.**

The Concessionaire shall provide free use of boats to persons enrolled in Department programs. The free use of boats is not expected to exceed 20 persons per day or to exceed 20 days per year. The Concessionaire shall offer discounted rental rates to persons in Department day camps and other aquatic programs on cloudy days.

i. **ADVERTISE AND COMMUNITY SUPPORT.**

The Concessionaire shall advertise its products and services from time to time in neighborhood newspapers, websites and periodicals including the Green Lake Small Craft Center brochure and whatever publication the Department uses to advertise its aquatic programs at Green Lake. The Concessionaire shall acknowledge Seattle Parks on all printed materials and on their Web site.

The Concessionaire shall provide access and support to the community and friends of Green Lake groups; shall work with Parks Aquatics staff to support their programs; and shall work with local schools and Boys and Girls Club by providing reduced or free rentals to these groups.

j. TELEPHONE MESSAGE SERVICE.

The Concessionaire shall maintain year round phone message service and advertise the phone number on signs at the site and in advertisements.

k. BUILDING AND GROUNDS MAINTENANCE.

The Concessionaire shall maintain the interior of the boat rental building. The Department shall maintain the exterior and structural elements of the building.

The Concessionaire shall maintain the grounds area behind the boat rental building that is enclosed by fencing.

l. UTILITIES.

The Concessionaire shall pay before delinquency all charges for telecommunications, electricity and all other future utilities that may be added at the Premises. The Concessionaire shall pay any charges for utility hook-ups, connections or installations, disconnections and service calls for any utility serving the Premises.

The Department is responsible for the maintenance of the utilities up to the point of entry into the boat rental building portion of the Concession Premises, including water, electricity, gas and sewer where applicable.

m. BOAT STORAGE.

During the boat rental season when the Concessionaire is actively operating the boat rental concession, the Concessionaire may store boats and concession equipment in the lake front area designated by the Department. The Concessionaire's rental boats may remain on the lake front during periods that public use of the lake is restricted due to potentially unsafe levels of algae toxins.

The Concessionaire shall store all boats and concession equipment either within the boat rental building or in the fenced area behind the boat rental building during periods when the Concession is not operated for a period longer than 3 weeks.

A-6 FINANCES, PAYMENTS AND REPORTING.

a. PAYMENT DUE DATES.

On or before the tenth (10th) day of each month, Concessionaire shall pay the Department: (i) the monthly Concession Fee of twelve percent (12%) of Concessionaire's Gross Receipts from the immediately preceding month; and (ii) applicable Washington State Leasehold Excise Tax due under A-5.b and A-6.d. If the total monthly Concession Fees paid to the City based on percentage of Gross Receipts accumulated through December of any calendar year during the term of this Agreement is less than \$45,000, then the balance shall be due on January 10th of the calendar year immediately following, including all additional applicable Washington State Leasehold Excise Tax.

b. PAYMENT LOCATION.

All Concession Fee and Leasehold Excise Tax payments to the Department shall be paid (by mail or delivery) to:

The City of Seattle
Dept. of Parks and Recreation
Contract Administration & Support Office
Attention: Concessions Coordinator
800 Maynard Ave. S., Suite 300
Seattle, WA 98134

c. ADMINISTRATIVE CHARGES DUE TO LATE PAYMENT.

If any payment is not paid to the Department within ten (10) days after the date due, an administrative late charge of twenty-five Dollars (\$25.00) plus 1% (one percent) interest shall be added to the payment due and the total sum shall become immediately due and payable. Additional interest charges of 1% (one percent) shall be added each month that the Concession Fee or applicable Leasehold Excise Tax remains unpaid.

d. TAXES, LEVIES AND ASSESSMENTS.

The Concessionaire shall be responsible for and pay before delinquency, all taxes, levies, and assessments of any nature and kind whatsoever, that at any time hereafter may be levied, assessed, or otherwise imposed upon the Concession Premises or upon the Concessionaire's activities on or occupancy of the Concession Premises, and that are or become payable during the term of this Agreement, including but not limited to taxes arising out of the activity or business conducted on the Premises such as the rental or sale of goods or services; taxes levied on its property, equipment, and improvements on the Premises; and taxes on the Concessionaire's interest in this Agreement and any leasehold interest deemed to have been created thereby under CH. 82.29A RCW.

e. REPORTING REQUIREMENTS.

Monthly Concessions Report – The Concessionaire shall complete and send to the Department a Concessions Report in accordance with operating periods and due dates as specified herein for both operations. The Concessions Reports shall be on a form provided by the Department and shall, at a minimum, include the following: separate reporting of gross receipts for boat rental, gross receipts for food service, and gross receipts for retail sales, beginning and ending transaction readings, concession fee

calculations and Washington State Leasehold Excise Taxes. The Concessions Report may be modified from time to time by the Department.

Annual Financial Reporting – By February 28th of each year, the Concessionaire shall complete and submit an annual report on a form approved by the Department, detailing Concessionaire’s Income and Expense Report for the preceding calendar year.

Annual Improvements Report – The Concessionaire shall complete and send an annual report on improvements made to the Concession Premises as stated in Section A-5.a. by February 28th of each year.

Annual Community Outreach, In-Kind Services and Contributions Report – The Concessionaire shall complete and send an annual report of activities to support Green Lake Park to be a clean and safe place to live and visit. Concessionaire will also report on its marketing and community engagement activities by February 28th of each year. This report shall include information on the number of boats offered for free or reduced rates; and number of participants receiving the services.

A-7 CONCESSIONAIRE OPERATION AND SERVICES.

a. EQUIPMENT.

The Concessionaire shall install and maintain sufficient quantity of rental boats and related equipment and food service equipment to meet the public need. The number and type of boats currently owned by the Concessionaire and operating at the boat rental site are:

20 Two Seater Paddleboats	20 Four Seater Paddleboats
40 Stand Up Paddle Boards	12 Canoes
10 Single Kayaks	10 Double Kayaks
10 Sailboats	6 Rowboats
4 Water Bikes	Minimum 400 Life Jackets (PFDs)

This number of boats is also needed to successfully achieve profitability for the business. Concessionaire shall renew at least 20% of this inventory each year to keep the fleet up to date and in proper working order.

The Concessionaire shall maintain all equipment and the Concession Premises in good working condition at no cost to the Department. All equipment needed to maintain and operate the Concession Premises shall remain the property of the Concessionaire under the conditions and provisions of this Agreement.

The Concessionaire shall provide U.S. Coast Guard approved PFDs (personal flotation devices) and instruction for the proper use of the PFD for each person boarding a rental boat or other sports equipment. PFDs for all ages and sizes must be provided including infant, small children, large children, and small adult through extra-large adult. Concessionaire must inspect PFDs on a regular basis, at least every 14 days, to verify that all PFDs and floatation cushions are in perfect working condition. Any defective equipment shall be removed and replaced immediately.

The Concessionaire shall provide a chase boat with an outboard motor for customer assistance. The boat and motor shall meet all US Coast Guard regulations and shall be subject to Department review and approval. A fire extinguisher, bailer, paddle, bow line, tow line, large flash light, whistle or signaling device, first aid kit, and a cellular phone or hand held communication radio shall all be made available by the Concessionaire for use on the chase boat. The chase boat operator must be 18 years of age or older, fully trained and shall wear a PFD at all times when in the boat.

The Concessionaire shall carefully inspect all boats on a regular basis to verify that the boats are in safe working condition. Any found to have defects or broken parts shall immediately be marked, removed from service, and repaired or replaced.

b. **INSTALLATION AND REMOVAL OF EQUIPMENT.**

Any equipment to be installed shall be installed only in locations previously approved by the Department. All installations shall be done in an appropriate manner so as to pose no potential for injury. When the equipment is removed all mounting holes or other damage to the Premises caused by the installation shall be repaired by the Concessionaire to the satisfaction of the Department.

c. **LOCKS AND KEYS.**

Locks and keys for exterior doors shall be provided by the Department. The Concessionaire shall not remove or replace locks provided by the Department.

d. **DAYS AND HOURS OF OPERATION.**

The Concessionaire's hours of operation shall be established and may be modified from time to time by mutual agreement of the parties hereto. The hours of operation at the time of execution are:

Year-Round Food Service:

October 1 – March 31	9 am to 5 pm
April 1 – September 30	8 am to 7 pm

Summer Boat Rentals:

April 1 – June 15	11 am to 6 pm, Weather permitting
June 16 – September 1	9 am to 6 pm, Weather permitting

The Concessionaire may close the rental facility during periods of inclement weather, such as high winds, lightning, extended rain downpour, bad weather with limited patrons in the park and/or algae or other inclement conditions of the lake. The Concessionaire shall notify the Contract Administration and Support Office of any unplanned closures.

e. **CONCESSIONAIRE RESPONSIBILITIES DURING SPECIAL EVENTS.**

During special events on Green Lake, boat rental activity may be restricted to certain areas of the lake as defined by the Department. The Concessionaire shall provide buoys to define the approved operating area, and provide information to the renters of

every boat about the restriction. In addition, Concessionaire must provide general monitoring to ensure that rental boats remain within the designated area.

f. **COMPLIANCE WITH THE LAW.**

The Concessionaire shall comply with all applicable laws of the United States of America and the State of Washington; the Charter and ordinances of the City of Seattle; and rules and regulations of each of them and with orders and directives of public officials implementing the same.

g. **GENERAL OBLIGATION.**

Concessionaire shall not use or permit the Concession Premises or any part thereof to be used for any purpose in violation of any municipal, county, state, or federal law, ordinance or regulation, or for any purpose offensive to the standards of the local community. Concessionaire shall promptly comply, at its sole cost and expense, with all laws, ordinances, and regulations now in force or hereafter adopted relating to or affecting the condition, use, or occupancy of the Concession Premises and operation of the Concession granted under this Agreement.

h. **NONDISCRIMINATION.**

Without limiting the generality of Section A-7 g., Concessionaire agrees to and shall comply with all applicable equal employment opportunity and nondiscrimination laws of the United States, the State of Washington, and The City of Seattle, including but not limited to Chapters 14.04, 14.10, and 20.42 of the Seattle Municipal Code, as they may be amended from time to time, and rules, regulations, orders, and directives of the associated administrative agencies and their officers. Failure to comply with any of the terms of these provisions shall be a material breach of this Agreement.

i. **SIGNS.**

The Concessionaire shall obtain the Department's prior approval for all signs, posters and displays to be used on or around the Concession Premises.

The Concessionaire shall provide signage in a visible location at or near the Concession Premises that shows proper use of PFD and requirements for PFD use as defined by State and Federal Law and shall provide signage about general water safety, boating safety and information specific to Green Lake.

The Concessionaire shall provide signage indicating prices, services and rules for rental of boats on Green Lake.

The Concessionaire shall provide an area for water safety brochure distribution and maintain a minimum of four different brochures. Water safety brochures available from US Coast Guard, Seattle Police Harbor Patrol Unit, Army Corps of Engineers and other agencies shall be provided by the Concessionaire.

A-8 **BINDING EFFECT.**

This Agreement shall be subject to the written approval of the Superintendent of the Department of Parks and Recreation and shall not be binding until so approved.

A-9 LICENSES.

The Concessionaire shall keep all necessary business licenses current throughout the term of this Agreement and shall supply copies of these licenses to the Department at the address shown herein when the Department requests copies of licenses.

A-10 INSURANCE.

Concessionaire shall maintain during the full term of this Agreement, at its own expense, insurance as specified below.

A. PROPERTY INSURANCE: PROPERTY INSURANCE under which the Concessionaire's furniture, trade fixtures, equipment and inventory ("Business Personal Property") and all alterations, additions and improvements that Concessionaire makes to the Concession Premises are insured throughout the Lease Term in an amount not less than the replacement cost new thereof, against the following hazards: (i) loss from the perils of fire and other risks of direct physical loss (earthquake optional), not less broad than provided by the insurance industry standard "Causes of Loss - Special Form" (ISO form CP 1030 or equivalent); (ii) loss or damage from water leakage or sprinkler systems now or hereafter installed in or on the Concession Premises; (iii) loss or damage by explosion of steam boilers, pressure vessels, or above-ground oil or gasoline storage tanks or similar apparatus now or hereafter installed on the Concession Premises; (iv) loss from business interruption or extra expense, with sufficient coverage to provide for the payment of Rent and Additional Charge and other fixed costs during any interruption of Concessionaire's business. Coverage shall contain a waiver of coinsurance or agreed amount endorsement(s). City shall be named as a loss payee, as its interest may appear, as respects property insurance covering the alterations, additions and improvements under such policy.

B. LIABILITY INSURANCE:

(1) **Commercial General Liability (CGL)** written on an occurrence form at least as broad as ISO CG 00 01, with Minimum Limits of Liability:

\$2,000,000 per Occurrence
\$2,000,000 General Aggregate
\$2,000,000 Products/Completed Operations Aggregate
\$2,000,000 Personal/Advertising Injury Liability
\$ 2,000,000 Damage to Premises Rented to You

Employers Liability / Washington Stop
\$1,000,000 Each Accident / Each Disease / Policy Limit

Alternatively, may be evidenced as Employer's Liability insurance under Part B of a Workers Compensation insurance policy.

Coverage shall include: Premises and Operations; Broad Form Property Damage (Including Completed Operations); Liability assumed under an Insured Contract (including tort liability of another assumed in a business contract); Personal Injury and Advertising Liability; Independent Contractors; Watercraft Liability (ISO

form CG 24 12 11/85 or equivalent including a schedule of all watercraft or stand-alone watercraft liability policy); Severability of Interest Clause; Waiver of Subrogation endorsement in favor of Owner as required by contract; General Aggregate Limits of Insurance shall apply separately; “Claims Made” and “Modified Occurrence” policy forms are not acceptable.

The limits of liability described above are minimum limits of liability only. Regardless of provisions to the contrary under the terms of any insurance policy maintained by Concessionaire, the specification of any such minimum limits shall neither be (1) intended to establish a maximum limit of liability to be maintained by Concessionaire as respects this Agreement, nor (2) construed as limiting the liability of any of Concessionaire’s insurers, which must continue to be governed by the stated limits of liability of the relevant insurance policies.

(2) **Automobile Liability insurance** at least as broad as ISO CA 00 01 including coverage for owned, non-owned, leased or hired vehicles as applicable, with a minimum limit of \$1,000,000 each accident for bodily injury and property damage.

(3) **Worker’s Compensation insurance** in compliance Title 51 Revised Code of Washington (RCW) and Federal Maritime statutes.

In the event that the Superintendent deems insurance to be inadequate to protect Concessionaire and the City, Concessionaire shall increase coverages and/or liability limits as the Superintendent annually shall deem reasonably adequate within sixty (60) days after the date of written notice.

C. GENERAL CONDITIONS (Not Applicable to Washington State Worker’s Compensation):

(1) The City of Seattle, its officers, officials, employees, agents and volunteers” shall be included as an additional insured under CGL, Auto Liability and, if applicable, Federal Maritime Worker’s Compensation insurance policies. Concessionaire’s insurance shall be primary and non-contributory to any insurance maintained by or available to the City.

REQUIRED SEPARATION OF INSURED PROVISION; CROSS-LIABILITY EXCLUSION AND OTHER ENDORSEMENTS PROHIBITED:

Concessionaire’s insurance policy shall include a “separation of insureds” or “severability” clause that applies coverage separately to each insured and additional insured, except regarding the limits of the insurer’s liability. Concessionaire’s insurance policy shall contain no provision, exclusion or endorsement that limits, bars, or effectively precludes the City of Seattle from coverage or asserting a claim under the Concessionaire’s insurance policy on the basis that the coverage or claim is brought by an insured or additional insured against an insured or additional insured under the policy. Concessionaire’s CGL policy or other policies shall include none of the following Endorsements (or their equivalent endorsement or exclusions): (a) Contractual Liability Limitation, (CGL

Form 21 39 or equivalent), b) Amendment Of Insured Contract Definition, (CGL Form 24 26 or equivalent), (c) Limitation of Coverage to Designated Premises or Project, (CGL Form 21 44 or equivalent), (d) any endorsement modifying or deleting the exception to the Employer's Liability exclusion, (e) any "Insured vs. Insured" or "cross-liability" exclusion, and (f) any type of punitive, exemplary or multiplied damages exclusion. Concessionaire's failure to comply with any of the requisite insurance provisions shall be a material breach of, and grounds for, the immediate termination of the Agreement with the City of Seattle; or if applicable, and at the discretion of the City of Seattle, shall serve as grounds for the City to procure or renew insurance coverage with any related costs of premiums to be repaid by Concessionaire or reduced and/or offset against the Agreement.

(2) Coverage shall not be cancelled without forty-five (45) day written notice of such cancellation, except ten (10) day written notice as respects cancellation for non-payment of premium, to the City at its notice address except as may otherwise be specified in Revised Code of Washington (RCW) 48.18.290 (Cancellation by insurer.). The City and the Concessionaire mutually agree that for the purpose of RCW 48.18.290 (1) (e), for both liability and property insurance the City is deemed to be a "mortgagee, pledge, or other person shown by (the required insurance policies) to have an interest in any loss which may occur thereunder.

(3) Each insurance policy required hereunder shall be (1) subject to reasonable approval by City that it conforms with the requirements of this Section, and (2) be issued by an insurer rated A-: VIII or higher in the then-current A. M. Best's Key Rating Guide and licensed to do business in the State of Washington unless procured under the provisions of chapter 48.15 RCW (Unauthorized insurers).

(4) Any deductible or self-insured retention ("S.I.R.") must be disclosed to, and shall be subject to reasonable approval by the City. Concessionaire shall cooperate to provide such information as the City may reasonably deem to be necessary to assess the risk bearing capacity of the Concessionaire to sustain such deductible or S.I.R. The cost of any claim falling within a deductible or S.I.R. shall be the responsibility of Concessionaire. If a deductible or S.I.R. for CGL or equivalent insurance is not "fronted" by an insurer but is funded and/or administered by Concessionaire or a contracted third party claims administrator, Concessionaire agrees to defend and indemnify the City to the same extent as the City would be protected as an additional insured for primary and non-contributory limits of liability as required herein by an insurer.

Waiver of Subrogation. Unless such waiver would void the property insurance coverage to be provided pursuant to this section, the City and Concessionaire waive all subrogation rights each may have against the other, or any subtenant, for damages caused by fire or other perils to the extent covered by property insurance obtained pursuant to this section or other property insurance applicable to the Concession Premises, except such rights as they have to proceeds of such insurance held by the City or the Concessionaire or both as fiduciary. This waiver

of subrogation shall be effective to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, whether or not the person or entity paid the insurance premium directly or indirectly, and whether or not the person or entity has an insurable interest in the property damaged.

D. EVIDENCE OF INSURANCE: On or before the Commencement Date, and thereafter not later than the last business day prior to the expiration date of each such policy, the following documents must be delivered to City at its notice address as evidence of the insurance coverage required to be maintained by Concessionaire:

- (1) Certification of insurance documenting compliance with the coverage, minimum limits and general requirements specified herein; and
- (2) A copy of the policy's declarations pages, showing the insuring company, policy effective dates, limits of liability and the Schedule of Forms and Endorsements specifying all endorsements listed on the policy including any company-specific or manuscript endorsements;
- (3) A copy of the CGL insurance policy provision(s) documenting the City of Seattle and its officers, elected officials, employees, agents and volunteers as additional insureds (whether on ISO Form CG 20 26 or an equivalent additional insured or blanket additional insured policy wording), showing the policy number, and the original signature and printed name of the representative of the insurance company authorized to sign such endorsement;
- (4) Pending receipt of the documentation specified in this Section A 10 (B), Concessionaire may provide a copy of a current complete binder. An ACORD certificate of insurance will not be accepted in lieu thereof.
- (5) Original certification of insurance shall be issued to: EVIDENCE OF INSURANCE: The Concessionaire shall cause its authorized insurance representative to deliver to the Superintendent certification of insurance documenting compliance with the minimum requirements in this agreement, including an actual copy of the CGL insurance blanket additional insured policy provision. Such certification, satisfactory to the City Risk Manager, that the Concessionaire has secured or renewed and is maintaining insurance as required by this Agreement, shall be issued and delivered to "The City of Seattle Department of Parks and Recreation, Contract And Business Resources Office, P.O. Box 3443, Seattle, WA 98114

If at any time during the term of this agreement, should the City tender a claim or lawsuit for defense and indemnity to any Concessionaire insurer(s) and invoke rights as an additional insured, and such insurer(s) shall either defend claim only under a Reservation of Rights, or if such insurer(s) decline(s) to accept such tender, then Concessionaire shall cause its authorized insurance representative to deliver, as soon as reasonably practical, a true and complete certified copy of the relevant insurance policy(ies).

E. Damage or Destruction. If the Building or the Concession Premises is rendered partially or wholly untenable by fire or other casualty:

- 1) The City shall proceed with reasonable diligence as soon as sufficient insurance, self-insurance and/or other funds are available therefor (in any event, within twenty-four (24) months from the date of the occurrence of a fire or other casualty), to prepare plans and specifications for, and thereafter to carry out, all work necessary to repair or replace the Building, the Concession Premises or any portions thereof that were damaged or destroyed by a fire or other casualty. However, the City retains the sole option to not repair or replace the Building or Concession Premises for any reason, in which case the City shall advise Concessionaire of City's election to terminate this Lease by giving at least a thirty (30) day notice to Concessionaire; in this eventuality, the City shall retain the insurance proceeds for the Building, the Concession Premises or any portions thereof that were damaged or destroyed by a fire or other casualty.
- 2) Unless the City elects not to repair or replace the Building or Concession Premises, Concessionaire shall proceed with reasonable diligence as soon as sufficient insurance, self-insurance and/or other proceeds and other funds are available therefor (in any event, within twenty-four (24) months from the date of the occurrence of a fire or other casualty), to repair or replace Business Personal Property and restore the alterations, additions and improvements that Concessionaire made to the Concession Premises that is at least equivalent to, or more suitable than, the alterations, additions and improvements that were damaged or destroyed.
- 3) If the Building or Concession Premises cannot be repaired or replaced within twenty-four (24) months from the date of the occurrence of the fire or other casualty, or if thirty percent (30%) or more of the Building interior area is damaged or destroyed (regardless of whether the Concession Premises are damaged or not) Concessionaire may terminate this Agreement upon sixty (60) days' written notice to the City without compliance with the time of year requirements under Section A-4.
- 4) Rent and Additional Charges shall be abated in the proportion that the untenable portion of the Concession Premises bears to the whole Concession Premises, in the City's sole determination, for the period from the date of the fire or other casualty until either the completion of the repairs and restoration or the termination of this Agreement at the City's option as provided herein.
- 5) Except in the event of City's gross negligence, intentional misconduct or breach of this Agreement, City shall not be liable to Concessionaire for damages, compensation or other sums for inconvenience, loss of business or disruption arising from any repairs to or restoration of any portion of the Building or Concession Premises or to the termination of this Agreement as provided herein.

F. ASSUMPTION OF RISK: The placement and storage of personal property on the Premises shall be the responsibility, and at the sole risk, of the Concessionaire.

G. ADJUSTMENTS OF CLAIMS: The Concessionaire shall provide for the prompt and efficient handling of all claims for bodily injury, property damage, or theft arising out of the activities of the Concessionaire under this Agreement.

H. CONCESSIONAIRE'S RESPONSIBILITY: The procuring of the policies of insurance required by this Agreement shall not be construed to limit the Concessionaire's liability hereunder. Notwithstanding said insurance, the Concessionaire shall be obligated for the full and total amount of any damage, injury or loss caused by negligence of the Concessionaire, or any of its agents, officers, and employees or through use or occupancy of the Concession Premises.

I. TERMINATION UPON FAILURE TO INSURE: Notwithstanding any other provision of this Agreement, the failure of the Concessionaire to comply with the above provisions of this section shall subject this Agreement to immediate termination at the discretion of the Superintendent without notice to any party, if it is necessary to protect the public interest.

A-11 ASSIGNMENT OF AGREEMENT PROHIBITED.

The Concessionaire shall not assign or transfer this Agreement or otherwise convey any concession right or privilege granted hereunder or any part of the Concession Premises unless the written approval of the Superintendent is first obtained.

A-12 STANDARDS.

The Concessionaire, its agents and employees, shall render courteous service to the public with a goal of adding to the public use and enjoyment of the Concession Premises. The Concessionaire shall operate and conduct the facilities on the Concession Premises in a businesslike manner, and will not permit any acts or conduct on the part of the Concessionaire's employees that would be detrimental to the City's operation of the Concession Premises.

A-13 INDEMNIFICATION.

The Concessionaire shall defend, indemnify, and hold the City, its elected officials, and employees harmless from any and all liabilities, claims, demands, losses, and costs (including reasonable attorney's fees) arising from (i) Concessionaire's operation of the Concession, including operation of Concession services by any sub concessionaire, (ii) the use and occupancy of the Concession Premises or areas of Green Lake Park by Concessionaire, or any of its employees, agents, licensees, invitees, contractors, and sub concessionaires, or (iii) any breach of this Agreement by the Concessionaire or any sub concessionaire. If any suit is brought against the City, Concessionaire shall appear and defend the same, and shall satisfy any judgment that may be rendered against the City. Notwithstanding the foregoing, the City reserves the right to appear and defend any action without impairing the City's right to indemnification under this Section where the City determines that it is in the best interest of the City. Concessionaire's obligation to defend and indemnify shall not include any claims arising as a result of the sole negligence of the City, its employees and agents. The foregoing indemnity is specifically and expressly intended to constitute a waiver of Concessionaire's immunity under Washington's

Industrial Insurance Act, RCW Title 51, but only as to the City and to the extent necessary to provide City with a full and complete indemnity from claims made by Concessionaire's employees. Concessionaire shall promptly notify City of casualties or accidents occurring in or about the Concession Premises. Concessionaire's obligations under Section A-13 shall survive termination or expiration of this Agreement for the statute of limitations applicable to any claim or liability to which this section applies.

THE CITY'S WILLINGNESS TO GRANT CONCESSIONAIRE THE RIGHTS AND PRIVILEGES UNDER THIS AGREEMENT IS CONDITIONED IN PART ON CONCESSIONAIRE'S OBLIGATIONS UNDER THIS SECTION A-13, AND CONCESSIONAIRE EXPRESSLY ACKNOWLEDGES THAT ITS WILLINGNESS TO ENTER THIS AGREEMENT TAKES INTO CONSIDERATION THE OBLIGATIONS UNDER THIS SECTION.

PART B: GENERAL TERMS AND CONDITIONS

B-1 CLOSURE OF CONCESSION PREMISES.

The Department reserves the right to close the Concessionaire's operation or any portion thereof for the convenience of the Department upon seven (7) days' notice to the Concessionaire and to close the Concession Premises or any portion thereof without notice to meet any emergency as determined by the Superintendent. In the event of any such closure, the Department may post a sign notifying the public of the impending or effective closure.

B-2 DEMOLITION OF CONCESSION PREMISES.

The Department reserves the power to terminate this Agreement in order to demolish the Concession Premises. The Department will attempt to notify the Concessionaire of such intent in advance.

B-3 SURRENDER OF PREMISES AND REMOVAL OF PROPERTY.

a. AT TERMINATION.

Upon termination or expiration of this Agreement, the Concessionaire shall surrender the Concession Premises to the Department and promptly surrender and deliver to the Department all keys that it may have to any and all parts of the Concession Premises.

b. CONDITION OF PREMISES.

The Concession Premises and surrounding areas shall be surrendered to the Department in as good a condition as at the date of execution of this Agreement, except for the effects of reasonable wear and tear, repairs made with concurrence of the Department, and property damaged or destroyed by an uninsured peril or an insured peril where insurance proceeds are paid to the Department.

c. REMOVAL OF EQUIPMENT.

Prior to the expiration of the term of this Agreement, the Concessionaire shall remove from the Concession Premises, at its sole expense, all trade equipment, trade furnishings and other personal property owned and placed in or on the Concession Premises by the Concessionaire. In removing its personal property the Concessionaire shall take due care to not damage or injure the Concession Premises.

Alterations, structural and capital improvements as mentioned in Section A-5 b. shall not be removed. In the event of earlier termination, the Concessionaire shall have ten (10) days to complete removal of its property from the Concession Premises. In no event shall the Concessionaire make any claim or demand upon the City, nor shall the City be liable, for any inconvenience, annoyance, disturbance or loss of business or any other damage suffered by the Concessionaire arising out of such removal operation or the required relinquishment of capital improvements in or to the Concession Premises.

d. **FAILURE TO PERFORM.**

In the event that after termination or expiration of this Agreement the Concessionaire has not removed its property and fixtures within the time allowed, the Department may, but need not, remove Concessionaire's personal property and hold it for the Concessionaire, or place the same in storage, all at the expense and risk of the Concessionaire. The Concessionaire shall reimburse the Department for any expense incurred by the Department in connection with such removal and storage. The Department shall have the right to sell such stored property, without notice to Concessionaire, after it has been stored for a period of thirty (30) days or more, the proceeds of such sale to be applied first, to the cost of sale; second, to the payment of the charges for storage; and third, to the payment of any other amounts that may then be due from the Concessionaire to the Department; the balance, if any, shall be paid to the Concessionaire.

B-4 LIENS AND ENCUMBRANCES.

The Concessionaire shall keep the Concession Premises free and clear of any liens and encumbrances arising or growing out of its use and occupancy of the Concession Premises. At the Department's request, the Concessionaire shall furnish the Department written proof of payment of any item which would or might constitute the basis for such a lien on the Concession Premises if not paid.

B-5 PHOTOGRAPHS.

Subject to any legal limitations, including rights of third parties, each party hereto may make photographs and motion pictures of the Concession Premises and the activity, people, displays, and exhibits thereon; provided, that in the event such material is to be used for a commercial purpose, the Concessionaire shall obtain the prior written approval of the Superintendent and shall pay to the Department a fee therefore in an amount agreed upon by the Concessionaire and the Superintendent in accordance with applicable provisions of the Department's then-current Fees and Charges Schedule; and prior to using the same, the Concessionaire shall obtain the necessary written releases from every individual affected.

B-6 DEFAULT AND TERMINATION.

- a. If Concessionaire violates, breaches, or fails to keep or perform any term, provision, covenant, or any obligation of this Agreement; or if Concessionaire files or is the subject of a petition in bankruptcy, or if a trustee or receiver is appointed for Concessionaire's assets or if Concessionaire makes an assignment for the benefit of creditors, or if Concessionaire is adjudicated insolvent, or becomes subject to any proceeding under any bankruptcy or

insolvency law whether domestic or foreign, or liquidated, voluntarily or otherwise; then Concessionaire shall be deemed in default (“Default”).

- b. If Concessionaire has defaulted and such Default continues or has not been remedied to the reasonable satisfaction of the Superintendent within fifteen (15) days after written notice to Concessionaire of any monetary default or thirty (30) days after written notice to Concessionaire of any other default, then City shall have the following nonexclusive rights and remedies at its option: (i) to cure such default on Concessionaire’s behalf and at Concessionaire’s sole expense and to charge Concessionaire for all actual and reasonable costs and expenses incurred by City in effecting such cure; (2) to terminate this Agreement. Notwithstanding the foregoing, if the nature of Concessionaire’s obligation (other than monetary obligations and other than vacation or abandonment of the Premises) is such that more than thirty (30) days is required for performance, then Concessionaire shall not be in default if it commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion.
- c. Upon the termination of this Agreement, City may reenter the Concession Premises, take possession thereof, and remove all persons therefrom, for which actions Concessionaire shall have no claim thereon or hereunder. Concessionaire shall be liable and shall reimburse City upon demand for all actual and reasonable costs and expenses of every kind and nature incurred in retaking possession of the Concession Premises. The remedies provided herein are not intended to be exclusive and are cumulative, and the City reserves the right to pursue any remedies at law or in equity that may be permitted from time to time by the laws of the State of Washington.
- d. City shall be in default if City fails to perform its obligations under this Agreement within thirty (30) days after its receipt of notice of nonperformance from Concessionaire; provided, that if the default cannot reasonably be cured within the thirty (30) day period, City shall not be in default if City commences the cure within the thirty (30) day period and thereafter diligently pursues such cure to completion. Upon City’s default, Concessionaire may pursue any remedies at law or in equity that may be permitted from time to time by the laws of the State of Washington.

B-7 WAIVER.

No action other than a written document from the Department so stating shall constitute a waiver by the Department of any breach or default by Concessionaire nor shall such a document waive the Concessionaire’s full compliance with the terms and conditions of the Agreement, irrespective of any knowledge the Department may have of such breach, default, or non-compliance. The Department’s failure to insist upon full performance or any provision of this Agreement shall not be deemed as consent to or acceptance of such incomplete performance in the future.

B-8 CAPTIONS.

Captions are for convenient reference only, and do not limit or amplify the language of the paragraph(s) following.

B-9 CHANGES AND MODIFICATIONS.

The parties hereto reserve the right to amend this Agreement from time to time by mutual agreement in writing. No amendment hereto shall be effective unless in writing and signed by an authorized representative of each of the parties.

B-10 APPROVALS BY THE DEPARTMENT OR SUPERINTENDENT.

The granting of approval, consent, or permission or the taking of any other action by the Superintendent pursuant to or in connection with this Agreement does not constitute the taking of any official action, including the granting of approval, by any other City department or official where such action is required by law, ordinance, resolution or rule or regulation, before Concessionaire may rightfully commence, maintain, or terminate any particular undertaking under this Agreement.

B-11 SEVERABILITY.

Should any term, provision, condition or other portion of this Agreement or any provision of any document incorporated by reference be held invalid, such invalidity shall not affect the other provisions of this Agreement that can be given effect without the invalid provision, and to this end, the remainder shall continue in full force and effect.

B-12 SUCCESSORS IN INTEREST.

Unless otherwise provided, the terms, covenants, and conditions in this Agreement shall apply to and bind any and all heirs, successors, executors, administrators and assigns of the parties, all of who shall be jointly and severally liable with the original contracting party.

B-13 NO RELATIONSHIP ESTABLISHED.

The Department shall in no event be construed to be a partner, associate, joint venturer of the Concessionaire or any party associated with the Concessionaire. The Concessionaire shall not create any obligation or responsibility on behalf of the Department or bind the Department in any manner.

B-14 RECYCLING, GARBAGE AND COMPOSTING.

The Concessionaire is required to following the City's rules and regulations for garbage, recycling, and composting as described in Exhibit 3.

B-15 ENTIRE AGREEMENT.

This Agreement and Exhibits contains all the terms and conditions agreed upon by the parties. All items incorporated by reference are attached. No other understandings, oral or otherwise may modify the text or an attachment to this Agreement.

The parties to this Agreement acknowledge that it is a negotiated agreement, that they have had the opportunity to have this Agreement reviewed by their respective legal counsel, and that the terms and conditions of this Agreement are not to be construed against any party on the basis of such party's draftsmanship thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Concession Agreement to be executed by their respective representative(s):

CONCESSIONAIRE, FIFTH AVENUE SPORTS, LLC
D/B/AGREEN LAKE BOATHOUSE

_____, Date _____, 2015
By: Clarke Gray, Owner/Concessionaire

THE CITY OF SEATTLE
Department of Parks and Recreation

_____, Date _____, 2015
By: Jesús Aguirre, Superintendent

- Attachments:
- Exhibit 1 – Green Lake Boat Rental and Food Service Footprint
 - Exhibit 2 – Green Lake Photos and Legal Description
 - Exhibit 3 – Garbage, recycling, and composting requirements