

APPROVED

NOV 16, 2023

BOARD OF RECREATION AND PARK COMMISSIONERS

BOARD REPORT


NO. 23-197

DATE November 16, 2023

C.D. 6

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: BICYCLE RENTAL CONCESSION AT LAKE BALBOA/ANTHONY C. BEILENSON PARK – EXERCISE OF AGREEMENT RENEWAL OPTION

* B. Aguirre <u></u>	M. Rudnick _____
B. Jones _____	C. Santo Domingo _____
B. Jackson _____	N. Williams _____


General Manager

Approved X Disapproved _____ Withdrawn _____

If Approved: Board President  Board Secretary 

RECOMMENDATIONS

1. Approve the exercise of the option to extend for an additional five (5) years the term of Concession Agreement No. 3694 (Agreement), between the City of Los Angeles and Freetime, Inc. (Freetime) DBA Wheel Fun Rentals for the operation and maintenance of the Bicycle Rental Concession at Lake Balboa/Anthony C. Beilenson Park;
2. Authorize the General Manager or Designee to exercise the five-year renewal option; and,
3. Authorize the General Manager or Designee to make any necessary technical changes to implement the intent of this Report.

SUMMARY

The Lake Balboa Bicycle Rental Concession is located at 6200 Balboa Boulevard, Van Nuys, CA 91316. This concession includes the exclusive right and obligation to furnish, equip, and operate a bicycle and skate rental service, including mountain bikes, tandem bikes, children's bikes, surrey bikes, beach cruisers, bikes with child seats, in-line skates and traditional skates, and all requisite safety equipment. Concessionaire provides full maintenance to all equipment and supplies on-site storage facilities as approved by the RAP General Manager.

On October 3, 2018 the Board of Recreation and Park Commissioners (Board) awarded Freetime

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a five-year Agreement (Board Report 18-200) with one five-year renewal option at the sole discretion of the City acting by and through the Board. The initial five-year term expires on January 18, 2024.

Freetime has over twenty-two (22) years of experience and success in providing recreational activities, including bicycle rentals around the country. Some of their bicycle rental locations include Cabrillo Blvd. in Santa Barbara, CA, Hotel Coronado in Coronado, CA, Lakes Park in Ft. Myers, FL., White River State Park in Indianapolis, IN, City Park in New Orleans, LA, Irving Park in Orange, CA, Oceanside Beach/Pier, Oceanside, CA and Shoreline Village in Long Beach, CA. Freetime also operates the RAP Pedal Boat Rental Concession at Lake Balboa and Echo Park.

RAP staff has determined that Freetime remains in full compliance with the Agreement including payment of revenue share and occupancy tax; maintaining their Performance Deposit; maintaining required insurance; and submission of annual profit and loss statements. Freetime's maintenance and customer service has also been satisfactory.

RAP staff recommends that the Board approve the exercise of the five-year option to renew the Agreement, extending the expiration date to January 18, 2029. Approximately one year prior to expiration, RAP staff will release a new Request for Proposal and return to the Board with a recommendation for a new agreement.

FISCAL IMPACT

RAP staff anticipates revenue share to average approximately \$30,000 per year, totaling an estimated \$150,000 over the five-year extension period.

STRATEGIC PLAN INITIATIVES AND GOALS

Approval of this Report advances RAP's Strategic Plan by supporting:

Goal No. 6: Build Financial Strength & Innovative Partnerships
Outcome No. 2: Improved management of rental facilities and concessions

This report was prepared by Rahulan Kathir, Management Assistant, Special Operations Branch, Concessions Unit.

LIST OF ATTACHMENTS

1. Board Report No. 18-200
2. Concession Agreement No. 3694

APPROVED
OCT 03 2018

BOARD REPORT BOARD OF RECREATION AND PARK COMMISSIONERS NO. 18-200

DATE: October 3, 2018 C.D. 6

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: LAKE BALBOA / ANTHONY C. BEILENSON PARK - BICYCLE RENTAL CONCESSION – AWARD OF CONTRACT TO FREETIME, INC. DBA WHEEL FUN RENTALS

AP Diaz _____ V. Israel _____
R. Barajas _____ S. Pifa-Cortez _____
H. Fujita _____ *N. Williams NDW



General Manager

Approved X Disapproved _____ Withdrawn _____

RECOMMENDATIONS

1. Award the Bicycle Rental Concession to Freetime, Inc. DBA Wheel Fun Rentals (Freetime) in accordance with the details set forth in the Summary of this Report, for a term of five (5) years with one five (5) year renewal option exercisable at the sole discretion of the Recreation and Parks (RAP) General Manager;
2. Approve the proposed Agreement ("Agreement") with Freetime for the operation and maintenance of the Bicycle Rental Concession, herein included as Attachment 1, subject to approval by the Mayor in accordance with Executive Directive No. 3 (Villaraigosa Series), City Council, City Attorney as to form, and the U.S. Army Corps of Engineers (USACE) for the Bicycle Rental Concession at Lake Balboa;
3. Direct the Board of Recreation and Park Commissioners (Board) Secretary to transmit the proposed Agreement to the Mayor, in accordance with Executive Directive No. 3 (Villaraigosa Series), and concurrently to the City Attorney for review as to form;
4. Find, in accordance with Charter Section 1022, that it is necessary, feasible, and economical to secure these services by contract as RAP lacks sufficient and necessary personnel to undertake these specialized professional services;
5. Find, pursuant to Charter Section 371(e)(10), and Los Angeles Administrative Code Section 10.15(a)(10), that the use of competitive bidding would be undesirable, impractical or otherwise excused by the common law and the Charter because, unlike the purchase of a specified product, there is no single criterion, such as price comparison, that will determine which proposer can best provide the services required by RAP for the operation, and maintenance of the Bicycle Rental Concession;
6. Authorize RAP's General Manager or designees to make any necessary technical changes to carry out the intent of this Report; and

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7. Authorize the Board President and Secretary to execute the proposed Agreement upon receipt of all necessary approvals.

SUMMARY

The Bicycle Rental Concession (Concession) is currently comprised of two locations, which include Griffith Park and Lake Balboa. After consideration by RAP staff and the Griffith Park Superintendent, it was mutually agreed with the concessionaire to forego assigning the Griffith Park location to Freetime at this time. However, RAP reserves the right to request that Freetime commence operating at Griffith Park at any time with a 30-day notice, and Freetime would be obligated to honor that request. Bicycle service in Griffith Park will be satisfied through a bike share program which has successfully been operating in the park since early 2018.

The Lake Balboa Bicycle Rental Concession is located within Anthony C. Beilenson Park, an eighty (80) acre recreation facility, located in the 2,000-acre Sepulveda Flood Control Basin, which is leased from USACE.

Future Bicycle Rental Locations

Per the Agreement, RAP reserves the right to relocate the bicycle rental concession or add additional bicycle rental locations as determined by the needs of the City. Freetime will reserve the right of first refusal to operate future bicycle rental concessions with the exception of bike share programs.

BACKGROUND

The Lake Balboa Bicycle Rental Concession has been operated by Freetime since February 23, 2009. Freetime has paid the greater of 15% of gross revenue or a minimum annual guarantee of \$12,000 to RAP, plus \$50 per month for utilities. In 2017, Freetime paid \$25,027.21 in revenue sharing payments to RAP on gross sales of \$166,848.06.

The Request for Proposal (RFP) for the operation and maintenance of the Bicycle Rental Concession with a term of five years, with one (1) five-year renewal option exercisable at the sole discretion of RAP's General Manager, was approved to be released on June 16, 2017. The RFP was advertised via Los Angeles Daily Journal, RAP's website, on Los Angeles Business Assistance Virtual Network (LABAVN), and by email notifications to businesses with similar operations. A pre-proposal conference was held on July 20, 2017.

On August 29, 2017, RAP received two proposals from the following businesses: Freetime and Spokes N' Stuff, Inc. Both proposers passed Level I review and advanced to Level II. Freetime received the highest score with an overall average of 77.5 points; and Spokes N' Stuff, Inc. received an overall average of 66.0 points.

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BACKGROUND & EXPERIENCE

Freetime has over seventeen (17) years of experience and success in providing recreational activities, including bicycle rentals around the country. Some of their bicycle rental locations include Cabrillo Blvd. in Santa Barbara, CA, Hotel Coronado in Coronado, CA, Lakes Park in Ft. Myers, FL., White River State Park in Indianapolis, IN, City Park in New Orleans, LA, Irving Park in Orange, CA, Oceanside Beach/Pier, Oceanside, CA and Shoreline Village in Long Beach, CA. Freetime was also recently awarded the RAP Pedal Boat Rental Concession contract for both the Lake Balboa and Echo Park pedal boat locations.

BUSINESS PLAN AND OPERATIONAL PLAN

Freetime's proposal detailed innovative business, operational, and improvement plans along with a sound Financial Offer. The proposed business and operation plans offer daily bicycle rental service at Lake Balboa from March 1st to Labor Day, and Thursday through Sunday, from Labor Day to February 28th. In addition, Freetime proposes to operate on all major holidays and during winter and spring breaks. Freetime will provide a fleet of 62 cycles including Single and Double Bench Surreys, Deuce and Quad Sport Choppers, Cruiser Bicycles, and Hybrid Infinity Shifting, along with 170 helmets that comply with California safety standards. Freetime maintains a warehouse distribution center in Ventura, CA to assure availability of fleet products and services. All products are inspected for safety at the start of each day and prior to rental. Every bicycle rental and tour comes with detailed safety and riding instructions, a helmet, a lock, a map, a bike bell, a tour bag or basket to hold belongings, a quick release seat post for easy seat adjustment, and a heavy duty kickstand.

The proposed price structure will keep the cost of bicycle rentals at the current rental rates. The hourly rental rate for a single surrey is \$25.00, a double surrey is \$35.00, a deuce coupe is \$25.00, a chopper is \$12.00, and a quad sport is \$12.00. Patrons also have the option to rent cruiser, tandem, and kid's bikes at hourly, ½ day or full day rental rates ranging from \$6.00 to \$40.00. Additionally, patrons can purchase an annual pass for an additional \$12.00 which gives them a 50% discount thereafter for one year. RAP staff has conducted comparative research of similar bike rental operations, and this price structure is consistent with similar operations.

Employees of Freetime undergo a comprehensive training program that includes standardized training on Standard Operating Procedures and checklists, Point of Sale Equipment Training and Testing, Customer Service and Conflict Resolution, and Facilities/Fleet/Customer Service Inspection logs. Additional training is provided for staff in management positions.

Additional amenities proposed include special occasion packages, corporate team building packages, self-guided bike tours, and picnic in the park packages. Freetime proposed a marketing campaign to establish and increase a strong customer base through marketing and advertising tools such as social, print, web media, and mobile marketing.

Freetime's community outreach and involvement includes the "Biking Buddies" program with the Big Brothers Big Sisters chapters nationwide where program participants receive free rentals to

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enjoy riding together; the promotion of special days for kids camps, YMCA, Boys and Girls Clubs, churches and other similar organizations where pricing is lowered allowing biking activities to easily fit into a tight budget; a partnership with local Bicycle Coalitions to teach adults and children how to learn to ride a two-wheel bike through a "Learn to Ride" program; and regular engagement with senior centers, retirement communities and disabled groups or those with physical limitations to promote and aid in the enjoyment of bike riding or exploration throughout the parks.

Freetime's proposal included attractive capital improvements that have already been completed at the Lake Balboa concession. Improvements included upgrading storage containers with the addition of aesthetically pleasing wooden siding to create a more building-like appearance that integrates into the park environment, a rolling cart or rental kiosk to allow easy accessibility to guests and allow staff to see and greet customers approaching from multiple directions, and directional signage to help direct patrons to the bike rental locations.

Freetime's proposal reflected a commitment to facility maintenance and cleanliness through its plan for rubbish removal, which described an effective system for the collection, storage, and disposal of waste, and a detailed cleaning schedule of their inventory and the concession area. They are also committed to creating and maintaining a strong relationship with RAP staff.

(Proposer Scoring Matrix to Follow)

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SCORING:

The following are the results of the two panelists scoring evaluation:

SCORING CATEGORIES	Maximum Possible Points	FREETIME, INC. DBA WHEEL FUN RENTALS		SPOKES AND STUFF, INC.	
		Points Received	Points Received	Points Received	Points Received
		Panelist #1	Panelist #2	Panelist #1	Panelist #2
Background & Experience: Bicycle Rental Background & Years of Experience	10	9	10	9	10
Business Plan: Additional Amenities, Marketing Plan, Proposed Equipment & Financial Projections and Planning	30	24	25	20	20
Operational Plan: Proposed Operational Plan, Safety Plan & Maintenance Plan	30	22	25	17	15
Financial Offer: Proposed Financial Offer	20	10	12	15	15
Concession Improvements: Optional Improvement Plan	10	8	10	6	5
Total Score	100	73	82	67	65
Average of Combined Scores		77.5		66.0	

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FISCAL IMPACT STATEMENT

Freetime proposed the greater of fifteen percent (15%) of gross sales or Twenty-Two Thousand Dollars (\$22,000.00) per year, which will guarantee revenue to RAP of at least One Hundred-Ten Thousand Dollars (\$110,000.00) during the first five-year term.

This Report was prepared by LaTricia Jones, Management Analyst II, Finance Division, Concessions Unit.

LIST OF ATTACHMENTS

- 1) Proposed Agreement for the Operation and Maintenance of the Bicycle Rental Concession between the City of Los Angeles and Freetime, Inc. DBA Wheel Fun Rentals

AGREEMENT
FOR THE OPERATION AND MAINTENANCE OF
THE BICYCLE RENTAL CONCESSION

BETWEEN

THE CITY OF LOS ANGELES
DEPARTMENT OF RECREATION AND PARKS

AND

FREETIME, INC.

SAMPLE

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AGREEMENT FOR THE OPERATION AND MAINTENANCE
OF THE BICYCLE RENTAL CONCESSION

This Concession Agreement (hereinafter AGREEMENT or CONTRACT), is made and entered into this _____ day of _____, 201____, by and between the City of Los Angeles, a municipal corporation acting by and through its Department of Recreation and Parks (hereinafter CITY), and Freetime, Inc. DBA Wheel Fun Rentals (hereinafter CONCESSIONAIRE).

WHEREAS, the Department of Recreation and Parks (hereinafter RAP) seeks to serve the public by providing bicycle rental and related services at Lake Balboa/Beilenson Park and other future locations (hereinafter CONCESSION); and

WHEREAS, the CITY recognizes that the U.S. Army Corps of Engineers, Los Angeles District is the management agency for the Sepulveda basin on behalf of the United States, and recognizes the master lease between the United States and the City of Los Angeles; and

WHEREAS, the CITY finds, in accordance with Charter Section 1022, that it is necessary, feasible, and economical to secure these services by contract as it lacks available personnel in its employ with sufficient expertise to undertake these specialized services; and

WHEREAS, the CITY finds, pursuant to Charter Section 371(e)(10), and Los Angeles Administrative Code Section 10.15(a)(10), that the use of competitive bidding would be undesirable, impractical, or otherwise excused by the common law and the Charter because, unlike the purchase of a specified product, there is no single criterion, such as price comparison, that will determine which proposer can best provide the services required by RAP for the improvement, operation, and maintenance of RAP's CONCESSION; and

WHEREAS, RAP finds it is necessary to utilize a standard request for proposal process and to evaluate proposals received based upon the criteria included in a Request for Proposal (RFP); and

WHEREAS, RAP solicited proposals for the operation and maintenance of the CONCESSION, to include providing bicycle rental and related services to the public; and

WHEREAS, RAP received and evaluated *two* proposals which were received on *August 29, 2017*; and

WHEREAS, Freetime, Inc. DBA Wheel Fun Rentals was the highest-ranked proposer, and was selected to provide bicycle rental and related services in accordance with the terms and conditions of this AGREEMENT; and

WHEREAS, CONCESSIONAIRE desires to enter into such AGREEMENT to provide services of the type and character required therein by CITY to meet the needs of the public at Lake Balboa/Beilensen Park and other future locations.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter to be kept and performed by the respective parties, it is agreed as follows:

SECTION 1. DEFINITIONS

For the purpose of this AGREEMENT, the following words and phrases are defined and shall be construed as hereinafter set for:

AGREEMENT:	This Concession Agreement consisting of thirty (30) pages and twelve (12) exhibits (A-L) attached hereto
BOARD:	Board of Recreation and Park Commissioners
CITY:	The City of Los Angeles, acting by and through its Department of Recreation and Parks
CONCESSION:	Bicycle Rental Concession
CONCESSIONAIRE:	Freetime, Inc. DBA Wheel Fun Rentals
RAP:	The Department of Recreation and Parks
FACILITY:	Lake Balboa/Beilenson Park Bicycle Concession located at 6300 Balboa Boulevard, Van Nuys, CA 91316
CORP:	United States Army Corps of Engineers, acting by and through the District Engineer of the Los Angeles District or its duly authorized representative.
UNITED STATES:	The Federal Government of the United States of America, acting through the CORP
LAAC:	Los Angeles Administrative Code
LAMC:	Los Angeles Municipal Code
PREMISES:	The geographical areas, as defined in Section 3 of this AGREEMENT, in which the CONCESSIONAIRE may operate.
GENERAL MANAGER:	The City of Los Angeles Department of Recreation and Parks General Manager or designee.
DAA:	Designated Administrative Agency, as defined in Section 10.8.1. of the LAAC.

SECTION 2. PERMISSION GRANTED

For and in consideration of the payment of the fees and charges as hereinafter provided, and subject to all of the terms, covenants, and conditions of this AGREEMENT, RAP hereby grants to CONCESSIONAIRE, the exclusive right and obligation to furnish, equip, and operate a bicycle rental service, including mountain bikes, tandem bikes, children's bikes, surrey bikes, beach cruisers, bikes with child seats, in-line skates, traditional skates, and all equipment, and supply storage facilities of a type and location satisfactory to RAP; and not for any other purpose without the prior written consent of RAP. CONCESSIONAIRE understands that this right excludes any bike share program operation.

Rental of motorized scooters or other motorized vehicles is not permitted under this AGREEMENT.

The CONCESSION rights herein granted shall be carried out at the FACILITY solely within the limits and confines of said areas designated as PREMISES (Section 3) in this AGREEMENT. CONCESSIONAIRE, by accepting this AGREEMENT, agrees for itself, and its successors and assigns, that it will not make use of PREMISES in any manner which might interfere with the recreational uses of the FACILITY.

In the event of a conflict between CONCESSIONAIRE and any other concessionaire or any lessee at the FACILITY regarding the services to be offered or products to be sold by respective concessionaires or lessees, RAP shall meet and confer with all necessary parties to determine the services to be offered or products to be sold by each, and CONCESSIONAIRE hereunder agrees thereafter to be bound by said determination.

RAP reserves the right to further develop or improve PREMISES as it sees fit, without interference or hindrance, however RAP shall consider the desire and views of CONCESSIONAIRE.

SECTION 3. PREMISES

The PREMISES (Exhibit A) subject to this AGREEMENT are located at: 6300 Balboa Boulevard, Van Nuys, CA 91316. Location of PREMISES as set forth in Exhibit A, attached hereto and incorporated herein. Any discrepancy in the definition or boundaries of PREMISES shall be resolved solely by RAP.

CONCESSIONAIRE shall not use or allow PREMISES to be used, in whole or in part, during the term of this AGREEMENT, for any use in violation of any present or future laws, ordinances, rules, and regulations at any time applicable thereto of any public or governmental authority or agencies, departments, or officers thereof, including CITY, relating to sanitation or public health, safety, or welfare.

Future Bicycle Rental Locations

RAP reserves the right to request that the CONCESSIONAIRE operate the Griffith Park bicycle rental concession ("Griffith Concession") located at Griffith Park as part of the CONCESSION under this AGREEMENT with 30 days notice, and CONCESSIONAIRE shall be obligated to operate such concession upon such RAP request. If RAP decides, in its sole discretion, to add the Griffith Concession as part of the CONCESSION under this AGREEMENT, it shall be

subject to the same terms and conditions of this AGREEMENT and the concession fees paid for such Griffith Concession shall be consistent with that set forth in CONCESSIONAIRE's proposal under the CONCESSION RFP. RAP also reserves the right to relocate any bicycle rental concession or add additional bicycle rental locations as determined solely by the City. Other than the Griffith Concession, CONCESSIONAIRE shall be given the right of first right of refusal to operate future bicycle rental concessions with the exception of bike share programs upon the same terms and conditions of this AGREEMENT.

SECTION 4. TERM OF AGREEMENT

The term of this AGREEMENT shall be five years with one five-year extension option exercisable at the sole discretion of RAP, effective on XXXXX. Neither RAP, nor any BOARD member, officer, or employee thereof shall be liable in any manner to CONCESSIONAIRE because of any action taken to revoke or decline to exercise an option of this AGREEMENT.

SECTION 5. OPERATING RESPONSIBILITIES

CONCESSIONAIRE shall, at all times during the term of this AGREEMENT, comply with the following conditions:

A. Cleanliness

CONCESSIONAIRE shall, at its own expense, keep the PREMISES and the surrounding areas, within a minimum of twenty-five (25) feet, clean, sanitary, and free of graffiti at all times. No offensive or refuse matter, nor any substance constituting an unnecessary, unreasonable, or unlawful fire hazard, nor any material detrimental to the public health, shall be permitted to remain thereon, and CONCESSIONAIRE shall prevent any such matter or material from being or accumulating upon said PREMISES.

CONCESSIONAIRE, at its own expense, shall see that all garbage or refuse is collected as often as necessary and in no case less than once a day and disposed of in the main dumpster. CONCESSIONAIRE shall furnish all equipment and materials necessary therefore, including trash receptacles of a size, type, and number approved by RAP. If no trash storage area is made available, CONCESSIONAIRE shall provide at its own expense and with RAP's prior written approval, an enclosed area concealing the trash storage from public view. RAP will incur the cost of all garbage pick-up from the main dumpster for the PREMISES during the term of this AGREEMENT.

B. Conduct

CONCESSIONAIRE and its representatives, agents, servants, and employees shall at all times conduct its business in a quiet and orderly manner to the satisfaction of RAP.

C. Disorderly Person

CONCESSIONAIRE shall use its best efforts to permit no intoxicated person or persons, profane or indecent language, or boisterous or loud conduct in or about the PREMISES and will call upon peace officers to assist in maintaining peaceful conditions. CONCESSIONAIRE shall not knowingly allow the use or possession of illegal drugs, narcotics, or controlled substances on the PREMISES.

D. Personnel

1. Freedom from Tuberculosis

CONCESSIONAIRE, on behalf of all employees of the CONCESSION, shall provide to RAP certificates for each, indicating freedom from communicable tuberculosis as required under Section 5163 of the California Public Resources Code.

2. Qualified Personnel

CONCESSIONAIRE will, in the operation of the CONCESSION, employ or permit the employment of only such personnel as will assure a high standard of service to the public and cooperation with RAP. All such personnel, while on or about PREMISES, shall be neat in appearance and courteous at all times and shall be appropriately attired, with badges or other suitable means of identification. Appearance standards include: no body jewelry/piercing (other than earrings), hair must be neat and if dyed, must be a color that occurs naturally, and overall appearance be clean and generally well groomed. All CONCESSIONAIRE staff members shall wear standardized uniforms consisting of branded polo shirts and/or branded jackets, khaki or navy shorts or pants, and branded hats, if worn. Uniforms are to be clean and in good condition without holes, stains or noticeable wear. No person employed by CONCESSIONAIRE, while on or about PREMISES, shall be under the influence of illegal drugs, narcotics, other controlled substances or alcohol, or use inappropriate language, or engage in otherwise inappropriate conduct for a work environment. In the event an employee is not satisfactory, RAP may direct CONCESSIONAIRE to remove that person from PREMISES.

3. Concession Manager

CONCESSIONAIRE shall appoint, subject to written approval by RAP, a Concession Manager. Such person must be a qualified and experienced manager or supervisor of operations, vested with full power and authority to accept service of all notices provided for herein and regarding operation of the CONCESSION, including the quality and prices of the CONCESSION goods and services, and the appearance, conduct, and demeanor of CONCESSIONAIRE's agents, servants, and employees. The Concession Manager shall be available during regular business hours and, at all times during that person's absence, a responsible subordinate shall be in charge and available.

The Concession Manager shall devote the greater part of his or her working time and attention to the operation of the CONCESSION and shall promote, increase, and develop the business. During the days and hours established for the operation of the CONCESSION, the Concession Manager's personal attention shall not be directed toward the operation of any other business activity.

If, for reasons of ill health, incapacitation, or death, the Concession Manager becomes incapable of performing each and all terms and provisions of this AGREEMENT, RAP may, in its sole discretion, suspend this AGREEMENT and all terms and conditions contained therein.

4. Approval of Employees, Volunteers, and Subcontractors

RAP shall have the right to approve or disapprove all employees, volunteers, and subcontractors (including all employees and volunteers for any subcontractor) of CONCESSIONAIRE. Failure of CONCESSIONAIRE to obtain RAP's written approval of all persons operating under the authority of this AGREEMENT on PREMISES shall be a material breach of this AGREEMENT. CONCESSIONAIRE shall submit a list of all persons employed by, or volunteering or subcontracting for CONCESSIONAIRE at PREMISES to RAP prior to commencing operations pursuant to this AGREEMENT. All changes to the approved list of employees, volunteers, and subcontractors shall be submitted to RAP for written approval prior to any employee, volunteer, or subcontractor commencing work at PREMISES. CONCESSIONAIRE shall not hire as an employee or volunteer, or subcontract with, any person whom RAP would be prohibited from hiring as an employee or volunteer pursuant to California Public Resources Code Section 5164 to perform work at PREMISES. Each employee, volunteer, or subcontractor (including all employees or volunteers of any subcontractor) shall be required to fill out a form requesting the information required by Section 5164, and RAP reserves the right to fingerprint and conduct a Department of Justice criminal background check on any such person prior to approving their employment, volunteer service, or subcontract. Failure to comply with this hiring standard shall be a material breach of this AGREEMENT and CONCESSIONAIRE shall immediately remove any employee, volunteer, or subcontractor from the PREMISES at RAP's instruction.

E. Pricing and Standards

1. Bike rental fees and other charges to the public for the use of bicycles and other equipment are subject to approval by RAP and cannot be changed without prior written approval by RAP. RAP seeks to promote both high standards of quality as well as provide services at an affordable rate. All prices shall be prominently posted and shall not exceed prevailing market prices for the same standard of services at similar establishments in the City of Los Angeles.

A price list must be submitted with the execution of this AGREEMENT for written approval by RAP. Changes are subject to RAP approval. Upon request during the term of this AGREEMENT, CONCESSIONAIRE shall provide RAP with a list of prices of all items or services rented and/or sold.

2. All services offered for rent, sale and/or sold by CONCESSIONAIRE in said PREMISES, shall be of high quality and must be related to the ordinary business of the CONCESSION. No adulterated, misbranded, or impure articles shall be sold or kept for sale by CONCESSIONAIRE. All equipment rented by CONCESSIONAIRE shall be kept subject to the approval or rejection of RAP, and CONCESSIONAIRE shall remove from the PREMISES any article which may be rejected and shall not again offer it for rent without the written approval of the RAP. RAP may order the improvement of the quality of any equipment.

F. Diversion of Business

CONCESSIONAIRE shall not divert, cause, allow, or permit to be diverted any business from PREMISES and shall take all reasonable measures, in every proper manner, to develop, maintain, and increase the business conducted by it under this AGREEMENT.

G. Layout and Inventory

CONCESSIONAIRE shall provide to the CITY a layout, indicating the location of storage container(s), displays, and modifications of any kind that will take place to accommodate the bicycles, safety equipment, and administrative materials. Prior to operating, CONCESSIONAIRE shall also provide a starting inventory of bicycles, and other equipment. Any changes to the storage or display arrangements are subject to prior written approval of RAP.

H. Equipment, Furnishings, and Expendables

All equipment, furnishings, and expendables required for said CONCESSION shall be purchased and installed by CONCESSIONAIRE at its sole expense and shall remain its personal property. Upon expiration or earlier termination of this AGREEMENT, CONCESSIONAIRE shall have the right to remove its own equipment, furnishings, and expendables, but not improvements, from PREMISES and shall be allowed a period of seven (7) calendar days to complete such removal. If not removed within that period, said equipment, furnishings, and expendables shall become the property of RAP.

CONCESSIONAIRE agrees to provide, to the satisfaction of RAP, the following equipment at the PREMISES two days prior to commencement of operations. RAP reserves the right to request CONCESSIONAIRE to alter the equipment list as necessary:

Lake Balboa Park Equipment List

Item	# of Items
Single Bench Surrey	11
Double Bench Surrey	10
Deuce Coupe	3
Chopper Recumbent Cycle	4
Quad Sport Recumbent Cycle	4
Cruiser Bicycle	10
Hybrid Infinity Shifting Bicycle	15
Tandem	1
Kid Bike	3
Child Trailer	1
Helmets	170

I. Maintenance of Equipment

CONCESSIONAIRE shall, at all times and at its expense, keep and maintain all equipment, whether owned and/or installed by CONCESSIONAIRE or CITY, in good repair and in a clean, sanitary, and orderly condition and appearance. RAP will be responsible for utility lines and repairs, including telephone, exterior to the PREMISES.

All maintenance, repairs and replacements of all equipment shall be performed at the sole expense of the CONCESSIONAIRE. CONCESSIONAIRE may elect to not use City-owned equipment, with prior written consent of RAP.

No equipment provided by RAP shall be removed or replaced by CONCESSIONAIRE without the prior written consent of RAP, and if consent is secured, such removal and/or replacement shall be at the expense of CONCESSIONAIRE.

J. Claims for Labor and Materials

CONCESSIONAIRE shall promptly pay when due all amounts payable for labor and materials furnished in the performance of this AGREEMENT so as to prevent any lien or other claim under any provision of law from arising against any CITY property (including reports, documents, and other tangible matter produced by CONCESSIONAIRE hereunder), against CONCESSIONAIRE's rights hereunder, or against CITY, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.

K. Signs and Advertisements

CONCESSIONAIRE shall post, implement, and enforce all required safety rules and regulations related to the CONCESSION.

CONCESSIONAIRE shall not erect, construct, or place any signs, banners, ads, or displays of any kind whatsoever upon any portion of CITY property without the prior written approval from RAP. Certain signs and advertisements may also require the prior written approval of other appropriate agencies.

CONCESSIONAIRE shall place a public notice that CONCESSIONAIRE operates the CONCESSION. The address and phone number of CONCESSIONAIRE shall be shown along with the notation that all complaints should be referred directly to CONCESSIONAIRE.

On signage on the PREMISES, CONCESSIONAIRE shall provide the credit, or as proportions of signage allow, similar credit as approved by RAP in writing:

"In Collaboration with the City of Los Angeles Department of Recreation and Parks."

RAP may require removal or refurbishment, at CONCESSIONAIRE's expense, of any sign previously approved.

Upon the expiration or earlier termination of this AGREEMENT, CONCESSIONAIRE shall, at its own expense, remove or paint out, as RAP may direct, any and all of its signs and displays on PREMISES and in connection therewith, and shall restore said PREMISES and improvements thereto to the same condition as prior to the placement of any such signs or displays.

L. Utilities

CONCESSIONAIRE shall pay RAP an amount equal to Seventy-Five Dollars (\$75.00) per month for utility costs. Such payment will be included with the monthly concession fee payment and stated on the Monthly Gross Receipts and Concession Fee Report, also referred to as a Monthly Revenue Report (Section 8.D – Monthly Revenue Reports). Payment of utilities will be subject to increase annually to cover increasing utility costs. The utility payment for future CONCESSION locations will be negotiated and determined by RAP, and based on cost of utilities per location.

Water and electricity shall be utilized by CONCESSIONAIRE in the most efficient manner possible, and CONCESSIONAIRE expressly agrees to comply with all CITY water conservation programs.

The CONCESSIONAIRE will pay all other utilities directly to the service provider(s) when at such time separate meter(s) is/are installed at the PREMISES.

CONCESSIONAIRE hereby expressly waives all claims for compensation, or for any diminution or abatement of the rental payment provided for herein, for any and all loss or damage sustained by reason of any defect, deficiency, or impairment of the water, heating, or air conditioning systems, electrical apparatus, or wires furnished to the PREMISES which may occur from time to time and from any cause or from any loss resulting from water, earthquake, wind, civil commotion, or riot; and CONCESSIONAIRE hereby expressly releases and discharges CITY and its officers, employees, and agents from any and all demands, claims, actions, and causes of action arising from any of the aforesaid causes.

In all instances where damage to any utility service line is caused by CONCESSIONAIRE, its employees, contractors, sub-contractors, suppliers, agents, or invitees, CONCESSIONAIRE shall be responsible for the cost of repairs and any and all damages occasioned thereby.

CONCESSIONAIRE shall reimburse RAP if any utility charges are paid by RAP.

M. Vending Machines

CONCESSIONAIRE shall not install, or allow to be installed, any vending machines, electronic games, or other coin-operated machines without prior written approval of RAP. RAP shall have the right to order the immediate removal of any unauthorized machines.

N. Safety

CONCESSIONAIRE shall correct safety deficiencies and violations of safety practices immediately after the condition becomes known or RAP notifies CONCESSIONAIRE of said condition. CONCESSIONAIRE shall cooperate fully with CITY in the investigation of accidents occurring on PREMISES. In the event of injury to a patron or customer, CONCESSIONAIRE shall reasonably ensure that the injured person receives prompt and qualified medical attention, and as soon as possible thereafter, CONCESSIONAIRE shall submit a City Form General No. 87 "Non-Employee Accident or Illness Report" (see Section 18, "Notices," for mailing address) (Exhibit F). If CONCESSIONAIRE fails to correct hazardous conditions specified by RAP in a written notice, which have led, or in the opinion of CITY could lead, to injury, RAP may, in addition to all other remedies which may be available to CITY, repair, replace, rebuild, redecorate, or paint any such PREMISES to correct the specified hazardous conditions, with the cost thereof, plus fifteen percent (15%) for administrative overhead, to be paid by CONCESSIONAIRE to CITY on demand.

O. Environmental Sensitivity

CONCESSIONAIRE must operate the CONCESSION in an environmentally sensitive manner and all operations must comply with CITY policies regarding protection of the environment. CONCESSIONAIRE shall not use or allow the use of environmentally unsafe products on PREMISES.

P. Fund Raising And / Or Special Events Activities

CONCESSIONAIRE shall cooperate with RAP personnel on all matters relative to the conduct of fund-raising and/or special events at the discretion of RAP.

Q. Community Outreach

CONCESSIONAIRE shall coordinate and cooperate with RAP to develop strategies to outreach to all members of the community, particularly those living in low-to-moderate income areas, fixed-income households, youth, the disabled, etc., to provide its services to these members of the community who may not otherwise have the opportunity to partake in the services provided by CONCESSIONAIRE.

R. Amplified Sound

No amplified sound is permitted by CONCESSIONAIRE in its operations on PREMISES.

S. Security

CONCESSIONAIRE shall be responsible for security of the interior PREMISES. CONCESSIONAIRE may install equipment, approved by RAP, which will assist in protecting the PREMISES from theft, burglary, or vandalism. Any such equipment must be purchased, installed, and maintained by CONCESSIONAIRE.

T. Receipts

1. CONCESSIONAIRE shall offer receipts to customers for every transaction.
2. CONCESSIONAIRE shall at all times place a sign within twelve (12) inches of any cash register, in clear view to the public, and in minimum one-inch lettering, which states: "If a receipt is not provided for this transaction, please contact the Department of Recreation and Parks - Concessions Division (213) 202-3280."

U. Quiet Enjoyment

RAP agrees that CONCESSIONAIRE, upon payment of the fees and charges specified herein, and all other charges and payments to be paid by CONCESSIONAIRE under the terms of this AGREEMENT, and upon observing and keeping the required terms, conditions and covenants of this AGREEMENT, shall lawfully and quietly hold, use and enjoy the PREMISES during the term of this AGREEMENT. In the case of disputes, during the term of the AGREEMENT, over any conditions which may impede upon the CONCESSIONAIRE's quiet enjoyment of the PREMISES, RAP shall have final determination of any solution to such dispute; RAP's final determination shall be binding upon all parties in such dispute.

V. Filming

It is the policy of RAP to facilitate the use of City-controlled properties as film locations when appropriate. RAP has established a Park Film Office to coordinate use of parks for film production purposes. Any commercial filming shall be subject to approval by RAP and the Film Office. All fees for use of park premises by film production companies shall be established and collected by the Film Office in accordance with RAP policies. The Park Film Office may be reached at (323) 644-6220. If PREMISES is used as a film location, CONCESSIONAIRE agrees to report any revenue received from use of the PREMISES and any property of the CONCESSIONAIRE as a film location and to share that revenue equally with RAP.

W. Failure to Operate

Should CONCESSIONAIRE fail to use the PREMISES for a period of thirty (30) consecutive calendar days, this AGREEMENT shall cease, terminate, and be forfeited unless CONCESSIONAIRE, prior to the expiration of any such period notifies GENERAL MANAGER in writing that such non-use is temporary and obtains the written consent of GENERAL MANAGER of non-use.

SECTION 6. IMPROVEMENTS

CONCESSIONAIRE may propose improvements to the CONCESSION and PREMISES. However, award of the AGREEMENT shall not constitute approval to make any such proposed improvements. The improvements must have prior written approval from the GENERAL MANAGER. Improvements for Lake Balboa/Beilenson Park must also have written concurrence from CORP.

RAP shall hold CONCESSIONAIRE responsible for guaranteeing the completion of all improvements, according to approved plans, regardless of cost. CONCESSIONAIRE shall bear all costs for all necessary permits, insurance, and taxes required for compliance of such improvements. Any breach of this condition for CONCESSION improvements shall be a material breach of this AGREEMENT. RAP reserves the right to recover damages from CONCESSIONAIRE if the improvements are not completed, completed as stipulated, or completed to the satisfaction of RAP. Such damages may include, but are not limited to, recovering up to the entire cost of the improvements from the CONCESSIONAIRE's performance deposit. The performance deposit must be recompensed as stipulated in Section 13, "Performance Deposit," herein. Failure to complete the required improvements within the time frame specified in the written approval, or as prescribed RAP, is subject to a penalty of One Hundred Dollars (\$100.00) per day for each calendar day over the appropriate time limit. At the conclusion of each improvement, CONCESSIONAIRE shall submit proof of project completion to RAP. At that point, RAP will inspect the submitted improvement to confirm completion. All improvements shall become the property of RAP. Additionally, if the value of all completed required and optional improvements is less than the agreed upon value, the CONCESSIONAIRE will be responsible for paying RAP the difference within thirty (30) days of written notification.

RAP reserves the right to further develop or improve the PREMISES as it sees fit, and without interference or hindrance by CONCESSIONAIRE. Such development or improvement may require the suspension or termination of the AGREEMENT. CITY shall not be liable for loss of business which results from the construction of any development or improvements to the PREMISES.

A. Optional Concession Improvements

CONCESSIONAIRE agrees to make, to the satisfaction of the CITY, optional improvements to the PREMISES specified below within six months of the execution of this AGREEMENT or pay the CITY an amount equal to the value of the specific optional improvements not completed within sixty (60) days of written notification by the City that said improvement was not completed:

The CONCESSIONAIRE is the current operator of the CONCESSION at Lake Balboa/Beilenson Park and has already made the following concession improvements with the following value:

1. Upgraded Storage. Value - \$20,000.00.
2. Rental Kiosk. Value - \$10,000.00.
3. Signage.

The total value of all optional concession improvements is Thirty Thousand Dollars (\$30,000.00).

B. Compliance with Applicable Rules and Regulations

All structural or other improvements, equipment and interior design and decor constructed or installed by CONCESSIONAIRE, including the plans and specifications therefore, shall in all respects conform to and comply with the applicable statutes (including the California Environmental Quality Act), ordinances, building codes, rules and regulations of CITY and such other authorities that may have jurisdiction over the facility areas or CONCESSIONAIRE'S operations therein. The written approval by RAP of any improvements as provided above shall not constitute a representation or warranty as to such conformity or compliance, but responsibility therefore shall at all times remain with CONCESSIONAIRE.

C. Procurement of Permits and Approvals

CONCESSIONAIRE shall, at its sole expense, and prior to construction of any Improvements, procure all building, fire, safety, aesthetic, environmental, and other permits and approvals necessary for the construction of the structural and other improvements, installation of the equipment, and the interior design and decor. Copies of all said permits and approvals shall thereafter be submitted to RAP. No permission to begin said improvements shall be granted by RAP prior to CONCESSIONAIRE obtaining of said permits and approvals.

D. Subcontractors

CONCESSIONAIRE shall require by any contract that it awards in connection with the structural or other improvements, the installation of any and all equipment, and the interior designing and decor, that the contractor doing, performing or furnishing the same shall comply with all applicable statutes, ordinances, codes, rules and regulations, and submit to RAP evidence of required insurance coverage.

SECTION 7. HOURS / DAYS OF OPERATION

At minimum, CONCESSIONAIRE shall operate the CONCESSION daily from March 1st to Labor Day, Thursday through Sunday from Labor Day to February 28th, and on all major holidays and during winter and spring breaks. Additionally, in all cases, CONCESSIONAIRE shall operate only when weather permits and not to extend beyond those hours that the park is open to the public. Exceptions to this may be granted by RAP upon written request by CONCESSIONAIRE.

CONCESSIONAIRE must post the hours of operation in a location visible to the public, and must be open for business during the hours posted. Hours of operation may not be changed without prior written approval of RAP.

SECTION 8. CONCESSION FEE

A. Payment

As part of the consideration for RAP granting the CONCESSION rights set forth in this AGREEMENT, CONCESSIONAIRE shall pay to RAP annually as follows:

The greater of:

- The Minimum Annual Guarantee (MAG) of Twenty-Two Thousand Dollars (\$22,000.00)

or

- 15% of gross receipts of all sales.

In the event the Griffith Concession is added as part of the CONCESSION under this AGREEMENT, the applicable concession fee shall be that proposed by CONCESSIONAIRE for the Griffith Concession in its proposal submitted for the CONCESSION RFP. Other than the Griffith Concession, the minimum payment commitment for future locations will be negotiated and determined by comparable existing bicycle rental operations.

Refer to Section 8.C for the definition of "Gross Receipts."

CONCESSIONAIRE shall pay to RAP a monthly payment representing 15% of the gross receipts of sales for the applicable month. If the MAG is not met by December 31st of each calendar year, the difference between the actual concession fee payment received by RAP and the MAG will be due to RAP by January 15th of the subsequent year. The MAG shall be pro-rated as necessary for the first year of operation or fractional part thereof, and pro-rated as necessary for the final year of operation or fractional part thereof.

B. Payment Due

Payment shall be due and payable (postmarked) by the fifteenth (15th) day of each calendar month based on the gross receipts received in the previous month. The payment and Monthly Revenue Report (Section 8.D) shall be addressed to:

CITY OF LOS ANGELES
DEPARTMENT OF RECREATION AND PARKS
ATTENTION: Concessions Unit
P.O. Box 86328
Los Angeles, California 90086

Payments may also be made by electronic deposit, which may be arranged by submitting a request to the department contact listed in Section 19.A.

C. Gross Receipts Defined

The term "gross receipts" is defined as the total amount charged for the sale of any goods or services (whether or not such services are performed as a part of or in connection with the sale of goods) provided in connection with this CONCESSION, but not including any of the following:

1. Cash discounts allowed or taken on sales;
2. Any sales taxes, use taxes, or excise taxes required by law to be included in or added to the purchase price and collected from the consumer or purchaser and paid by CONCESSIONAIRE;
3. California Redemption Value (CRV);
4. Receipts from the sale of waste or scrap materials resulting from the CONCESSION operation;
5. Receipts from the sale of or the trade-in value of any furniture, fixtures, or equipment used in connection with the CONCESSION, and owned by CONCESSIONAIRE;

6. The value of any merchandise, supplies, or equipment exchanged or transferred from or to other business locations of CONCESSIONAIRE where such exchanges or transfers are not made for the purpose of avoiding a sale by CONCESSIONAIRE which would otherwise be made from or at PREMISES;
7. Refunds from, or the value of, merchandise, supplies, or equipment returned to shippers, suppliers, or manufacturers;
8. Receipts from the sale at cost of uniforms, clothing, or supplies to CONCESSIONAIRE's employees where such uniforms, clothing, or supplies are required to be worn or used by said employees;
9. Receipts from any sale where the subject of such sale, or some part thereof, is thereafter returned by the purchaser to and accepted by CONCESSIONAIRE, to the extent of any refund actually granted or adjustment actually made, either in the form of cash or credit;
10. Fair market trade-in allowance, in the event merchandise is taken in trade;
11. The amount of any cash or quantity discounts received from sellers, suppliers, or manufacturers;
12. Discounts or surcharges applied to receipts for services or merchandise, with the concurrence of both CONCESSIONAIRE and RAP, including discounts to employees, if concurred by RAP;

CONCESSIONAIRE shall not reduce or increase the amount of gross receipts, as herein defined, as a result of any of the following:

13. Any error in cash handling by CONCESSIONAIRE or CONCESSIONAIRE's employees or agents;
14. Any losses resulting from bad checks received from consumers or purchasers; or from dishonored credit, charge, or debit card payments; or any other dishonored payment to CONCESSIONAIRE by customer or purchaser;
15. Any arrangement for a rebate, kickback, or hidden credit given or allowed to customer.

D. Monthly Revenue Reports

CONCESSIONAIRE shall transmit with each payment a Monthly Revenue Report (Exhibit D) for the month for which a payment is submitted.

E. Late Payment Fee

Failure of CONCESSIONAIRE to pay any of the concession fee payments or any other fees, charges, or payments required herein on time is a breach of this AGREEMENT for which RAP may terminate same or take such other legal action as it deems necessary.

Without waiving any rights available at law, in equity or under this AGREEMENT, in the event of late or delinquent payments by CONCESSIONAIRE, the latter recognizes that

RAP will incur certain expenses as a result thereof, the amount of which is difficult to ascertain. Therefore, in addition to monies owing, CONCESSIONAIRE agrees to pay RAP a late fee set forth below to compensate RAP for all expenses and/or damages and loss resulting from said late or delinquent payments.

The charge for late or delinquent payments shall be one hundred and fifty dollars (\$150.00) for each month late plus interest calculated at the rate of eighteen percent (18%) per annum, assessed monthly, on the balance of the unpaid amount. Payments shall be considered past due if postmarked after the fifteenth (15th) day of the month in which payment is due.

The acceptance of late payments by RAP shall not be deemed as a waiver of any other breach by CONCESSIONAIRE of any term or condition of this AGREEMENT other than the failure of CONCESSIONAIRE to timely make the particular payment so accepted.

F. Compliance with Identity Theft Laws and Payment Card Data Security Standards:

CONCESSIONAIRE agrees to comply with all Identity Theft Laws including without limitation, Laws related to: 1) Payment Devices; 2) Credit and Debit Card Fraud; and 3) the Fair and Accurate Credit Transactions Act (FACTA), including its requirement relating to the content of Transaction Receipts provided to Customers. CONCESSIONAIRE also agrees to comply with all requirements related to maintaining compliance with Payment Card Industry Data Security Standards (PCI DSS). During the performance of any service to replace, install, program or update Payment Devices equipped to conduct Credit or Debit Card transactions, including PCI DSS services, CONCESSIONAIRE agrees to verify proper truncation of receipts in compliance with FACTA. CONCESSIONAIRE understands that failure to ensure proper truncation will result in the imposition of liability and defense costs that may arise out of consequent litigation.

SECTION 9. ADDITIONAL FEES AND CHARGES

- A.** If RAP pays any sum or incurs any obligations or expense which CONCESSIONAIRE has agreed to pay or reimburse RAP for, or if RAP is required or elects to pay any sum or to incur any obligations or expense by reason of the failure, neglect, or refusal of CONCESSIONAIRE to perform or fulfill any one or more of the conditions, covenants, or agreements contained in this AGREEMENT, or as a result of an act or omission of CONCESSIONAIRE contrary to said conditions, covenants, and agreements, CONCESSIONAIRE agrees to pay RAP the sum so paid or the expense so incurred, including all interest, costs, (including RAP's fifteen percent (15%) administrative overhead cost), damages, and penalties. This amount shall be added to the concession fee payment thereafter due hereunder, and each and every part of the same shall be and become additional concession fee payment, recoverable by RAP in the same manner and with like remedies as if it were originally a part of the concession fee payment set forth in Section 8.
- B.** For all purposes under this Section, and in any suit, action, or proceeding of any kind between the parties hereto, any receipt showing the payment of any sum by RAP for any work done or material furnished shall be prima facie evidence against CONCESSIONAIRE that the amount of such payment was necessary and reasonable. Should RAP elect to use its own personnel in making any repairs, replacements, and/or alterations, and to charge CONCESSIONAIRE with the cost of same, receipts and

timesheets will be used to establish the charges, which shall be presumed to be reasonable in absence of contrary proof submitted by CONCESSIONAIRE.

- C. Use of PREMISES for purposes not expressly permitted herein, whether approved in writing by RAP or not, may result in additional charges; however, any such use without the prior written approval of RAP shall also constitute a material breach of this AGREEMENT and is prohibited.

SECTION 10. MAINTENANCE OF PREMISES

During all periods that the PREMISES are used or are under control of CONCESSIONAIRE for the uses, purposes, and occupancy aforesaid, CONCESSIONAIRE shall be responsible for all necessary janitorial duties and damage/maintenance repairs, to the satisfaction of RAP. The cause of said maintenance, cleaning and repairs may result from normal wear and tear, as well as vandalism.

A. Interior of Premises

- 1. Areas to be maintained by CONCESSIONAIRE:

CONCESSIONAIRE shall, at its own expense, keep and maintain all the interior walls and surfaces of PREMISES and all improvements, fixtures, and utility systems which may now or hereafter exist thereon, whether installed by RAP or CONCESSIONAIRE. Improvements shall include all buildings and appurtenances recessed into or attached by any method to the ground or to another object which is recessed or attached to the ground or to other CITY-owned facilities (such as buildings, fences, posts, signs, electrical hook-ups, plumbing, tracks, tanks, etc.).

CONCESSIONAIRE shall provide all maintenance, repair, and service required on all interior areas, surfaces, and equipment used in the PREMISES and keep such equipment in good repair and in a clean and orderly condition and appearance. CONCESSIONAIRE shall also be responsible for electrical, mechanical, and plumbing maintenance in the interior of the PREMISES, such as lighting fixtures, sinks, and faucets; however, CITY shall be responsible for maintenance of utility lines and drains within the walls and floors of the concession PREMISES. Insofar as sanitation and appearance of the PREMISES is concerned, RAP may direct CONCESSIONAIRE to perform necessary repairs and maintenance to the interior of the structure or to the equipment, whether the equipment is CONCESSIONAIRE or RAP property.

- 2. Duties

CONCESSIONAIRE'S maintenance duties shall include all sweeping, washing, servicing, repairing, replacing, cleaning, and interior painting that may be required to properly maintain the premises in a safe, clean, operable, and attractive condition. CONCESSIONAIRE shall provide for such repairs, replacements, rebuilding, and restoration as may be required by or given prior written approval by RAP to comply with the requirements hereof. Those duties shall also include electrical, mechanical, and plumbing maintenance in the interior of the premises, such as light fixtures, toilets, and faucets.

B. Exterior of Premises and Common Passageways

RAP shall maintain the exterior of all buildings and will endeavor to perform all exterior repairs occasioned by normal wear and tear, and the elements, unless otherwise provided for in the AGREEMENT. Common passageways leading to other CONCESSION facilities or offices maintained by RAP which also lead to the PREMISES shall not be considered under the control of CONCESSIONAIRE for purposes of this

Section. In addition, RAP shall be responsible for maintenance of the lawn area within the perimeter of the PREMISES, including mowing and watering, and shall maintain all existing landscaping, trees, and bushes on the PREMISES. CITY shall also maintain the existing water, drain and sewer systems, provided, however, that CONCESSIONAIRE shall make every effort not to clog such systems with debris from operations.

C. Correction of Conditions Leading to Damage

If CONCESSIONAIRE fails, after written notice, to correct such conditions which have led or, in the opinion of RAP, could lead to significant damage to CITY property, RAP may at its option, and in addition to all other remedies which may be available to it, repair, replace, rebuild, redecorate or paint any such PREMISES included in said notice, with the cost thereof, plus fifteen percent (15%) for administrative overhead, to be paid by CONCESSIONAIRE to RAP on demand. If, for any reason, payment of such fees becomes delinquent, RAP may, in its sole discretion, suspend the AGREEMENT and all terms and conditions contained therein.

D. Property Damage and Theft Reporting

CONCESSIONAIRE shall complete and submit to RAP a "Special Occurrence and Loss Report," (Exhibit G) in the event that the PREMISES and/or CITY-owned property is damaged or destroyed, in whole or in part, from any cause whatsoever, and in the event of theft, burglary, or other crime committed on the PREMISES. Blank forms for this purpose shall be provided by RAP.

E. Damage or Destruction to Premises

1. Partial Damage

If all or a portion of the PREMISES are partially damaged by fire, explosion, flooding inundation, floods, the elements, public enemy, or other casualty, but not rendered uninhabitable, the same will be repaired with due diligence by RAP at its own cost and expense, subject to the limitations as hereinafter provided; if said damage is caused by the negligent acts or omissions of CONCESSIONAIRE, its agents, officers, or employees, CONCESSIONAIRE shall be responsible for reimbursing RAP for the cost and expense incurred in making such repairs.

2. Extensive Damage

If the damages as described above in "Partial Damage" are so extensive as to render the PREMISES or a portion thereof uninhabitable, but are capable of being repaired within a reasonable time not to exceed sixty (60) days, the same shall be repaired with due diligence by RAP at its own cost and expense and a negotiated portion of the fees and charges payable hereunder shall abate from the time of such damage until such time as the PREMISES are fully restored and certified by RAP as again ready for use; provided, however, that if such damage is caused by the negligent acts or omissions of CONCESSIONAIRE, its agents, officers, or employees, said fees and charges will not abate and CONCESSIONAIRE shall be responsible for the cost and expenses incurred in making such repairs.

3. Complete Destruction

In the event all or a substantial portion of the PREMISES are completely destroyed by fire, explosion, the elements, public enemy, or other casualty, or are so damaged that they are uninhabitable and cannot be replaced except after more than sixty (60) days, RAP shall be under no obligation to repair, replace or reconstruct said

PREMISES, and an appropriate portion of the fees and charges payable hereunder shall abate as of the time of such damage or destruction and shall henceforth cease until such time as the said PREMISES are fully restored. If within four (4) months after the time of such damage or destruction said PREMISES have not been repaired or reconstructed, CONCESSIONAIRE may terminate this AGREEMENT in its entirety as of the date of such damage or destruction. Notwithstanding the foregoing, if the said PREMISES, or a substantial portion thereof, are completely destroyed as a result of the negligent acts or omissions of CONCESSIONAIRE, its agents, officers, or employees, said fees and charges shall not abate and RAP may, in its discretion, require CONCESSIONAIRE to repair and reconstruct the same within twelve months of such destruction and CONCESSIONAIRE shall be responsible for reimbursing CITY for the cost and expenses incurred in making such repairs. CONCESSIONAIRE shall continue paying CITY rent as determined above during the rebuilding of the PREMISES.

4. Limits of CITY'S Obligation Defined

In the application of the foregoing provisions, RAP may, but shall not be obligated to, repair or reconstruct the PREMISES. If RAP chooses to do so, CITY'S obligation shall also be limited to repair or reconstruction of the PREMISES to the same extent and of equal quality as obtained by CONCESSIONAIRE at the commencement of its operations hereunder. Redecoration and replacement of furniture, equipment and supplies shall be the responsibility of CONCESSIONAIRE and any such redecoration and refurbishing/reequipping shall be equivalent in quality to that originally installed.

F. Pest Control

Unless otherwise specified in the AGREEMENT, CONCESSIONAIRE shall be responsible for pest control in and around the PREMISES, including but not limited to, abatement of insects (including roaches, bees, etc.), spiders, rodents, vermin, and other nuisance pests, if the pests are found in or on structures or areas used and maintained by CONCESSIONAIRE, such as any of the following portions of the PREMISES:

1. Any portion of a building or enclosed structure with walls, roof, and doors, such as pro shops, gift shops, golf car storage facilities, restaurants, food stands, ticket and sales booths, kiosks, theater stage buildings, offices and storage facilities, storage containers owned and/or used by CONCESSIONAIRE, equine housing, etc.

RAP shall be responsible for pest control if pests are found in or on structures or areas maintained by RAP, such as:

1. Open, unfenced areas such as those locations permitted for mobile food vending, bike rentals, coin-operated telescopes, etc.
2. Recreation centers, rental halls, and other facilities occupied in part by CONCESSIONAIRE but maintained by CITY.
3. Other areas, structures, or facilities adjacent to the PREMISES, but not used by or under the control of CONCESSIONAIRE; or areas, structures, or facilities shared by CONCESSIONAIRE and RAP.

Pest control for pests which may cause permanent structural damage to RAP property (for example, termite infestation) shall be the responsibility of RAP. CONCESSIONAIRE shall take all reasonable measures to reduce the proliferation of pests, including

maintaining the PREMISES clean and orderly in accordance with this Section, and keeping wood components painted. RAP may direct CONCESSIONAIRE to take additional measures to abate pests which are an immediate threat to public health or safety.

SECTION 11. UNITED STATES ARMY CORP OF ENGINEERS REQUIREMENTS

This AGREEMENT is executed subject to all terms and conditions in accordance with the Master Agreement Lease Number DACW09-1-67-11 between CITY and the United States, (Exhibit H) ("Master Lease"). The following requirements are for the Lake Balboa bicycle rental concession location:

1. CONCESSIONAIRE is charged at all times with full knowledge of all the limitations and requirements of Master Lease No. DACW09-1-67-11 and its Supplemental Agreements and the necessity for corrections of deficiencies, and compliance with any reasonable request By the Corps District Engineer or his/her representative.
2. CONCESSIONAIRE shall indemnify, and hold harmless, the United States of America and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability out of Lease No. DACW09-1-67-11 and its Supplemental Agreements, from any cause whatsoever incurred by the City or United States of America on account of any claim therefore, except where such indemnification is prohibited by law.
3. Indemnity and Insurance: CONCESSIONAIRE, at the commencement of operating under the terms of Lease No. DACW09-1-67-11 and its Supplemental Agreements shall obtain from a reputable insurance company or companies contracts of liability insurance which names the United States Army Corps of Engineers an additional insured. The insurance shall provide an amount not less than that which is prudent, reasonable, and consistent with sound business practices or a minimum Combined Single Limit of \$2,000,000.00, whichever is greater, for any number of persons or claims arising from any one incident with respect to bodily injuries or death resulting therefrom, property damage, or both suffered or alleged to have been suffered by any person or persons, resulting from the operations of the CONCESSIONAIRE under the terms of Lease No. DACW09-1-67-11 and its Supplemental Agreements. The CONCESSIONAIRE shall require its insurance company to furnish to the City and District Engineer a copy of the policy or policies, or, if acceptable to the District Engineer, certificates of insurance evidencing the purchase of such insurance. The District Engineer shall have the right to review and revise the amount of minimum liability insurance required. The Insurance policy or policies shall specifically provide protection appropriate for the types of facilities, services, and products involved, and shall provide that the District Engineer be given thirty (30) days' notice of cancellation or change in such insurance. The City's insurance status shall not eliminate the requirement for CONCESSIONAIRE to have insurance from a reputable insurance carrier. The District Engineer may require closure of any or all of the premises during any period for which the City and/or its CONCESSIONAIRE do not have the required coverage.
4. CONCESSIONAIRE agrees that this AGREEMENT is granted subject to all of the terms and conditions of the Master Lease and will not be effective until the terms and conditions thereof are approved by the District Engineer.

SECTION 12. PROHIBITED ACTS

CONCESSIONAIRE shall not:

1. Use PREMISES to conduct any other business operations not related to the CONCESSION.
2. Do or allow to be done anything which may interfere with the effectiveness or accessibility of utility, heating, ventilating, or air conditioning systems or portions thereof on PREMISES or elsewhere at the PREMISES, nor do or permit to be done anything which may interfere with free access and passage in PREMISES or the public areas adjacent thereto, or in the streets or sidewalks adjoining PREMISES, or hinder police, fire fighting, or other emergency personnel in the discharge of their duties;
3. Interfere with the public's enjoyment and use of the PREMISES or use PREMISES for any purpose which is not essential to the CONCESSION operations;
4. Rent, sell, lease, or offer any space for storing of any articles whatsoever within or on PREMISES other than specified herein, without the prior written approval of RAP;
5. Overload any floor on PREMISES;
6. Place any additional lock of any kind upon any window or interior or exterior door on PREMISES, or make any change in any existing door or window lock or mechanism thereof, nor refuse, upon the expiration or earlier termination of this AGREEMENT, to surrender to RAP any and all keys to the interior or exterior doors on PREMISES, whether said keys were furnished to or otherwise procured by CONCESSIONAIRE. In the event of the loss of any keys furnished by RAP, CONCESSIONAIRE shall pay RAP, on demand, the cost for replacement thereof;
7. Do or permit to be done any act or thing upon PREMISES which will invalidate, suspend, or increase the rate of any insurance policy required under this AGREEMENT, or carried by RAP, covering PREMISES, or the buildings in which the same are located or which, in the opinion of RAP, may constitute a hazardous condition that will increase the risks normally attendant upon the operations contemplated under this AGREEMENT, provided, however, that nothing contained herein shall preclude CONCESSIONAIRE from bringing, keeping, or using on or about the PREMISES such materials, supplies, equipment, and machinery as are appropriate or customary in carrying on its business, or from carrying on said business in all respects as is customary;
8. Use, create, store, or allow any hazardous materials as defined in Title 26, Division 19.1, Section 19-2510 of the California Code of Regulations, or those which meet the criteria of the above Code, as well as any other substance which poses a hazard to health and environment, provided, however, that nothing contained herein shall preclude CONCESSIONAIRE from bringing, keeping, or using on or about PREMISES such materials, supplies, equipment, and machinery as are appropriate or customary in carrying on its business, or from carrying on said business in all

- respects as is customary. All hazardous materials must be stored and used in compliance with all City, State, and Federal rules, regulations, ordinances, and laws;
9. Allow any sale by auction upon PREMISES;
 10. Permit undue loitering on or about PREMISES;
 11. Use PREMISES in any manner that will constitute waste;
 12. Use or allow PREMISES to be used for, in the opinion of RAP, any improper, immoral, or unlawful purposes.

SECTION 13. PERFORMANCE DEPOSIT

CONCESSIONAIRE shall provide to RAP a sum equal to Six Thousand Dollars (\$6,000.00) to guarantee payment of fees and as a damage deposit to be used in accordance with the default provisions of this AGREEMENT.

A. Form of Deposit

A cashier's check drawn on any bank that is a member of the Los Angeles Clearing House Association, which cashier's check is payable to the order of the City of Los Angeles.

B. Agreement of Deposit and Indemnity

CONCESSIONAIRE unconditionally agrees that in the event of any default, RAP shall have full power and authority to use the deposit in whole or in part to indemnify CITY. All deposits of checks must be immediately so deposited by RAP.

C. Maintenance of Deposit

Said Deposit shall be held by CITY during the entire term of this AGREEMENT.

D. Return of Deposit to CONCESSIONAIRE

Said Deposit shall be returned to CONCESSIONAIRE and any rights assigned to the Deposit shall be surrendered by RAP in writing, after the expiration or earlier termination of this AGREEMENT and any exit audits performed in conjunction with this AGREEMENT. RAP reserves the right to deduct from the Performance Deposit any amounts up to and including the full amount of the Deposit as stated herein owed to RAP by CONCESSIONAIRE as shown by any exit audits performed by RAP, or as compensation to RAP for failure to adhere to the terms and conditions of this AGREEMENT.

SECTION 14. TAXES, PERMITS, AND LICENSES

- A. CONCESSIONAIRE shall obtain and maintain at its sole expense any and all approvals, permits, or licenses that may be required in connection with the operation of the CONCESSION including, but not limited to, tax permits, business licenses, health permits, police and fire permits, etc.
- B. CONCESSIONAIRE shall pay all taxes of whatever character that may be levied or charged upon the rights of CONCESSIONAIRE to use PREMISES, or upon CONCESSIONAIRE's improvements, fixtures, equipment, or other property thereon or upon CONCESSIONAIRE's operations hereunder. In addition, by executing this

AGREEMENT and accepting the benefits thereof, a property interest may be created known as "Possessory Interest" and such property interest will be subject to taxation. CONCESSIONAIRE, as the party to whom the Possessory Interest is vested, may be subject to the payment of the property taxes levied by the State and County upon such interest.

- C. During the entire term of this AGREEMENT, CONCESSIONAIRE must hold a current Los Angeles Business Tax Registration Certificate (BTRC) as required by CITY's Business Tax Ordinance (LAMC Article 1, Chapter 2, Section 12.00 *et seq.*).
- D. Pursuant to Section 21.3.3 of Article 1.3 of the LAMC Commercial Tenants Occupancy Tax, CONCESSIONAIRE must pay to the City of Los Angeles for the privilege of occupancy, a tax at the rate of One Dollar and Forty-Eight Cents (\$1.48) per calendar quarter or fractional part thereof for the first One Thousand Dollars (\$1,000.00) or less of charges (rent) attributable to said calendar quarter, plus One Dollar and Forty-Eight Cents (\$1.48) per calendar quarter for each additional One Thousand Dollars (\$1,000.00) of charges or fractional part thereof in excess of One Thousand Dollars (\$1,000.00). Said tax shall be paid quarterly to RAP, on or before the fifteenth (15th) of April, July, October, and January of each calendar year, for the preceding three (3) months. Should the rate of the Occupancy Tax rise at any time during the term of this AGREEMENT, CONCESSIONAIRE shall be responsible to pay the updated, higher rate.

SECTION 15. ASSIGNMENT, SUBLEASE, BANKRUPTCY

CONCESSIONAIRE shall not under-let or sub-let the subject PREMISES or any part thereof or allow the same to be used or occupied by any other person or for other use than that herein specified, nor purport or attempt to assign this AGREEMENT nor transfer, assign, or in any manner convey any of the rights or privileges herein granted without the explicit prior written consent of RAP and the CORP. Neither this AGREEMENT nor the rights herein granted shall be assignable or transferable by any process or proceedings in any court, or by attachment, execution, proceeding in insolvency or bankruptcy either voluntary or involuntary, or receivership proceedings. Any attempted assignment, mortgaging, hypothecation, or encumbering of the CONCESSION rights or other violation of the provisions of this Section shall be void and shall confer no right, title, or interest in or to this AGREEMENT or right of use of the whole or any portion of PREMISES upon any such purported assignee, mortgagee, encumbrancer, pledgee, or other lien holder, successor, or purchaser. Any such purported or attempted assignment, transfer, mortgaging, hypothecation, or encumbering without the explicit, prior written consent of RAP (and the CORP if it pertains to Lake Balboa/Beilenson Park) shall be a material breach of this AGREEMENT, and RAP, at its discretion, may terminate this AGREEMENT. A change of control in the ownership of the CONCESSIONAIRE during the term of this AGREEMENT shall be deemed an assignment of this AGREEMENT.

SECTION 16. BUSINESS RECORDS

CONCESSIONAIRE shall maintain during the term of this AGREEMENT and for three years thereafter, all of its books, ledgers, journals, and accounts wherein are kept all entries reflecting the gross receipts received or billed by it from the business transacted pursuant to this AGREEMENT. Such books, ledgers, journals, accounts, and records shall be available for inspection and examination by RAP, or a duly authorized representative, during ordinary business hours at any time during the term of this AGREEMENT and for at least three years thereafter.

A. Employee Fidelity Bonds

At RAP's discretion, adequate employee fidelity bonds may be required to be maintained by CONCESSIONAIRE covering all its employees who handle money.

B. Cash and Record Handling Requirements

If requested by RAP, CONCESSIONAIRE shall prepare a description of its cash handling and sales recording systems and equipment to be used for operation of the CONCESSION which shall be submitted to RAP for approval.

CONCESSIONAIRE shall be required to maintain a method of accounting of the CONCESSION which shall correctly and accurately reflect the gross receipts and disbursements received or made by CONCESSIONAIRE from the operation of the CONCESSION. The method of accounting, including bank accounts, established for the CONCESSION shall be separate from the accounting systems used for any other business operated by CONCESSIONAIRE or for recording CONCESSIONAIRE's personal financial affairs. Such method shall include the keeping of the following documents:

1. Regular books of accounting such as general ledgers.
2. Journals including supporting and underlying documents such as vouchers, checks, tickets, bank statements, etc.
3. State and Federal income tax returns and sales tax returns and checks and other documents proving payment of sums shown.
4. Cash register tapes shall be retained so that day to day sales can be identified. A cash register must be used in public view which prints a dated double tape, indicating each sale and the daily total.
5. Any other accounting records that RAP, in its sole discretion, deems necessary for proper reporting of receipts.

C. Method of Recording Gross Receipts

CONCESSIONAIRE must install a computerized point-of-sale (POS) system, including hardware and software, to record transactions and receipts. Such POS system must be capable of accepting credit and debit card payments; providing paper receipts to patrons; have a price display which is and shall remain at all times visible to the public; and have controls in place to make it equivalent to a non-resettable cash register. CONCESSIONAIRE shall not purchase or install the POS system, including hardware and software, before obtaining RAP's written approval of the specific hardware and software to be purchased.

D. Annual Statement of Gross Receipts and Expenses

CONCESSIONAIRE shall transmit a Statement of Gross Receipts and Expenses (Profit and Loss Statement) for the CONCESSION operations as specified in this AGREEMENT, in a form acceptable to RAP, on or before April 30th, of each calendar year during the term of this AGREEMENT. Such Statement must be prepared by a Certified Public Accountant (CPA) and shall not include statements of omission or non-disclosure. An extension may be granted in writing, prior to the April 30th due date, by RAP, provided sufficient verification of the need for the extension is provided, as

accepted by RAP. The charge for late or delinquent Statements shall be One Hundred Fifty Dollars (\$150.00) per month or part thereof late.

In addition, RAP may, from time to time, conduct an audit and re-audit of the books and businesses conducted by CONCESSIONAIRE and observe the operation of the business so that accuracy of the above records can be confirmed. If the report of gross sales made by CONCESSIONAIRE to RAP shall be found to be less than the amount of gross sales disclosed by such audit and observation, CONCESSIONAIRE shall pay RAP within thirty (30) days after billing any additional rentals disclosed by such audit. If discrepancy exceeds two percent (2%) and no reasonable explanation is given for such discrepancy, CONCESSIONAIRE shall also pay the cost of the audit.

SECTION 17. REGULATIONS, INSPECTION, AND DIRECTIVES

A. Constitutional and Other Limits on CONCESSIONAIRE's Rights to Exclusivity

Notwithstanding exclusivity granted to CONCESSIONAIRE by the terms of this AGREEMENT, CITY in its discretion may require CONCESSIONAIRE, without any reduction in rent or other valuable consideration to CONCESSIONAIRE, to accommodate the rights of persons to access and engage in expressive activities, as guaranteed by the First Amendment to the UNITED STATES Constitution, the California Constitution, and other laws, as these laws are interpreted by CITY. Expressive activities include, but are not limited to, protesting, picketing, proselytizing, soliciting, begging, and vending of certain expressive, message-bearing items.

B. Conformance with Laws

CONCESSIONAIRE shall conform to:

1. Any and all applicable rules, regulations, orders, and restrictions which are now in force or which may be hereafter adopted by RAP with respect to the operation of the CONCESSION;
2. Any and all orders, directions, or conditions issued, given, or imposed by CITY with respect to the use of the roadways, driveways, curbs, sidewalks, parking areas, or public areas adjacent to PREMISES;
3. Any and all applicable laws, ordinances, statutes, rules, regulations, or orders, including the LAMC, LAAC, the Charter of the City of Los Angeles, and of any governmental authority, federal, state, or municipal, lawfully exercising authority over CONCESSIONAIRE's operations; and,
4. Any and all applicable local, state, and federal laws and regulations relative to the design and installation of facilities to accommodate disabled persons.

C. Permissions

Any permission required by this AGREEMENT shall be secured in writing by CONCESSIONAIRE from CITY or RAP and any errors or omissions therefrom shall not relieve CONCESSIONAIRE of its obligations to faithfully perform the conditions therein. CONCESSIONAIRE shall immediately comply with any written request or order submitted to it by CITY or RAP.

D. Right of Inspection

The UNITED STATES, CITY and RAP, their authorized representatives, agents, and employees shall have the right to enter upon PREMISES at any and all reasonable times for the purpose of inspection, evaluation, and observation of CONCESSIONAIRE's operation. Park Rangers are specifically designated as CITY agents and are empowered by CITY to conduct inspections of PREMISES, evaluate CONCESSIONAIRE, and inform RAP fully as to CONCESSIONAIRE's conduct of the CONCESSION. During these inspections, they all shall have the right to photograph, film, or otherwise record conditions and events taking place upon PREMISES. The inspections may be made by persons identified to CONCESSIONAIRE as CITY Employees, or may be made by independent contractors engaged by CITY. Inspections may be made for the purposes set forth below, and for any other lawful purpose for which CITY or another governmental entity with jurisdiction is authorized to perform inspections of the PREMISES:

1. To determine if the terms and conditions of this AGREEMENT are being complied with.
2. To observe transactions between CONCESSIONAIRE and patrons in order to evaluate the quality of services provided or quality and quantities of items sold or dispensed.
3. To ensure quality control and verify the validity of mandatory operating permits.

E. Control of Premises

The UNITED STATES AND CITY shall have absolute and full access to PREMISES and all its appurtenances during the term of this AGREEMENT and may make such changes and alterations therein, and in the grounds surrounding same, as may be determined by the UNITED STATES and CITY. Such determination shall not be unreasonable and shall take into account the business considerations presented by CONCESSIONAIRE.

F. Business Inclusion Program

CONCESSIONAIRE agrees and obliges itself to utilize the services of Minority, Women, Small, Emerging, Disabled Veteran, and Other Business Enterprise firms on a level so designated in its proposal, Schedule A (Exhibit I). CONCESSIONAIRE certifies that it has complied with Executive Directive No. 14 regarding the Outreach Program. CONCESSIONAIRE shall not change any of these designated sub consultants and subcontractors, nor shall CONCESSIONAIRE reduce their level of effort, without prior written approval of CITY, provided that such approval shall not be unreasonably withheld.

During the term of this AGREEMENT, CONCESSIONAIRE must submit the MBE/WBE/SBE/EBE/DVBE/OBE Utilization Profile, Schedule B (Exhibit J) when submitting the Monthly Remittance Advice. Upon completion of the project, a summary of these records shall be prepared on the "Final Subcontracting Report" form, Schedule C (Exhibit K) and certified corrected by CONCESSIONAIRE or its authorized representative. The completed Schedule C shall be furnished to RAP within fifteen (15) working days after completion of this AGREEMENT.

G. First Source Hiring Ordinance

Unless otherwise exempt in accordance with the provisions of this Ordinance, this AGREEMENT is subject to the applicable provisions of the First Source Hiring Ordinance (FSHO), Section 10.44 *et seq.* of the LAAC, as amended from time to time.

1. CONCESSIONAIRE shall, prior to the execution of this AGREEMENT, provide to the Designated Administrative Agency (DAA) a list of anticipated employment opportunities that CONCESSIONAIRE estimates it will need to fill in order to perform the services under this AGREEMENT. The Department of Public Works, Bureau of Contract Administration is the DAA.
2. CONCESSIONAIRE further pledges that it will, during the term of this AGREEMENT:
 - a. At least seven (7) business days prior to making an announcement of a specific employment opportunity, provide notification of that employment opportunity to the Economic and Workforce Development Department (EWDD), which will refer individuals for interview;
 - b. Interview qualified individuals referred by EWDD; and,
 - c. Prior to filling any employment opportunity, CONCESSIONAIRE shall inform the DAA of the names of the Referral Resources used, the names of the individuals they referred, the names of the referred individuals who CONCESSIONAIRE interviewed, and the reasons why referred individuals were not hired.
3. Any subcontract entered into by CONCESSIONAIRE relating to this AGREEMENT, to the extent allowed hereunder, shall be subject to the provisions of FSHO, and shall incorporate the FSHO.
4. CONCESSIONAIRE shall comply with all rules, regulations, and policies promulgated by the DAA, which may be amended from time to time.

Where under the provisions of Section 10.44.13 of the LAAC the DAA has determined that CONCESSIONAIRE intentionally violated or used hiring practices for the purpose of avoiding the article, the determination must be documented in the Awarding Authority's Contractor Evaluation, required under LAAC Section 10.39 *et seq.*, and must be documented in each of CONCESSIONAIRE's subsequent Contractor Responsibility Questionnaires submitted under LAAC Section 10.40 *et seq.* This measure does not limit CITY's authority to act under this article.

Under the provisions of Section 10.44.8 of the LAAC, the Awarding Authority shall, under appropriate circumstances, terminate this AGREEMENT and otherwise pursue legal remedies that may be available if the DAA determines that the subject CONCESSIONAIRE has violated provisions of the FSHO.

H. CEC Form 50

Certain contractors agree to comply with the disclosure requirements and prohibitions established in the Los Angeles Municipal Lobbying Ordinance if those contractors qualify as a lobbying entity under Los Angeles Municipal Code 48.02. CEC Form 50 attached as Exhibit L. Responses submitted without a completed CEC Form 50, by proposers that qualify as a lobbying entity under Los Angeles Municipal Code 48.02 shall be deemed nonresponsive.

I. CEC Form 55

CEC Form 55 requires bidders to identify their principals, their subcontractors performing One Hundred Thousand Dollars (\$100,000.00) or more in work on the contract, and the principals of those subcontractors. Bidders must also notify their principals and subcontractors in writing of the restrictions and include the notice in contracts with subcontractors. Responses submitted without a completed CEC Form 55 shall be deemed nonresponsive. Bidders who fail to comply with City Law may be subject to penalties, termination of contract, and debarment. Additional information regarding restrictions and requirements may be obtained from the City Ethics Commission at (213) 978-1960 or ethics.lacity.org.

SECTION 18. SURRENDER OF POSSESSION

CONCESSIONAIRE agrees to yield and deliver possession of PREMISES to RAP on the date of the expiration or earlier termination of this AGREEMENT promptly, peaceable, quietly, and in as good order and condition as the same now are or may be hereafter improved by CONCESSIONAIRE or RAP, normal use and wear and tear thereof excepted.

No agreement of surrender or to accept a surrender shall be valid unless and until the same is in writing and signed by the duly authorized representatives of RAP and CONCESSIONAIRE. Neither the doing nor omission of any act or thing by any of the officers, agents, or employees of RAP shall be deemed an acceptance of a surrender of PREMISES utilized by CONCESSIONAIRE under this AGREEMENT.

Upon termination of this AGREEMENT other than by forfeiture, CONCESSIONAIRE shall quit and surrender possession of PREMISES to RAP and shall, without cost to RAP, remove any and all works, structures, or other improvements owned by CONCESSIONAIRE and restore PREMISES to the same or as good condition, ordinary wear and tear excepted, as the same were in it at the time of the first occupancy, thereof by CONCESSIONAIRE under this or any prior agreement or lease. CONCESSIONAIRE will have thirty (30) days to effect removal and restoration. RAP may at its option accept all or a portion of the works, structures, or other improvements on behalf of RAP in lieu of all or a portion of the removal or restoration required herein.

SECTION 19. NOTICES

A. To RAP

Unless otherwise stated in this AGREEMENT, written notices via post to RAP hereunder shall be addressed to:

Department of Recreation and Parks
Attention: Concessions Unit
P.O. Box 86328
Los Angeles, CA 90086-0610

All such notices may be delivered personally, transmitted via electronic mail, or may be deposited in the United States mail, properly addressed as aforesaid with postage fully prepaid for delivery by registered or certified mail. Service in such manner by email, personal delivery, or registered or certified mail shall be effective upon receipt. Written notices may also be emailed to RAP Concessions Analyst.

RAP shall provide CONCESSIONAIRE with written notice of any address change within thirty (30) days of the occurrence of said change.

B. To CONCESSIONAIRE

The execution of any notice to CONCESSIONAIRE by RAP shall be as effective for CONCESSIONAIRE as if it were executed by BOARD, or by Resolution or Order of said BOARD.

All such notices may be delivered personally to CONCESSIONAIRE or to any officer or responsible employee of CONCESSIONAIRE, or may be deposited in the United States mail, properly addressed as aforesaid with postage fully prepaid for delivery by registered or certified mail, or transmitted via electronic mail by the RAP Concessions Analyst. Service in such manner by personal delivery, registered or certified mail, or electronic mail shall be effective upon receipt.

Written Notices via post to CONCESSIONAIRE shall be addressed to CONCESSIONAIRE as follows:

*Freetime, Inc. DBA Wheel Fun Rentals
Attn: Al Stonehouse
4526 Telephone Rd., #202
Ventura, CA 93003*

Written Notices via electronic mail to CONCESSIONAIRE shall be addressed to:

al@wheelfunrentals.com

CONCESSIONAIRE shall provide RAP with written notice of any address change within thirty (30) days of the occurrence of said address change.

SECTION 20. INCORPORATION OF DOCUMENTS

This AGREEMENT and incorporated documents represent the entire integrated agreement of the parties and supersedes all prior written or oral representations, discussions, and agreements. The following Exhibits are to be attached to and made part of this AGREEMENT by reference:

- A. Lake Balboa Bicycle Rental Premise Map
- B. Standard Provisions for City Contracts (Rev. 10/17 v.3)
- C. Proposal in Response to RFP No. CON-M17-004
- D. Monthly Revenue Report
- E. Required Insurance and Minimum Limits; Instructions and Information on Complying with City Insurance Requirements
- F. Form General No. 87 "Non-Employee Accident or Illness Report"
- G. Special Occurrence and Loss Report
- H. Master Agreement Lease Number DACW09-1-67-11 between CITY and the United States and its Supplemental Agreements
- I. Schedule A, MBE/WBE/SBE/EBE/DVBE/OBE Subcontractors Information Form
- J. Schedule B, MBE/WBE/SBE/EBE/DVBE/OBE Utilization Profile
- K. Schedule C, Final Subcontracting Report Form
- L. CEC Form 50, Bidder Certification

In the event of any inconsistency between any of the provisions of this AGREEMENT and/or exhibits attached hereto, the inconsistency shall be resolved by giving precedence in the following order: 1) This AGREEMENT exclusive of attachments, 2) Exhibit A, 3) Exhibit B, 4) Exhibit C, 5) Exhibit D, 6) Exhibit E, 7) Exhibit F, 8) Exhibit G, 9) Exhibit H, 10) Exhibit I, 11) Exhibit J, 12) Exhibit K, 13) Exhibit L.

(Signature Page to Follow)

SAMPLE

IN WITNESS WHEREOF, THE CITY OF LOS ANGELES has caused this **AGREEMENT** to be executed on its behalf by its duly authorized General Manager of the Department of Recreation and Parks, and FREETIME, INC. DBA WHEEL FUN RENTALS has executed the same as of the day and year herein below written.

THE CITY OF LOS ANGELES, a municipal corporation, acting by and through the Department of Recreation and Parks.

BY: _____ DATE: _____
MICHAEL A. SHULL
General Manager

FREETIME, INC. DBA WHEEL FUN RENTALS

BY: _____ DATE: _____

Title: _____

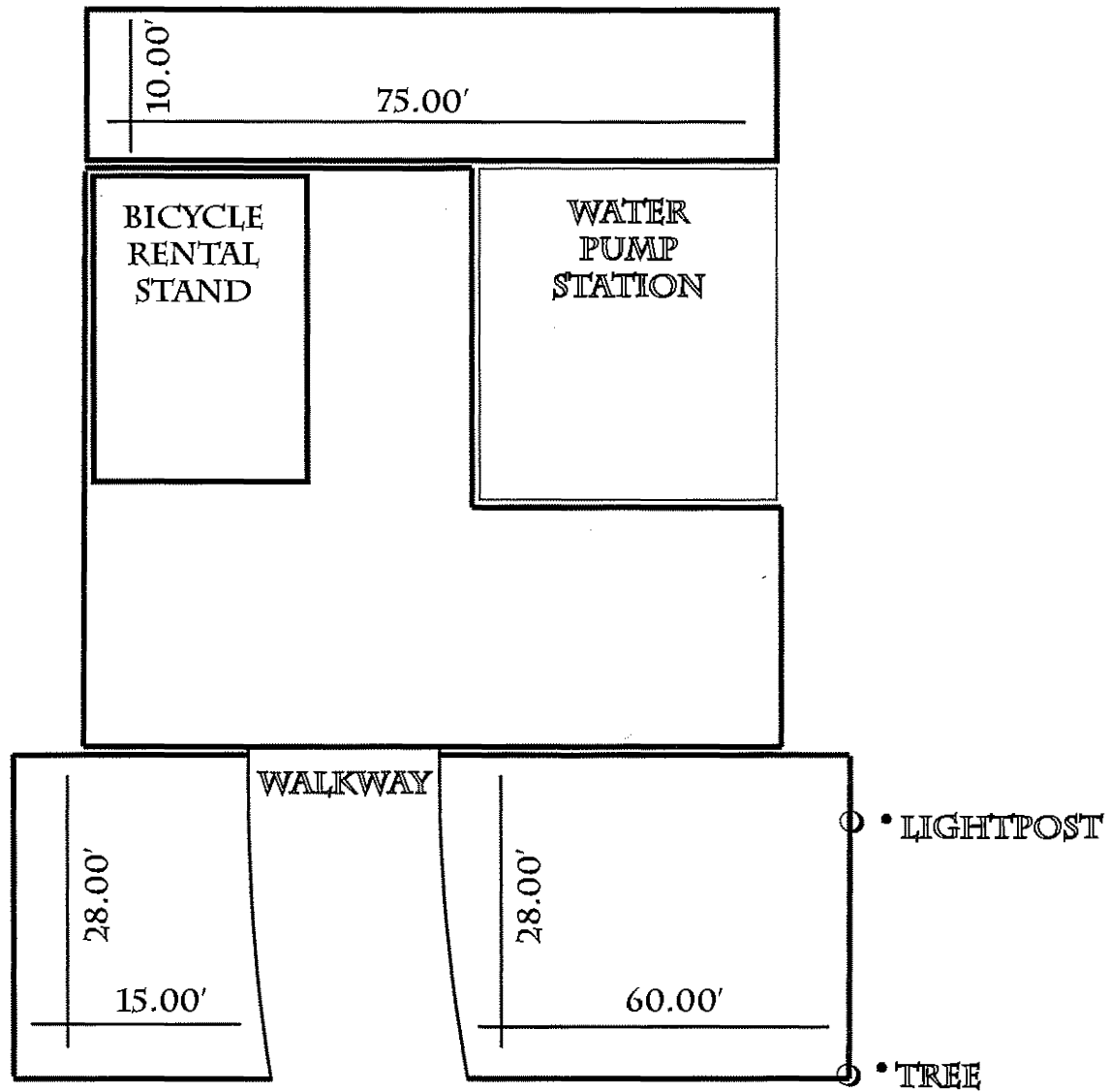
APPROVED AS TO FORM:
MICHAEL N. FEUER, City Attorney


BY: _____ DATE: _____
Deputy City Attorney

Business Tax Registration Certificate Number: _____

Internal Revenue Service Taxpayer Identification Number: _____

AGREEMENT Number: _____



 OUTLINED - PART OF THIS CONCESSION

LAKE BALBOA BICYCLE RENTAL CONCESSION

6200 BALBOA BOULEVARD - VAN NUYS, CA 91316

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STANDARD PROVISIONS FOR CITY CONTRACTS

PSC-1. Construction of Provisions and Titles Herein

All titles, subtitles, or headings in this Contract have been inserted for convenience, and shall not be deemed to affect the meaning or construction of any of the terms or provisions of this Contract. The language of this Contract shall be construed according to its fair meaning and not strictly for or against **CITY** or **CONTRACTOR**. The word "**CONTRACTOR**" includes the party or parties identified in this Contract. The singular shall include the plural and if there is more than one **CONTRACTOR**, unless expressly stated otherwise, their obligations and liabilities shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

PSC-2. Applicable Law, Interpretation and Enforcement

Each party's performance shall comply with all applicable laws of the United States of America, the State of California, and **CITY**, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. **CONTRACTOR** shall comply with new, amended, or revised laws, regulations, or procedures that apply to the performance of this Contract with no additional compensation paid to **CONTRACTOR**.

In any action arising out of this Contract, **CONTRACTOR** consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

If any part, term or provision of this Contract is held void, illegal, unenforceable, or in conflict with any federal, state or local law or regulation, the validity of the remaining parts, terms or provisions of this Contract shall not be affected.

PSC-3. Time of Effectiveness

Unless otherwise provided, this Contract shall take effect when all of the following events have occurred:

- A. This Contract has been signed on behalf of **CONTRACTOR** by the person or persons authorized to bind **CONTRACTOR**;
- B. This Contract has been approved by the City Council or by the board, officer or employee authorized to give such approval;
- C. The Office of the City Attorney has indicated in writing its approval of this Contract as to form; and
- D. This Contract has been signed on behalf of **CITY** by the person designated by the City Council, or by the board, officer or employee authorized to enter into this Contract.

PSC-4. Integrated Contract

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter of this Contract, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only as provided for in the provisions of PSC-5 hereof.

PSC-5. Amendment

All amendments to this Contract shall be in writing and signed and approved pursuant to the provisions of PSC-3.

PSC-6. Excusable Delays

Neither party shall be liable for its delay or failure to perform any obligation under and in accordance with this Contract, if the delay or failure arises out of fires, floods, earthquakes, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by the party or any of the party's Subcontractors), freight embargoes, terrorist acts, insurrections or other civil disturbances, or other similar events to those described above, but in each case the delay or failure to perform must be beyond the control and without any fault or negligence of the party delayed or failing to perform (these events are referred to in this provision as "Force Majeure Events").

Notwithstanding the foregoing, a delay or failure to perform by a Subcontractor of **CONTRACTOR** shall not constitute a Force Majeure Event, unless the delay or failure arises out of causes beyond the control of both **CONTRACTOR** and Subcontractor, and without any fault or negligence of either of them. In such case, **CONTRACTOR** shall not be liable for the delay or failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit **CONTRACTOR** to perform timely. As used in this Contract, the term "Subcontractor" means a subcontractor at any tier.

In the event **CONTRACTOR'S** delay or failure to perform arises out of a Force Majeure Event, **CONTRACTOR** agrees to use commercially reasonable best efforts to obtain the goods or services from other sources, and to otherwise mitigate the damages and reduce the delay caused by the Force Majeure Event.

PSC-7. Waiver

A waiver of a default of any part, term or provision of this Contract shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

PSC-8. Suspension

At **CITY'S** sole discretion, **CITY** may suspend any or all services provided under this Contract by providing **CONTRACTOR** with written notice of suspension. Upon receipt of the notice of suspension, **CONTRACTOR** shall immediately cease the services suspended and shall not incur any additional obligations, costs or expenses to **CITY** until **CITY** gives written notice to recommence the services.

PSC-9. Termination

A. Termination for Convenience

CITY may terminate this Contract for **CITY'S** convenience at any time by providing **CONTRACTOR** thirty days written notice. Upon receipt of the notice of termination, **CONTRACTOR** shall immediately take action not to incur any additional obligations, costs or expenses, except as may be necessary to terminate its activities. **CITY** shall pay **CONTRACTOR** its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by **CONTRACTOR** to effect the termination. Thereafter, **CONTRACTOR** shall have no further claims against **CITY** under this Contract. All finished and unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights **CITY** is entitled to, shall become **CITY** property upon the date of the termination. **CONTRACTOR** agrees to execute any documents necessary for **CITY** to perfect, memorialize, or record **CITY'S** ownership of rights provided herein.

B. Termination for Breach of Contract

1. Except as provided in PSC-6, if **CONTRACTOR** fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, **CITY** may give **CONTRACTOR** written notice of the default. **CITY'S** default notice will indicate whether the default may be cured and the time period to cure the default to the sole satisfaction of **CITY**. Additionally, **CITY'S** default notice may offer **CONTRACTOR** an opportunity to provide **CITY** with a plan to cure the default, which shall be submitted to **CITY** within the time period allowed by **CITY**. At **CITY'S** sole discretion, **CITY** may accept or reject **CONTRACTOR'S** plan. If the default cannot be cured or if **CONTRACTOR** fails to cure within the period allowed by **CITY**, then **CITY** may terminate this Contract due to **CONTRACTOR'S** breach of this Contract.
2. If the default under this Contract is due to **CONTRACTOR'S** failure to maintain the insurance required under this Contract, **CONTRACTOR** shall immediately: (1) suspend performance of any services under this Contract for which insurance was required; and (2) notify its employees and Subcontractors of the loss of insurance coverage and Contractor's obligation to suspend performance of

services. **CONTRACTOR** shall not recommence performance until **CONTRACTOR** is fully insured and in compliance with **CITY'S** requirements.

3. If a federal or state proceeding for relief of debtors is undertaken by or against **CONTRACTOR**, or if **CONTRACTOR** makes an assignment for the benefit of creditors, then **CITY** may immediately terminate this Contract.
4. If **CONTRACTOR** engages in any dishonest conduct related to the performance or administration of this Contract or violates **CITY'S** laws, regulations or policies relating to lobbying, then **CITY** may immediately terminate this Contract.
5. Acts of Moral Turpitude
 - a. **CONTRACTOR** shall immediately notify **CITY** if **CONTRACTOR** or any Key Person, as defined below, is charged with, indicted for, convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, any act which constitutes an offense involving moral turpitude under federal, state, or local laws ("Act of Moral Turpitude").
 - b. If **CONTRACTOR** or a Key Person is convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, an Act of Moral Turpitude, **CITY** may immediately terminate this Contract.
 - c. If **CONTRACTOR** or a Key Person is charged with or indicted for an Act of Moral Turpitude, **CITY** may terminate this Contract after providing **CONTRACTOR** an opportunity to present evidence of **CONTRACTOR'S** ability to perform under the terms of this Contract.
 - d. Acts of Moral Turpitude include, but are not limited to: violent felonies as defined by Penal Code Section 667.5, crimes involving weapons, crimes resulting in serious bodily injury or death, serious felonies as defined by Penal Code Section 1192.7, and those crimes referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2); in addition to and including acts of murder, rape, sexual assault, robbery, kidnapping, human trafficking, pimping, voluntary manslaughter, aggravated assault, assault on a peace officer, mayhem, fraud, domestic abuse, elderly abuse, and child abuse, regardless of whether such acts are punishable by felony or misdemeanor conviction.

- e. For the purposes of this provision, a Key Person is a principal, officer, or employee assigned to this Contract, or owner (directly or indirectly, through one or more intermediaries) of ten percent or more of the voting power or equity interests of **CONTRACTOR**.
 6. In the event **CITY** terminates this Contract as provided in this section, **CITY** may procure, upon such terms and in the manner as **CITY** may deem appropriate, services similar in scope and level of effort to those so terminated, and **CONTRACTOR** shall be liable to **CITY** for all of its costs and damages, including, but not limited to, any excess costs for such services.
 7. If, after notice of termination of this Contract under the provisions of this section, it is determined for any reason that **CONTRACTOR** was not in default under the provisions of this section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to PSC-9(A) Termination for Convenience.
 8. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.
- C. In the event that this Contract is terminated, **CONTRACTOR** shall immediately notify all employees and Subcontractors, and shall notify in writing all other parties contracted with under the terms of this Contract within five working days of the termination.

PSC-10. Independent Contractor

CONTRACTOR is an independent contractor and not an agent or employee of **CITY**. **CONTRACTOR** shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of **CITY**.

PSC-11. Contractor's Personnel

Unless otherwise approved by **CITY**, **CONTRACTOR** shall use its own employees to perform the services described in this Contract. **CITY** has the right to review and approve any personnel who are assigned to work under this Contract. **CONTRACTOR** shall remove personnel from performing work under this Contract if requested to do so by **CITY**.

CONTRACTOR shall not use Subcontractors to assist in performance of this Contract without the prior written approval of **CITY**. If **CITY** permits the use of Subcontractors, **CONTRACTOR** shall remain responsible for performing all aspects of this Contract and paying all Subcontractors. **CITY** has the right to approve **CONTRACTOR'S** Subcontractors, and **CITY** reserves the right to request replacement of any

Subcontractor. **CITY** does not have any obligation to pay **CONTRACTOR'S** Subcontractors, and nothing herein creates any privity of contract between **CITY** and any Subcontractor.

PSC-12. Assignment and Delegation

CONTRACTOR may not, unless it has first obtained the written permission of **CITY**:

- A. Assign or otherwise alienate any of its rights under this Contract, including the right to payment; or
- B. Delegate, subcontract, or otherwise transfer any of its duties under this Contract.

PSC-13. Permits

CONTRACTOR and its directors, officers, partners, agents, employees, and Subcontractors, shall obtain and maintain all licenses, permits, certifications and other documents necessary for **CONTRACTOR'S** performance of this Contract. **CONTRACTOR** shall immediately notify **CITY** of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents that relate to **CONTRACTOR'S** performance of this Contract.

PSC-14. Claims for Labor and Materials

CONTRACTOR shall promptly pay when due all amounts owed for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of law from arising against any **CITY** property (including reports, documents, and other tangible or intangible matter produced by **CONTRACTOR** hereunder), and shall pay all amounts due under the Unemployment Insurance Act or any other applicable law with respect to labor used to perform under this Contract.

PSC-15. Current Los Angeles City Business Tax Registration Certificate Required

For the duration of this Contract, **CONTRACTOR** shall maintain valid Business Tax Registration Certificate(s) as required by **CITY'S** Business Tax Ordinance, Section 21.00 *et seq.* of the Los Angeles Municipal Code ("LAMC"), and shall not allow the Certificate to lapse or be revoked or suspended.

PSC-16. Retention of Records, Audit and Reports

CONTRACTOR shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form or as otherwise approved by **CITY**. These records shall be retained for a period of no less than three years from the later of the following: (1) final payment made by **CITY**, (2) the expiration of this Contract or (3) termination of this Contract. The records will be subject to examination and audit by authorized **CITY** personnel or **CITY'S** representatives at any time. **CONTRACTOR** shall provide any reports requested by **CITY** regarding

performance of this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

In lieu of retaining the records for the term as prescribed in this provision, **CONTRACTOR** may, upon **CITY'S** written approval, submit the required information to **CITY** in an electronic format, e.g. USB flash drive, at the expiration or termination of this Contract.

PSC-17. Bonds

All bonds required by **CITY** shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Los Angeles Administrative Code ("LAAC") Sections 11.47 *et seq.*, as amended from time to time.

PSC-18. Indemnification

Except for the active negligence or willful misconduct of **CITY**, or any of its boards, officers, agents, employees, assigns and successors in interest, **CONTRACTOR** shall defend, indemnify and hold harmless **CITY** and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including **CONTRACTOR'S** employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of an act, error, or omission by **CONTRACTOR**, Subcontractors, or their boards, officers, agents, employees, assigns, and successors in interest. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

PSC-19. Intellectual Property Indemnification

CONTRACTOR, at its own expense, shall defend, indemnify, and hold harmless the **CITY**, and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity, and proprietary information: (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by **CONTRACTOR**, or its Subcontractors, in performing the work under this Contract; or (2) as a result of **CITY'S** actual or intended use of any Work Product (as defined in PSC-21) furnished by **CONTRACTOR**, or its Subcontractors, under this Contract. The rights and remedies of **CITY** provided in this section shall not be exclusive

and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

PSC-20. Intellectual Property Warranty

CONTRACTOR represents and warrants that its performance of all obligations under this Contract does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information.

PSC-21. Ownership and License

Unless otherwise provided for herein, all finished and unfinished works, tangible or not, created under this Contract including, without limitation, documents, materials, data, reports, manuals, specifications, artwork, drawings, sketches, blueprints, studies, memoranda, computation sheets, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas, matters and combinations thereof, and all forms of intellectual property originated and prepared by **CONTRACTOR** or its Subcontractors under this Contract (each a "Work Product"; collectively "Work Products") shall be and remain the exclusive property of **CITY** for its use in any manner **CITY** deems appropriate. **CONTRACTOR** hereby assigns to **CITY** all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared under this Contract. **CONTRACTOR** further agrees to execute any documents necessary for **CITY** to perfect, memorialize, or record **CITY'S** ownership of rights provided herein.

CONTRACTOR agrees that a monetary remedy for breach of this Contract may be inadequate, impracticable, or difficult to prove and that a breach may cause **CITY** irreparable harm. **CITY** may therefore enforce this requirement by seeking injunctive relief and specific performance, without any necessity of showing actual damage or irreparable harm. Seeking injunctive relief or specific performance does not preclude **CITY** from seeking or obtaining any other relief to which **CITY** may be entitled.

For all Work Products delivered to **CITY** that are not originated or prepared by **CONTRACTOR** or its Subcontractors under this Contract, **CONTRACTOR** shall secure a grant, at no cost to **CITY**, for a non-exclusive perpetual license to use such Work Products for any **CITY** purposes.

CONTRACTOR shall not provide or disclose any Work Product to any third party without prior written consent of **CITY**.

Any subcontract entered into by **CONTRACTOR** relating to this Contract shall include this provision to contractually bind its Subcontractors performing work under this Contract such that **CITY'S** ownership and license rights of all Work Products are preserved and protected as intended herein.

PSC-22. Data Protection

- A. **CONTRACTOR** shall protect, using the most secure means and technology that is commercially available, **CITY**-provided data or consumer-provided data acquired in the course and scope of this Contract, including but not limited to customer lists and customer credit card or consumer data, (collectively, the “City Data”). **CONTRACTOR** shall notify **CITY** in writing as soon as reasonably feasible, and in any event within twenty-four hours, of **CONTRACTOR’S** discovery or reasonable belief of any unauthorized access of City Data (a “Data Breach”), or of any incident affecting, or potentially affecting City Data related to cyber security (a “Security Incident”), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. **CONTRACTOR** shall begin remediation immediately. **CONTRACTOR** shall provide daily updates, or more frequently if required by **CITY**, regarding findings and actions performed by **CONTRACTOR** until the Data Breach or Security Incident has been effectively resolved to **CITY’S** satisfaction. **CONTRACTOR** shall conduct an investigation of the Data Breach or Security Incident and shall share the report of the investigation with **CITY**. At **CITY’S** sole discretion, **CITY** and its authorized agents shall have the right to lead or participate in the investigation. **CONTRACTOR** shall cooperate fully with **CITY**, its agents and law enforcement.
- B. If **CITY** is subject to liability for any Data Breach or Security Incident, then **CONTRACTOR** shall fully indemnify and hold harmless **CITY** and defend against any resulting actions.

PSC-23. Insurance

During the term of this Contract and without limiting **CONTRACTOR’S** obligation to indemnify, hold harmless and defend **CITY**, **CONTRACTOR** shall provide and maintain at its own expense a program of insurance having the coverages and limits not less than the required amounts and types as determined by the Office of the City Administrative Officer of Los Angeles, Risk Management (template Form General 146 in Exhibit 1 hereto). The insurance must: (1) conform to **CITY’S** requirements; (2) comply with the Insurance Contractual Requirements (Form General 133 in Exhibit 1 hereto); and (3) otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. **CONTRACTOR** shall comply with all Insurance Contractual Requirements shown on Exhibit 1 hereto. Exhibit 1 is hereby incorporated by reference and made a part of this Contract.

PSC-24. Best Terms

Throughout the term of this Contract, **CONTRACTOR**, shall offer **CITY** the best terms, prices, and discounts that are offered to any of **CONTRACTOR’S** customers for similar goods and services provided under this Contract.

PSC-25. Warranty and Responsibility of Contractor

CONTRACTOR warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within **CONTRACTOR'S** profession, doing the same or similar work under the same or similar circumstances.

PSC-26. Mandatory Provisions Pertaining to Non-Discrimination in Employment

Unless otherwise exempt, this Contract is subject to the applicable non-discrimination, equal benefits, equal employment practices, and affirmative action program provisions in LAAC Section 10.8 et seq., as amended from time to time.

- A. **CONTRACTOR** shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and **CITY**. In performing this Contract, **CONTRACTOR** shall not discriminate in any of its hiring or employment practices against any employee or applicant for employment because of such person's race, color, religion, national origin, ancestry, sex, sexual orientation, gender, gender identity, age, disability, domestic partner status, marital status or medical condition.
- B. The requirements of Section 10.8.2.1 of the LAAC, the Equal Benefits Ordinance, and the provisions of Section 10.8.2.1(f) are incorporated and made a part of this Contract by reference.
- C. The provisions of Section 10.8.3 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the "Equal Employment Practices" provisions of this Contract.
- D. The provisions of Section 10.8.4 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the "Affirmative Action Program" provisions of this Contract.

Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-27. Child Support Assignment Orders

CONTRACTOR shall comply with the Child Support Assignment Orders Ordinance, Section 10.10 of the LAAC, as amended from time to time. Pursuant to Section 10.10(b) of the LAAC, **CONTRACTOR** shall fully comply with all applicable State and Federal employment reporting requirements. Failure of **CONTRACTOR** to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment or Notices of Assignment, or the failure of any principal owner(s) of **CONTRACTOR** to comply with any Wage and Earnings Assignment or Notices of Assignment applicable to them personally, shall constitute a default by the **CONTRACTOR** under this Contract. Failure of **CONTRACTOR** or principal owner to cure

the default within 90 days of the notice of default will subject this Contract to termination for breach. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-28. Living Wage Ordinance

CONTRACTOR shall comply with the Living Wage Ordinance, LAAC Section 10.37 *et seq.*, as amended from time to time. **CONTRACTOR** further agrees that it shall comply with federal law proscribing retaliation for union organizing. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-29. Service Contractor Worker Retention Ordinance

CONTRACTOR shall comply with the Service Contractor Worker Retention Ordinance, LAAC Section 10.36 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-30. Access and Accommodations

CONTRACTOR represents and certifies that:

- A. **CONTRACTOR** shall comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 *et seq.*, the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 *et seq.*, the Fair Housing Act, and its implementing regulations and any subsequent amendments, and California Government Code Section 11135;
- B. **CONTRACTOR** shall not discriminate on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability;
- C. **CONTRACTOR** shall provide reasonable accommodation upon request to ensure equal access to **CITY**-funded programs, services and activities;
- D. Construction will be performed in accordance with the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 40; and
- E. The buildings and facilities used to provide services under this Contract are in compliance with the federal and state standards for accessibility as set forth in the 2010 ADA Standards, California Title 24, Chapter 11, or other applicable federal and state law.

CONTRACTOR understands that **CITY** is relying upon these certifications and representations as a condition to funding this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-31. Contractor Responsibility Ordinance

CONTRACTOR shall comply with the Contractor Responsibility Ordinance, LAAC Section 10.40 *et seq.*, as amended from time to time.

PSC-32. Business Inclusion Program

Unless otherwise exempted prior to bid submission, **CONTRACTOR** shall comply with all aspects of the Business Inclusion Program as described in the Request for Proposal/Qualification process, throughout the duration of this Contract. **CONTRACTOR** shall utilize the Business Assistance Virtual Network (“BAVN”) at <https://www.labavn.org/>, to perform and document outreach to Minority, Women, and Other Business Enterprises. **CONTRACTOR** shall perform subcontractor outreach activities through BAVN. **CONTRACTOR** shall not change any of its designated Subcontractors or pledged specific items of work to be performed by these Subcontractors, nor shall **CONTRACTOR** reduce their level of effort, without prior written approval of **CITY**.

PSC-33. Slavery Disclosure Ordinance

CONTRACTOR shall comply with the Slavery Disclosure Ordinance, LAAC Section 10.41 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-34. First Source Hiring Ordinance

CONTRACTOR shall comply with the First Source Hiring Ordinance, LAAC Section 10.44 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-35. Local Business Preference Ordinance

CONTRACTOR shall comply with the Local Business Preference Ordinance, LAAC Section 10.47 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-36. Iran Contracting Act

In accordance with California Public Contract Code Sections 2200-2208, all contractors entering into, or renewing contracts with **CITY** for goods and services estimated at \$1,000,000 or more are required to complete, sign, and submit the "Iran Contracting Act of 2010 Compliance Affidavit."

PSC-37. Restrictions on Campaign Contributions and Fundraising in City Elections

Unless otherwise exempt, if this Contract is valued at \$100,000 or more and requires approval by an elected **CITY** office, **CONTRACTOR**, **CONTRACTOR’S** principals, and **CONTRACTOR’S** Subcontractors expected to receive at least \$100,000 for performance under the Contract, and the principals of those Subcontractors (the “Restricted Persons”)

shall comply with Charter Section 470(c)(12) and LAMC Section 49.7.35. Failure to comply entitles **CITY** to terminate this Contract and to pursue all available legal remedies. Charter Section 470(c)(12) and LAMC Section 49.7.35 limit the ability of the Restricted Persons to make campaign contributions to and engage in fundraising for certain elected **CITY** officials or candidates for elected **CITY** office for twelve months after this Contract is signed. Additionally, a **CONTRACTOR** subject to Charter Section 470(c)(12) is required to comply with disclosure requirements by submitting a completed and signed Ethics Commission Form 55 and to amend the information in that form as specified by law. Any **CONTRACTOR** subject to Charter Section 470(c)(12) shall include the following notice in any contract with any Subcontractor expected to receive at least \$100,000 for performance under this Contract:

“Notice Regarding Restrictions on Campaign Contributions and Fundraising in City Elections

You are a subcontractor on City of Los Angeles Contract #_____. Pursuant to the City of Los Angeles Charter Section 470(c)(12) and related ordinances, you and your principals are prohibited from making campaign contributions to and fundraising for certain elected City of Los Angeles (“**CITY**”) officials and candidates for elected **CITY** office for twelve months after the **CITY** contract is signed. You are required to provide the names and contact information of your principals to the **CONTRACTOR** and to amend that information within ten business days if it changes during the twelve month time period. Failure to comply may result in termination of this Contract and any other available legal remedies. Information about the restrictions may be found online at ethics.lacity.org or by calling the Los Angeles City Ethics Commission at (213) 978-1960.”

PSC-38. Contractors’ Use of Criminal History for Consideration of Employment Applications

CONTRACTOR shall comply with the City Contractors’ Use of Criminal History for Consideration of Employment Applications Ordinance, LAAC Section 10.48 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-39. Limitation of City’s Obligation to Make Payment to Contractor

Notwithstanding any other provision of this Contract, including any exhibits or attachments incorporated therein, and in order for **CITY** to comply with its governing legal requirements, **CITY** shall have no obligation to make any payments to **CONTRACTOR** unless **CITY** shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in this Contract. **CONTRACTOR** agrees that any services provided by **CONTRACTOR**, purchases made by **CONTRACTOR** or expenses incurred by **CONTRACTOR** in excess of the appropriation(s) shall be free and without charge to **CITY** and **CITY** shall have no obligation to pay for the services, purchases or expenses. **CONTRACTOR** shall have no obligation to provide any services,

provide any equipment or incur any expenses in excess of the appropriated amount(s) until **CITY** appropriates additional funds for this Contract.

PSC-40. Compliance with Identity Theft Laws and Payment Card Data Security Standards

CONTRACTOR shall comply with all identity theft laws including without limitation, laws related to: (1) payment devices; (2) credit and debit card fraud; and (3) the Fair and Accurate Credit Transactions Act (“FACTA”), including its requirement relating to the content of transaction receipts provided to Customers. **CONTRACTOR** also shall comply with all requirements related to maintaining compliance with Payment Card Industry Data Security Standards (“PCI DSS”). During the performance of any service to install, program or update payment devices equipped to conduct credit or debit card transactions, including PCI DSS services, **CONTRACTOR** shall verify proper truncation of receipts in compliance with FACTA.

PSC-41. Compliance with California Public Resources Code Section 5164

California Public Resources Code Section 5164 prohibits a public agency from hiring a person for employment or as a volunteer to perform services at any park, playground, or community center used for recreational purposes in a position that has supervisory or disciplinary authority over any minor, if the person has been convicted of certain crimes as referenced in the Penal Code, and articulated in California Public Resources Code Section 5164(a)(2).

If applicable, **CONTRACTOR** shall comply with California Public Resources Code Section 5164, and shall additionally adhere to all rules and regulations that have been adopted or that may be adopted by **CITY**. **CONTRACTOR** is required to have all employees, volunteers and Subcontractors (including all employees and volunteers of any Subcontractor) of **CONTRACTOR** working on premises to pass a fingerprint and background check through the California Department of Justice at **CONTRACTOR’S** sole expense, indicating that such individuals have never been convicted of certain crimes as referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2), if the individual will have supervisory or disciplinary authority over any minor.

PSC-42. Possessory Interests Tax

Rights granted to **CONTRACTOR** by **CITY** may create a possessory interest. **CONTRACTOR** agrees that any possessory interest created may be subject to California Revenue and Taxation Code Section 107.6 and a property tax may be levied on that possessory interest. If applicable, **CONTRACTOR** shall pay the property tax. **CONTRACTOR** acknowledges that the notice required under California Revenue and Taxation Code Section 107.6 has been provided.

PSC-43. Confidentiality

All documents, information and materials provided to **CONTRACTOR** by **CITY** or developed by **CONTRACTOR** pursuant to this Contract (collectively “Confidential Information”) are confidential. **CONTRACTOR** shall not provide or disclose any Confidential Information or their contents or any information therein, either orally or in writing, to any person or entity, except as authorized by **CITY** or as required by law. **CONTRACTOR** shall immediately notify **CITY** of any attempt by a third party to obtain access to any Confidential Information. This provision will survive expiration or termination of this Contract.

EXHIBIT 1

INSURANCE CONTRACTUAL REQUIREMENTS

CONTACT For additional information about compliance with City Insurance and Bond requirements, contact the Office of the City Administrative Officer, Risk Management at (213) 978-RISK (7475) or go online at www.lacity.org/cao/risk. The City approved Bond Assistance Program is available for those contractors who are unable to obtain the City-required performance bonds. A City approved insurance program may be available as a low cost alternative for contractors who are unable to obtain City-required insurance.

CONTRACTUAL REQUIREMENTS

CONTRACTOR AGREES THAT:

- 1. Additional Insured/Loss Payee.** The CITY must be included as an Additional Insured in applicable liability policies to cover the CITY'S liability arising out of the acts or omissions of the named insured. The CITY is to be named as an Additional Named Insured and a Loss Payee As Its Interests May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.
- 2. Notice of Cancellation.** All required insurance will be maintained in full force for the duration of its business with the CITY. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the CITY if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.
- 3. Primary Coverage.** CONTRACTOR will provide coverage that is primary with respect to any insurance or self-insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.
- 4. Modification of Coverage.** The CITY reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving CONTRACTOR ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to CONTRACTOR, the CITY agrees to negotiate additional compensation proportional to the increased benefit to the CITY.
- 5. Failure to Procure Insurance.** All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by CONTRACTOR.

CONTRACTOR'S failure to procure or maintain required insurance or a self-insurance program during the entire term of this Contract shall constitute a material breach of this Contract under which the CITY may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance to protect the CITY'S interests and pay any and all premiums in connection therewith and recover all monies so paid from CONTRACTOR.

- 6. Workers' Compensation.** By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake

self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.

7. California Licensee. All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker or through an insurer otherwise acceptable to the CITY. Non-admitted coverage must contain a **Service of Suit** clause in which the underwriters agree to submit as necessary to the jurisdiction of a California court in the event of a coverage dispute. Service of process for this purpose must be allowed upon an agent in California designated by the insurer or upon the California Insurance Commissioner.

8. Aggregate Limits/Impairment. If any of the required insurance coverages contain annual aggregate limits, CONTRACTOR must give the CITY written notice of any pending claim or lawsuit which will materially diminish the aggregate within thirty (30) days of knowledge of same. You must take appropriate steps to restore the impaired aggregates or provide replacement insurance protection within thirty (30) days of knowledge of same. The CITY has the option to specify the minimum acceptable aggregate limit for each line of coverage required. No substantial reductions in scope of coverage which may affect the CITY'S protection are allowed without the CITY'S prior written consent.

9. Commencement of Work. For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, PSC-3, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

Required Insurance and Minimum Limits

Name: _____

Date: _____

Agreement/Reference: _____

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

	Limits
Workers' Compensation (WC) and Employer's Liability (EL)	WC <u>Statutory</u> EL _____
<input type="checkbox"/> Waiver of Subrogation in favor of City <input type="checkbox"/> Longshore & Harbor Workers <input type="checkbox"/> Jones Act	
General Liability	
<input type="checkbox"/> Products/Completed Operations <input type="checkbox"/> Sexual Misconduct <input type="checkbox"/> Fire Legal Liability _____ <input type="checkbox"/> _____	
Automobile Liability (for any and all vehicles used for this contract, other than commuting to/from work)	
Professional Liability (Errors and Omissions)	
Discovery Period _____	
Property Insurance (to cover replacement cost of building - as determined by insurance company)	
<input type="checkbox"/> All Risk Coverage <input type="checkbox"/> Boiler and Machinery <input type="checkbox"/> Flood _____ <input type="checkbox"/> Builder's Risk <input type="checkbox"/> Earthquake _____ <input type="checkbox"/> _____	
Pollution Liability	
<input type="checkbox"/> _____	
Surety Bonds - Performance and Payment (Labor and Materials) Bonds	
Crime Insurance	

Other: _____

Exhibit C
of
Concession Agreement

Proposal in Response to
RFP No. CON-M17-004
(to be submitted by Proposer)

Required Insurance and Minimum Limits

Name: RFP for the Operation and Maintenance of the Bicycle Rental Concession

Date: 03/06/2017

Agreement/Reference: _____

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

Limits

Workers' Compensation - Workers' Compensation (WC) and Employer's Liability (EL)

WC Statutory
EL \$1,000,000

Waiver of Subrogation in favor of City

Longshore & Harbor Workers
 Jones Act

General Liability City of Los Angeles must be named as an additional insured

\$1,000,000

Products/Completed Operations

Sexual Misconduct _____

Fire Legal Liability _____

Automobile Liability (for any and all vehicles used for this contract, other than commuting to/from work)

\$1,000,000

____ **Professional Liability** (Errors and Omissions)

Discovery Period 12 Months After Completion of Work or Date of Termination

____ **Property Insurance** (to cover replacement cost of building - as determined by insurance company)

All Risk Coverage

Boiler and Machinery

Flood _____

Builder's Risk

Earthquake _____

____ **Pollution Liability**

____ **Surety Bonds - Performance and Payment (Labor and Materials) Bonds**

100% of the contract price

____ **Crime Insurance**

Other: _____

CITY OF LOS ANGELES
INSTRUCTIONS AND INFORMATION
ON COMPLYING WITH CITY INSURANCE REQUIREMENTS

(Share this information with your insurance agent or broker)

1. **Agreement/Reference** All evidence of insurance must identify the nature of your business with the CITY. Clearly show any assigned number of a bid, contract, lease, permit, etc. or give the project name and the job site or street address to ensure that your submission will be properly credited. Provide the **types of coverage and minimum dollar amounts** specified on the Required Insurance and Minimum Limits sheet (Form Gen. 146) included in your CITY documents.

2. **When to submit** Normally, no work may begin until a CITY insurance certificate approval number ("CA number") has been obtained, so insurance documents should be submitted as early as practicable. For **As-needed Contracts**, insurance need not be submitted until a specific job has been awarded. **Design Professionals** coverage for new construction work may be submitted simultaneously with final plans and drawings, but before construction commences.

3. **Acceptable Evidence and Approval** Electronic submission is the best method of submitting your documents. **Track4LA**[®] is the CITY's online insurance compliance system and is designed to make the experience of submitting and retrieving insurance information quick and easy. The system is designed to be used by insurance brokers and agents as they submit client insurance certificates directly to the City. It uses the standard insurance industry form known as the **ACORD 25 Certificate of Liability Insurance** in electronic format – the CITY is a licensed redistributor of ACORD forms. **Track4LA**[®] advantages include standardized, universally accepted forms, paperless approval transactions (24 hours, 7 days per week), and security checks and balances. The easiest and quickest way to obtain approval of your insurance is to have your insurance broker or agent access **Track4LA**[®] at <http://track4la.lacity.org> and follow the instructions to register and submit the appropriate proof of insurance on your behalf.

Insurance industry certificates other than the ACORD 25 that have been approved by the State of California may be accepted, however ***submissions other than through Track4LA[®] will significantly delay the insurance approval process as documents will have to be manually processed.*** All Certificates must provide a thirty (30) days' cancellation notice provision (ten (10) days for non-payment of premium) AND an Additional Insured Endorsement naming the CITY an additional insured completed by your insurance company or its designee. If the policy includes an automatic or blanket additional insured endorsement, the Certificate must state the CITY is an automatic or blanket additional insured. An endorsement naming the CITY an Additional Named Insured and Loss Payee as Its Interests May Appear is required on property policies. All evidence of insurance must be authorized by a person with authority to bind coverage, whether that is the authorized agent/broker or insurance underwriter. Completed **Insurance Industry Certificates other than ACORD 25 Certificates** are sent electronically to CAO.insurance.bonds@lacity.org.

Additional Insured Endorsements DO NOT apply to the following:

- Indication of compliance with statute, such as Workers' Compensation Law.
- Professional Liability insurance.

Verification of approved insurance and bonds may be obtained by checking **Track4LA**[®], the CITY's online insurance compliance system, at <http://track4la.lacity.org>.

4. **Renewal** When an existing policy is renewed, have your insurance broker or agent submit a new Acord 25 Certificate or edit the existing Acord 25 Certificate through **Track4LA**[®] at <http://track4la.lacity.org>.

5. **Alternative Programs/Self-Insurance** Risk financing mechanisms such as Risk Retention Groups, Risk Purchasing Groups, off-shore carriers, captive insurance programs and self-insurance programs are subject to separate approval after the CITY has reviewed the relevant audited financial statements. To initiate a review of your program, you should complete the Applicant's Declaration of Self Insurance form (<http://cao.lacity.org/risk/InsuranceForms.htm>) to the Office of the City Administrative Officer, Risk Management for consideration.

6. **General Liability** insurance covering your operations (and products, where applicable) is required whenever the CITY is at risk of third-party claims which may arise out of your work or your presence or special event on City premises. **Sexual Misconduct** coverage is a required coverage when the work performed involves minors. **Fire Legal Liability** is required for persons occupying a portion of CITY premises. Information on two CITY insurance programs, the SPARTA program, an optional source of low-cost insurance which meets the most minimum requirements, and the Special Events Liability Insurance Program, which provides liability coverage for short-term special events on CITY premises or streets, is available at (www.2sparta.com), or by calling (800) 420-0555.

7. **Automobile Liability** insurance is required only when vehicles are used in performing the work of your Contract or when they are driven off-road on CITY premises; it is not required for simple commuting unless CITY is paying mileage. However, compliance with California law requiring auto liability insurance is a contractual requirement.

8. **Errors and Omissions** coverage will be specified on a project-by-project basis if you are working as a licensed or other professional. The length of the claims discovery period required will vary with the circumstances of the individual job.

9. **Workers' Compensation and Employer's Liability** insurance are not required for single-person contractors. However, under state law these coverages (or a copy of the state's Consent To Self Insure) must be provided if you have any employees at any time during the period of this contract. Contractors with no employees must complete a Request for Waiver of Workers' Compensation Insurance Requirement (<http://cao.lacity.org/risk/InsuranceForms.htm>). **A Waiver of Subrogation** on the coverage is required only for jobs where your employees are working on CITY premises under hazardous conditions, e.g., uneven terrain, scaffolding, caustic chemicals, toxic materials, power tools, etc. The Waiver of Subrogation waives the insurer's right to recover (from the CITY) any workers' compensation paid to an injured employee of the contractor.

10. **Property Insurance** is required for persons having exclusive use of premises or equipment owned or controlled by the CITY. **Builder's Risk/Course of Construction** is required during construction projects and should include building materials in transit and stored at the project site.

11. **Surety** coverage may be required to guarantee performance of work and payment to vendors and suppliers. A **Crime Policy** may be required to handle CITY funds or securities, and under certain other conditions. **Specialty coverages** may be needed for certain operations. For assistance in obtaining the CITY required bid, performance and payment surety bonds, please see the City of Los Angeles Bond Assistance Program website address at <http://cao.lacity.org/risk/BondAssistanceProgram.pdf> or call (213) 258-3000 for more information.

Form Gen. 87 (R. 4/09)

City of Los Angeles

Orig.. City Attorney m/s 140
 Dup. Risk Manager m/s 625-24
 Trip. Dept. Area Office or Division Head

NON-EMPLOYEE ACCIDENT OR ILLNESS REPORT

Department Reporting
 Recreation and Parks

INSTRUCTIONS: All accidents, illnesses, or injuries, no matter how minor, involving non-employees while on City property, must be reported by the City employee or department in proximity. Be complete as possible. The information provided may be needed by the City Attorney in preparing the case if legal action is necessary. Use typewriter or print carefully.

PART I – PERSONAL DATA

1. NAME (OF PERSON INJURED) (LAST) (FIRST) (MIDDLE)		2a. HOME ADDRESS (STREET) (CITY) (ZIP)	3a. PHONE NUMBER
		2b. BUSINESS ADDRESS (STREET) (CITY) (ZIP)	3b. PHONE NUMBER
4. SEX <input type="checkbox"/> M <input type="checkbox"/> F	5. DATE OF BIRTH	6. IF MINOR, NAME OF PARENT OR GUARDIAN	7. PHONE NUMBER

PART II – ACCIDENT/INJURY

8. DATE	9. TIME	10. LOCATION OF PUBLIC PROPERTY INVOLVED	11. WAS FIRST AID GIVEN? <input type="checkbox"/> YES <input type="checkbox"/> NO
12. FIRST AID GIVEN BY (NAME)		(ADDRESS)	(PHONE NUMBER)
13. PHYSICIAN/HOSPITAL INJURED TAKEN TO		(ADDRESS)	(PHONE NUMBER)
14. NATURE OF INJURIES (BE SPECIFIC)			
15. DESCRIBE ACCIDENT (IN DETAIL)			
16. NAME AND POSITION OF PERSON IMMEDIATELY IN CHARGE OF FACILITY		17. WHERE WAS RESPONSIBLE PERSON AT TIME OF ACCIDENT?	

PART III – WITNESSES

18. NAME (LAST) (FIRST) (MIDDLE)	19. ADDRESS (STREET) (CITY) (ZIP)	20. PHONE NUMBER	CITY EMPLOYEE
a.			<input type="checkbox"/> YES <input type="checkbox"/> NO
b.			<input type="checkbox"/> YES <input type="checkbox"/> NO
c.			<input type="checkbox"/> YES <input type="checkbox"/> NO
d.			<input type="checkbox"/> YES <input type="checkbox"/> NO

PART IV – STATEMENT OF INJURED PARTY OR WITNESS

21.

PART V – EMPLOYEE FILING REPORT

22. NAME AND POSITION	23. SIGNATURE	24. DATE
-----------------------	---------------	----------

SPECIAL OCCURRENCE AND LOSS REPORT

REPORT NUMBER

SEE INSTRUCTIONS ON PAGE 2					
1. NAME OF FACILITY		DATE OF OCCURRENCE	TIME	A.M.	P.M.
				<input type="checkbox"/>	<input type="checkbox"/>
2. SUBJECT OF REPORT					
3. EXACT LOCATION OF OCCURRENCE					
4. DESCRIBE WHAT HAPPENED. ESTIMATE PROPERTY DAMAGE, IF ANY					
5.					ESTIMATE OF DAMAGES
6. LIST STOLEN ITEMS. IF ANY, (EXCEPT CASH)					
QUANTITY	TYPE OF ITEM OR EQUIPMENT, DESCRIBE	DEPT NO	SERIAL NO	APPROX VALUE	
7.				TOTAL	\$0.00
8. IF MONEY WAS TAKEN INDICATE AMOUNT AND WHERE KEPT AT TIME OF THEFT. CALL CHIEF FINANCIAL OFFICER AT (213) 202-4380 LOCATION					AMOUNT
9. TOTAL LOSSES (TOTAL OF LINES 5, 7 AND 8)				TOTAL	\$0.00
10. WHO DISCOVERED LOSS? NAME		TITLE	DATE	TIME	A.M. P.M.
					<input type="checkbox"/> <input type="checkbox"/>
11. HOW WAS ENTRANCE GAINED?					
12. WHO SECURED BLDG. PRIOR TO OCCURENCE? NAME		TITLE	DATE	TIME	A.M. P.M.
					<input type="checkbox"/> <input type="checkbox"/>
13. WAS POLICE REPORT MADE? <input type="checkbox"/> YES <input type="checkbox"/> NO D.R. NUMBER					
14. HAS A WORK ORDER BEEN INITIATED FOR REPAIRS? <input type="checkbox"/> YES <input type="checkbox"/> NO WORK ORDER					
15. PERSONS INVOLVED: <input type="checkbox"/> WITNESS <input type="checkbox"/> VICTIM <input type="checkbox"/> SUSPECT					
NAME	ADDRESS	AGE	SEX	PHONE NUMBER	INDICATE <input type="checkbox"/> W <input type="checkbox"/> V <input type="checkbox"/> S
					<input type="checkbox"/> W <input type="checkbox"/> V <input type="checkbox"/> S
					<input type="checkbox"/> W <input type="checkbox"/> V <input type="checkbox"/> S
					<input type="checkbox"/> W <input type="checkbox"/> V <input type="checkbox"/> S
16. IF VEHICLE INVOLVED: YEAR MAKE		LICENSE NO	OWNERS NAME, ADDRESS AND INSURANCE CO.		
17. GIVE ANY REMEDIAL MEASURES / CORRECTIVE ACTIONS THAT WERE TAKEN, IF ANY					
18. REPORT SUBMITTED BY:		NAME	TITLE	DATE	

PRINT

PAGE 2

INSTRUCTIONS: This report must be made out in reporting any damage to, theft or loss of, private or public property or any other reportable incident occurring at any department facility and report to any member of the staff. This report to be filled out and distributed within 24 hours of incident. This form is NOT to be used for injury, accident or illness to City Employees or Non-City employees. Use general forms numbers 5020 or 87 for these purposes.

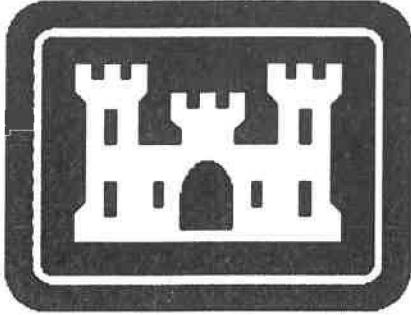
If cash is taken call Chief Financial Officer at (213) 202-4380 as soon as possible.

FILL OUT FORM AS COMPLETE AS POSSIBLE USING THE

1. Name of recreation center, park etc. date and time (if known) incident occurred.
2. Subject of report may be vandalism, theft, fire, defacing public property, indecent exposure, etc.
3. Exact location of incident at facility i.e. gym, boys restroom, merry-go-round, ball diamond, etc.
4. Describe incident, give details. Use other side of form if necessary.
5. Estimate property damage, if any, incurred as a result of the described incident.
6. List stolen or lost items. Give identifying numbers and approximate replacement cost.
7. Total cost of stolen or lost items.
8. If cash taken, state amount and location. i.e. \$10.00 from coke machine, \$50.00 from safe, etc.
9. Total losses. Add up the amounts from 5,7, and 8
10. Name and title of person discovering the loss. Give date and time discovered.
11. Describe how bldg. was entered, i.e. unauthorized key, kitchen window, forced open office door, etc.
12. Name and title of person locking up premises before incident occurred. Give date and time secured.
13. When reporting incident to police, request that reporting officer call his station and obtain a D.R. number.
Enter this number on line no. 13
14. If repairs are needed, initiate job order through channels and record Work Order number on line no. 14.
15. Obtain requested information on any persons involved. Be as complete as possible.
16. Give requested information on any city or non-city-owned vehicle involved in the purpose of this report.
17. Give any recommendations for corrective actions that should be taken to avoid further incidents.
18. Name and title of person making this report. Date report made out.

PRINT

Goto Page 1



**SEPULVEDA FLOOD
CONTROL BASIN**

**US ARMY CORPS OF ENGINEERS
LOS ANGELES DISTRICT**

**RECREATION LEASE
No.: DACW09 - 1 - 67 - 11**

LESSEE: CITY OF LOS ANGELES

Department of Recreation and Parks

DEPARTMENT OF THE ARMY

LEASE

NO. DACW09-1-67-11

FOR PUBLIC PARK AND RECREATIONAL PURPOSES

ULVEDA FLOOD CONTROL BASIN, LOS ANGELES COUNTY, CALIFORNIA PROJECT AREA

THE SECRETARY OF THE ARMY under authority of Section 4 of the Act of Congress approved 22 December 1944, as amended (76 Stat. 1195; 16 U.S.C. 460d); hereby grants to the CITY OF LOS ANGELES, a municipal corporation of the State of California, hereinafter called the lessee, a lease for a period of fifty (50) years commencing on the date of execution hereof, and shall use and occupy approximately 1,641.48 acres of land and water areas under the jurisdiction of the Department of the Army in the Sepulveda Flood Control Basin Project Area, as shown in red on Exhibit A, Drawing numbered 63-K-38.2, dated 26 April 1966, which hereto and made a part hereof, for public park and recreational purposes, and as described on Exhibit B, legal description dated 25 April 1966, File 63-K-38.2, both exhibits being attached hereto and made a part hereof. and revised 17 Nov 66,
THIS LEASE is granted subject to the following conditions:

1. The lessee shall conform to such rules and regulations as may be prescribed by the Secretary of the Army to govern the public use of the said project area, and shall comply with the provisions of the above cited Act of Congress. The lessee shall protect the property from fire, vandalism, and erosion, and may make and enforce such rules and regulations as are necessary, and within its full authority, in exercising the privileges granted in this lease, provided that such rules and regulations are not inconsistent with those prescribed by the Secretary of the Army or with the provisions of the above cited Act of Congress.

2. The lessee shall administer and maintain the leased property for the purposes of this lease, in accordance with the U.S. Army Engineers' Master ^{Recreational} Plan and the implementing General Development Plan for said property and with an Annual Management Program to be mutually agreed upon between the lessee and the U.S. Army District Engineer, in charge of the administration of the property, which may be amended from time to time as may be necessary. Such Annual Management Program shall include, but is not limited to, the following:

a. Plans for management activities to be undertaken by the lessee or jointly by the U.S. Army Engineers and the lessee, including buildups, improvements and other facilities to be constructed thereon.

b. Budget of the lessee for carrying out the management activities.

c. Personnel to be used in the management of the area.

3. The lessee shall provide the facilities and services necessary to meet the public demand for use of the area for public park and recreational purposes either directly or through concession agreements with third parties. All concession agreements shall expressly state that they are entered into subject to all of the terms and conditions of this lease and that the concession agreement shall not be effective until the terms and conditions thereof are approved by the District Engineer.

4. Admission, entrance or user fees may be charged by the lessee for the entrance to or use of or any part of the leased premises or any facilities constructed thereon, PROVIDED, prior written approval of the District Engineer is obtained.

5. The amount of any fees to be charged by the lessee and all rates and prices charged by the lessee or its concessionaires for accommodations, food (except packaged goods), and services furnished or sold to the public shall be subject to regulations and the prior approval of the District Engineer. The lessee shall, not less than 15 days prior to 30 April and 31 October of each year that

lease remains in effect, submit to the District Engineer for approval a list of the fees, rates and prices proposed for the following 6 months. The lessee shall furnish justification for any proposed fee, rate or price increase or decrease. The District Engineer will give written notice to the lessee of his approval of or objection to any proposed fee, rate or price and will, if appropriate, issue an approved fee, rate or price for each item to which an objection has been made. The lessee or its concessionaires shall keep a schedule of such fees, rates or prices posted at all times in a conspicuous place on the leased premises.

6. All monies received by the lessee from operations conducted on the leased premises, including but not limited to, entrance and admission fees and user fees and rental or other consideration received from its concessionaires, may be utilized by the lessee for the administration, maintenance, operation and further development of the leased premises. Any such monies not so utilized by the lessee shall be paid to the District Engineer at the expiration of each 5-year period of this lease. The lessee shall establish and maintain adequate records and accounts and render annual statements of receipts and expenditures to the District Engineer.

7. All structures shall be constructed and improvements accomplished in accordance with plans approved by the District Engineer.

8. The right is hereby expressly reserved to the United States, its officers, agents, and employees, to enter upon the said land and water areas at any time and for any purpose necessary or convenient in connection with river and harbor and flood control work, and to remove therefrom timber and other material required or necessary for such work, to flood said premises when necessary, and/or to make any other use of said land as may be necessary in connection with public navigation and flood control, and the lessee shall have no claim for damages of any character on account thereof against the United States or any agent, officer or employee thereof.

9. Any property of the United States damaged or destroyed by the lessee incident to the exercise of the privileges herein granted shall be promptly repaired or replaced by the lessee to the satisfaction of the District Engineer.

10. The United States, and the Los Angeles County Flood Control District shall not be responsible for damages to property or injuries to persons which may arise from or be incident to the exercise of the privileges herein granted, or for damages to the property of the lessee, or for damages to the property or injuries to the person of the lessee's officers, agents, servants, or employees or others who may be on said premises at their invitation or invitation of any one of them, arising from or incident to the flooding of said premises by the Government or flooding from any other cause, or arising from or incident to any other governmental activities on the said premises, and the lessee shall hold the United States harmless from any and all such claims.

11. This lease may be relinquished by the lessee at any time by giving to the Secretary of the Army, through the District Engineer, at least ~~thirty (30)~~ days' notice in writing.

12. This lease may be revoked by the Secretary of the Army in the event the lessee violates one hundred and eighty (180) days of the terms and conditions of this lease and continues and persists therein for a period of ~~thirty~~ ninety days after notice thereof in writing by the District Engineer.

13. On or before the date of expiration of this lease or its relinquishment by the lessee, the lessee shall vacate the said Government premises, remove all property of the lessee therefrom, and restore the premises to a condition satisfactory to the District Engineer. If, however, this lease is revoked, the lessee shall vacate the premises, remove said property therefrom, and restore the premises as aforesaid within such time as the Secretary of the Army may designate. In either event, if the lessee shall fail or neglect to remove said property and so restore the premises, then said property shall become the property of the United States without compensation therefor, and no claim for damages against the United States or its officers or agents shall be created by or made on account thereof.

14. The lessee or its concessionaires shall not discriminate against any person or persons on the basis of race, creed, color or national origin in the conduct of its operations hereunder.

15. All notices to be given pursuant to this lease shall be addressed, if to the lessee, to the City of Los Angeles, Department of Recreation and Parks, Room 505, City Hall, Los Angeles, California 90012;

or to the Government, to the District Engineer, U. S. Army Engineer District, Los Angeles, Corps of Engineers, P. O. Box 2711, Los Angeles, California 90053;

Notices may from time to time be directed by the parties. Notice shall be deemed to have been duly given if and when inclosed in a properly sealed envelope or wrapper, addressed as aforesaid and postage prepaid (or, if mailed by the Government, deposited under its franking privilege) to the post office or branch post office regularly maintained by the United States Government.

16. The lessee takes this lease and the leased premises subject to all existing easements, and easements subsequently granted during the period of said lease for electric transmission, telephone, gas, water, gas, gasoline, oil and sewer lines, and other utilities located or to be located within the area covered by this lease, provided that the proposed grant of any easement will be coordinated with the lessee and easements will not be granted which will interfere with developments, present or proposed, by the lessee.

17. Before the execution of this lease, conditions were revised, deleted, or added in the following manner:

- Revised: Granting clause and Conditions Nos. 2, 10, 11, and 12.
- Deleted: Conditions Nos. 6, 7, and 13.
- Added: Conditions Nos. 17 through 37. Conditions Nos. 17 through 36 are shown on attached sheets, marked Exhibit C, attached hereto and made a part hereof.

Assurance of Compliance With The Department of Defense Directive Under Title VI of The Civil Rights Act of 1964, attached hereto and made a part hereof (Exhibit D).

IN WITNESS WHEREOF I have hereunto set my hand this 5 day of November, 1966, by direction of the Assistant Secretary of the Army.

Sherry B. Myers
Sherry B. Myers
Chief, Real Property
Division, OASA (I&L)

Sherry B. Myers
Sherry B. Myers
Chief, Real Property
Division, OASA (I&L)

The above instrument, together with the provisions and conditions thereof, is hereby accepted this 23rd day of November, 1966.

CITY OF LOS ANGELES, a municipal corporation of the State of California, acting by and through its Board of Recreation and Park Commissioners


EST:

Robert W. Wilson
Robert W. Wilson, Secretary Title: President

COMMONWEALTH OF VIRGINIA)
) SS
COUNTY OF ARLINGTON)

On this 7th day of January, A. D., 1967, before me, Lloyd T. Ford, a Notary Public in and for the said County and State, residing therein, duly commissioned and sworn, personally appeared SHERRY B. MYERS, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he signed the same by direction of the ^{Assistant} Secretary of the Army as the free and voluntary act and deed of the United States of America for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Notary Public
Arlington County, Virginia

My Commission Expires:
Lloyd T. Ford, Notary Public
County of Arlington
State of Virginia
My Commission Expires 23 Sept. 1967

DATE: 25 April 1966
UNIT: "A-10"
ACREAGE: 1,641.48
PROJECT: Sepulveda Flood Control Basin
LOCATION: City of Los Angeles, California
FILE: 63-K-38.2

OUTGRANT TO CITY OF LOS ANGELES FOR RECREATIONAL PURPOSES

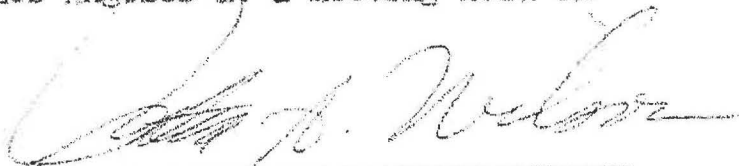
That certain land, known as Sepulveda Flood Control Basin, situate in the City of Los Angeles, County of Los Angeles, State of California, being those portions of Rancho El Encino, Lot B, as shown on map recorded in Book 4232, pages 124 and 125 of Deeds in the office of the Recorder of said County; Tract 1000 as shown on map recorded in Book 19, pages 1 to 34, inclusive, of Maps in the office of said Recorder; Tract 1201 as shown on map recorded in Book 17, page 181 of Maps in the office of said Recorder; Tract 2955 as shown on map recorded in Book 31, pages 62 to 70, inclusive, of Maps, in the office of said Recorder; Tract 5231 as shown on map recorded in Book 101, page 71 of Maps, in the office of said Recorder; Tract 8511 as shown on map recorded in Book 121, pages 26 and 27 of Maps, in the office of said Recorder; and Tract 11331 as shown on map recorded in Book 204, pages 11 and 12 of Maps, in the office of said Recorder, within the following described boundary, bearings being based on Los Angeles County Surveyor's specifications for cadastral mapping dated December 13, 1933, Grid B:

Beginning at a point in the Northerly line of said Rancho El Encino, Lot B, distant on said line North 89° 41' 00" West 675.96 feet from the Northeasterly corner of said Lot B; thence South 0° 02' 25" West 1260.13 feet to a point in a non-tangent curve concave to the Southwest having a radius of 1485.45 feet, a radial line to said curve at said point bearing North 31° 46' 53" East; thence Southeasterly along said curve through a central angle of 28° 08' 48" an arc distance of 729.73 feet; thence, tangent to said curve, South 30° 04' 19" East 731.47 feet to the beginning of a tangent curve, concave to the Northeast having a radius of 1585.45 feet; thence Southeasterly along said curve, through a central angle of 60° 00' 19", an arc distance of 1450.97 feet; thence, tangent to said curve, North 89° 55' 22" East 319.95 feet to a point in the center line of Sepulveda Boulevard, formerly San Fernando Avenue, 50 feet wide, as shown on said map of Tract 1000; thence South 0° 02' 05" West 100.00 feet; thence South 89° 55' 22" West 880 feet, more or less, to the Northeasterly corner of that certain land described in deed to Anna Ghiglia recorded in Book 1965, page 377, of Official Records in the office of said Recorder; thence South 0° 01' 56" West along the Easterly line of said land and its Southerly prolongation, 381.35 feet to a point in the center line of Oxnard Street, 50 feet wide, formerly Sixth Street, as shown on said map of Tract 1000; thence South 89° 58' 24" East along said center line 40.35 feet to a point thereon distant North 89° 58' 24" West 839.64 feet from said center line of Sepulveda Boulevard; thence

RESOLUTION NO. 5587

BE IT RESOLVED that pursuant to action taken by the Board of Recreation and Park Commissioners on November 23, 1956, Mr. Ludlow Flower, Jr., President of the Board of Recreation and Park Commissioners, be and he hereby is authorized to execute a lease with the Department of the Army, Los Angeles District, Corps of Engineers, for park and recreational development of land in the Sepulveda Flood Control Basin.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of a Resolution adopted by the Board of Recreation and Park Commissioners of the City of Los Angeles at a meeting held on November 23, 1956.



Patricia A. Wilson, Secretary

South 20° 25' 00" East 570.57 feet; thence South 15° 09' 11" East 1070.60 feet to the Northerly prolongation of the Easterly line of Lot 10 in said Tract 11331; thence South 0° 01' 57" West along said Northerly prolongation, to and along said Easterly line of Lot 10 and its Southerly prolongation and the Easterly line of Lot 35 of said Tract 11331, and its Southerly prolongation, a distance of 2223.13 feet; thence South 53° 39' 18" West 516.28 feet to a point in the Westerly line of Lot 4 of said Tract No. 1201 distant South 0° 25' 06" West 128.56 feet from the Northwesterly corner of said lot; thence South 0° 25' 06" West along said Westerly line and its Southerly prolongation, to and along the Westerly line of Lot 7 of said Tract 1201 and its Southerly prolongation 1191.60 feet to a point in the center line of Magnolia Boulevard, 80 feet wide, as now established; thence South 89° 57' 58" East along said center line, 783.69 feet to the center line of San Fernando Avenue, 50 feet wide (now Sepulveda Boulevard) as shown on said map of Tract 1000; thence South 0° 01' 52" West along said center line 1391.27 feet; thence North 75° 53' 28" West 1429.08 feet; thence North 54° 41' 52" West 1540.09 feet to a point in the center line of Haskell Avenue, 60 feet wide, as shown on said map of Tract 2955; thence North 0° 01' 38" East along said center line 159.13 feet to a point in the center line of Magnolia Boulevard, 60 feet wide, formerly Rita Street, as shown on said map of Tract 2955; thence North 89° 39' 25" West along said center line of Magnolia Boulevard 2641.53 feet to the center line of Woodley Avenue, 60 feet wide, as shown on said map; thence continuing along said center line of Magnolia Boulevard, North 89° 38' 02" West 1320.50 feet to an intersection with the Northerly prolongation of the center line of Libbit Avenue, 60 feet wide, as shown on said map; thence South 0° 01' 44" West along said prolongation and said center line of Libbit Avenue, 1620 feet, more or less, to a point distant North 0° 01' 44" East on said center line 1268.73 feet from the Southerly line of the Northerly 30 feet of Ventura Boulevard, formerly Ventura County Road, 60 feet wide, as shown on said map; thence North 89° 38' 02" West 400.00 feet; thence North 0° 01' 44" East 960.00 feet to the Southerly line of Lot 15, Block 23 of said Tract 2955; thence North 89° 38' 02" West along said Southerly line of Lot 15, the Southerly line of Lot 14 of said Block 23, and the Westerly prolongation thereof 920.24 feet to a point in the center line of Hayvenhurst Avenue, 60 feet wide, as shown on said map, distant on said center line North 0° 01' 57" East 2017.61 feet from the intersection thereof with the Southerly line of the Northerly 30 feet of said Ventura Boulevard; thence North 0° 01' 37" East along said center line 350 feet, more or less, to an intersection with the Easterly prolongation of the line forming the Southerly boundary of Lots 11 and 12 of Block 22 of said Tract 2955; thence North 89° 38' 13" West along said line and its prolongations 659.79 feet to a point in the center line of Rubio Avenue, 60 feet wide, as shown on said map; thence North 0° 01' 06" East 330 feet, more or less, to said center line of Magnolia Boulevard; thence North 89° 34' 39" West, along said center line, 445.58 feet; thence North 0° 01' 28" East 530.00 feet; thence

North 89° 34' 39" West 805.00 feet; thence North 0° 01' 28" East 1721.09 feet; thence North 89° 38' 57" West 255.00 feet; thence North 0° 01' 28" East 390.00 feet to a point in the Northerly line of the Southerly 30 feet of Burbank Boulevard, as now established, distant on said line South 89° 58' 57" East 475.00 feet from the center line of Balboa Boulevard, shown as Balboa Avenue, 60 feet wide, on said map of Tract 2955; thence North 89° 38' 37" West, along said Northerly line of the Southerly 30 feet of Burbank Boulevard, 475.00 feet to said center line of Balboa Boulevard; thence continuing along said Northerly line of the Southerly 30 feet, North 89° 38' 27" West 1320.24 feet to an intersection with the Southerly prolongation of the Westerly line of Amestoy Avenue, 30 feet wide, as shown on map of Tract 5231 recorded in Book 101, page 71 of Maps in the office of the Recorder of said County; thence North 0° 01' 18" East, along said prolongation and said Westerly line, 1475.22 feet to a point in the Northerly line of Hatteras Street, 30 feet wide, as shown on said map, said point being the Southwesterly corner of that certain land acquired by the United States of America and designated as Parcel No. 3, E.C. 383 in Final Judgment and Decree in Condemnation recorded January 22, 1941 in Book 18129, page 208 of Official Records in the office of the Recorder of said County; thence North 0° 01' 18" East along the Westerly line of said land 1474.55 feet, to a point in the Southerly line of that certain right-of-way described in a decree to the Southern Pacific Railroad Company recorded in Book 911, page 194 of Deeds, in the office of the Recorder of said County; thence South 89° 55' 43" West, along said Southerly line, 3129 feet, more or less, to a point in a line that is parallel with and distant 814.00 feet Easterly, measured along said Southerly line, from the westerly line of said Rancho El Encino, Lot B; thence North 0° 16' 25" East along said parallel line 975.00 feet; thence South 89° 55' 43" West 814.00 feet to a point in said Westerly line of Rancho El Encino, Lot B; thence North 0° 16' 25" East along said Westerly line 1290 feet, more or less, to a point in said line distant South 0° 16' 25" West 1034.17 feet from the Northwesterly corner of said Lot B; thence South 89° 57' 21" East 5254 feet, more or less, to a point in the center line of Balboa Boulevard, 60 feet wide; formerly Balboa Avenue, as described in an easement deed to the City of Los Angeles, recorded in Book 6466, page 312 of Deeds, in the office of the Recorder of said County, distant on said line South 0° 02' 55" West 30.00 feet from the center line of Victory Boulevard, described as Leesdale Street, 60 feet wide, in an easement deed to said City of Los Angeles recorded in Book 1830, page 268 of Official Records in the office of said Recorder; thence North 0° 02' 55" East, along said center line of Balboa Boulevard 30.00 feet to a point in said center line of Victory Boulevard; thence South 89° 57' 16" East along said center line 2640.52 feet to a point in the center line of Hayvenhurst Avenue, 60 feet wide, as described in Parcel No. 4 of a deed to the City of Los Angeles recorded in Book 9304, page 297 of Official Records, in the office of said Recorder; thence continuing along said center line of Victory Boulevard, South 89° 57' 48" East 5281.69 feet to a point in the Southerly prolongation of the center line of Haskell Avenue, 60 feet wide, as now established; thence North 0° 02' 25" East along said prolongation and said center line, 939.20 feet

A strip of land, 30 feet in width, lying Northerly of and adjacent to the Northerly line of said Los Angeles River channel, extending from the upstream toe of slope of said Sepulveda Dam to the Westerly boundary of said Sepulveda Flood Control Basin;

A strip of land, 30 feet in width, lying Southerly of and adjacent to the Southerly line of said Los Angeles River channel, extending from the upstream toe of slope of said Sepulveda Dam to the Westerly boundary of said Sepulveda Flood Control Basin;

A strip of land, 20 feet in width, lying Northerly and Westerly of, and adjacent to, the Northerly and Westerly line of said railroad right-of-way, extending from Encino station ground on the East to the Northerly line of said Los Angeles River channel on the Southwest.

ALSO EXCEPTING that portion granted to the State of California for the Ventura Freeway by easement deed dated 3 October 1956.

ALSO EXCEPTING that portion leased to the State of California by lease recorded 24 January 1964 in Book M1458, page 580 of Official Records in the office of said Recorder.

ALSO EXCEPTING that portion bounded on the north by the southerly line of said railroad right-of-way and on the east, south and west by the following described line:

Beginning at the intersection of the southerly line of said railroad right-of-way with the westerly line of said Haskell Avenue; thence South 0° 02' 25" West 276.04 feet; thence
North 89° 57' 48" West 366.89 feet; thence
South 0° 02' 12" West 200.00 feet; thence
North 89° 57' 48" West 490.00 feet; thence
North 0° 02' 12" East 180.00 feet; thence
North 89° 57' 48" West 480.00 feet; thence
North 0° 02' 12" East 80.00 feet; thence
North 89° 57' 48" West 124.00 feet; thence
South 0° 02' 12" West 420.00 feet; thence
North 89° 57' 48" West 400.00 feet; thence
South 0° 02' 12" West 40.00 feet; thence
North 89° 57' 48" West 120.00 feet; thence
North 0° 02' 12" East 270.00 feet; thence
North 89° 57' 48" West 500.00 feet; thence
North 0° 02' 42" East 191.67 feet; thence
North 89° 57' 48" West 676.00 feet; thence
North 0° 02' 42" East 308.33 feet, more or less, to the point of ending in said southerly line of said railroad right-of-way.

to a point in the Northerly line of said Rancho El Encino, Lot B; thence South 89° 41' 00" East 250 feet, more or less, to the point of beginning.

EXCEPTING the portion thereof within that certain right-of-way granted to the Southern Pacific Railroad Company by deed dated September 26, 1944 and recorded in Book 23954, page 365, of Official Records, in the office of said Recorder;

ALSO EXCEPTING the portion thereof lying Southerly of said railroad right-of-way and downstream from the upstream toe of slope of Sepulveda Dam, and its Southerly prolongation, as said dam is shown on Drawing No. 136/87 on file in the office of the District Engineer, Corps of Engineers, Department of the Army, in Los Angeles, California.

ALSO EXCEPTING the portion thereof lying Easterly of said railroad right-of-way and included in Los Angeles River channel as said channel is shown on Drawing No. 136/75 on file in the office of said District Engineer;

ALSO EXCEPTING the portion thereof included in Los Angeles River channel lying Westerly of said railroad right-of-way;

ALSO EXCEPTING the portion thereof lying Southerly and Easterly of said railroad right-of-way, Southerly of the Southerly line of said Los Angeles River channel, and Westerly of the Northerly prolongation of the West line of Amestoy Avenue, as said avenue is shown on map of Tract 5231 recorded in Book 101, page 71 of Maps, in the office of said Recorder;

ALSO EXCEPTING the portion thereof lying Northerly of Victory Boulevard as now established;

ALSO EXCEPTING the portion thereof lying within Victory Boulevard, Balboa Boulevard, Magnolia Boulevard, Burbank Boulevard, and White Oak Avenue, as said streets are now established.

ALSO EXCEPTING, for road purposes, strips of land described as follows:

A strip of land, 30 feet in width, lying Westerly and Northerly of, and adjacent to the upstream toe of slope of said Sepulveda Dam, extending from Victory Boulevard on the North to Magnolia Boulevard on the South;

A strip of land, 20 feet in width, lying Westerly of and adjacent to the upstream toe of slope of said Sepulveda Dam, extending from Magnolia Boulevard to the Southerly end of said dam;

ALSO EXCEPTING those portions of Rubio Avenue and Hayvenhurst Avenue lying southerly of Magnolia Boulevard.

NOTE: Whereas, the first "Also Excepting" clause deleted from this license the area lying westerly of the west line of said Libbit Avenue and easterly of the downstream toe of the dam and northerly of the service road at the southerly end of the dam, the area is intended to be, and hereby is included within the area covered by this license.

NOTE: Whereas, the first ALSO EXCEPTING excluded from the license all the area lying downstream from the upstream toe of the dam, the following described areas thereof are intended to be, and hereby are, included within the area covered by this license:

The area lying Easterly of the right-of-way of the San Diego Freeway, Southerly of the Flood Control Channel and its access road, and Westerly of the west line of Sepulveda Boulevard; ALSO the area lying Easterly of the right-of-way of the San Diego Freeway, and Northerly of the Flood Control Channel and its access road and Westerly of the west line of Sepulveda Boulevard, EXCEPT the area presently reserved for the U.S. Army Reserve Center; ALSO, the portion lying Southerly of the 100-foot right-of-way of the Southern Pacific Railroad, as same now exists, and Easterly of the right-of-way of the San Diego Freeway.

Containing 1,641.48 acres, more or less.

(Revised: 17 Nov 66)

Written by: W.S.A.

Checked by: W.S.A.

FILE: 63-K-38.2

17. That the areas initially made available to the lessee for public park, recreational, and incidental purposes by this lease, and the additional areas similarly to be made available to it from time to time hereafter as provided in Condition No. 21 hereof, shall be known as the "Sepulveda Dam Recreational Area," and said areas shall hereinafter be referred to as the "recreational areas."

18. All monies received by the lessee from operations conducted on the leased premises, including, but not limited to, entrance and admission fees and user fees and rental or other consideration received from its concessionaires, may be utilized by the lessee for the administration, maintenance, operation, and development of the leased premises, the Hansen Flood Control Basin, and/or any other flood control lands leased by the Secretary of the Army to the lessee for public park and recreational purposes. Any such monies not so utilized, or programmed for utilization in a reasonable time, by the lessee shall be paid to the District Engineer at the expiration of each 5-year period of this lease. The lessee shall establish and maintain adequate records and accounts and render annual statements of receipts and expenditures to the District Engineer.

19. All structures shall be located, constructed, and landscaping accomplished in accordance with plans approved in advance in writing by the District Engineer. No permanent type of recreational building or accessory facilities shall be erected on the land below elevation 695 M.S.L., except that open-type structures may be erected between elevation 695 M.S.L. and elevation 685 M.S.L. upon written approval of plans of such structures by the said District Engineer. The lessee shall have the right to construct and maintain upon the premises the accessory facilities normally incidental to public park and recreational improvements. It is expressly understood and agreed that in case of flood or damage to initial improvements and continuing improvements installed by the lessee, reconstruction of the original installations shall be considered to be a full and complete compliance with the provisions of Condition No. 20, and reconstruction thereof shall be optional with the lessee.

20. That within six (6) months after additional lands are made available to lessees for public park and recreational purposes, and purposes, incidental thereto, in accordance with Condition No. 21 hereof, the lessee shall likewise commence, and continue with reasonable diligence, construction and development of said additional lands in accordance with the U. S. Army Engineers' Master Recreational Plan and the implementing approved General Development Plan. If the lands so made available are not substantially developed for recreational purposes within one (1) year after date of availability, they may be withdrawn from the lessee's jurisdiction and utilized for whatever purpose the District Engineer may determine. The lessee shall continue the development of the recreational areas initially and hereafter made available to it pursuant to Condition No. 21 hereof, with the object of accomplishing by 1976 a progressive completion of the improvements, as shown on the U. S. Army Engineers' Master Recreational Plan and the implementing General Development Plan.

21. That the right is hereby reserved to the United States to renew existing agricultural leases, or to enter into new leases covering agricultural use of lands, pending the lessee's written request to the District Engineer prior to 1 May of any given year, for additional land areas to be generally contiguous to existing recreational areas. The District Engineer shall terminate or modify said agricultural leases, effective 31 October of the year application is made, and the lands applied for shall be made available to the lessee on 1 November of said year, for public park and recreational purposes and purposes incidental

accordance with the plans approved in writing by said District Engineer, and shall commit no waste of any kind or in any manner substantially change the contour or condition of the leased premises except in accordance with the plans approved in writing by said District Engineer, but the lessee may salvage such fallen or dead timber as may be required for use as firewood.

26. That the lessee shall not permit on the recreational areas any gambling or games of chance, or install and operate, or permit to be installed or operated, any devices or concessions which, in the opinion of said District Engineer, are contrary to good morals or are otherwise objectionable.

27. That the lessee shall comply with all applicable laws, ordinances, and regulations of the State, County, and municipality wherein the said leased premises are located.

28. That any and all taxes which may be lawfully imposed by the State or any of its subdivisions upon the recreational areas, the concessions or other improvements placed upon the recreational areas by the lessee or by third parties under agreements with the lessee, shall be promptly paid by the lessee or such third parties as their interests may appear.

29. For the purpose of maintaining attendance records, the Lessee shall obtain public use visitation data to said leased premises. The collection of such visitation data shall be accomplished by on-site surveys and by use of mechanical traffic counters, supplemented by information obtained from other reliable sources. The lessees shall submit this data to this District by the 10th day of each month following the month being reported on, in accordance with procedures outlined in instruction manual, "Procedures for Obtaining Public Use Visitation Data at Civil Works Projects," dated 3 December 1962, or subsequent revisions thereof.

30. That the said lessee's records and accounts shall be subject to inspection and audit at any time by the said District Engineer or his duly authorized representative.

31. That in the event of revocation, termination, or expiration of this lease, the lessee shall terminate all concession and license agreements with third parties, and the lessee and said third parties shall vacate the recreational areas and remove within ninety (90) days, or within such additional time as the Secretary of the Army may authorize, such part of the buildings, structures, equipment and/or personal property of the lessee therefrom as the lessee may elect, and restore the premises where removal of property is made, to a condition satisfactory to the District Engineer, damages beyond the control of the lessee and due to flooding and to fair wear and tear excepted. In the event the lessee shall fail or neglect to remove any buildings, structures, equipment and/or personal property and to restore the premises within ninety (90) days, or such additional time as the Secretary of the Army may authorize, then, at the option of the Secretary of the Army, said buildings, structures, equipment and/or personal property shall either become the property of the

thereto. The lessee shall not grant any concession privileges, permits, or leases of any portion of the recreational areas covered by this lease for private farming or private agricultural use.

22. That in order to protect the United States and the Los Angeles County Flood Control District and the City of Los Angeles against claims for damages which might arise out of the use and occupation of said recreational areas by persons to whom the lessee may grant concessions, or licenses, the lessee herein agrees to insert a condition in such concession, or license, which it grants pursuant to Condition No. 3 hereof, which shall be in substantially the following form:

The concessionaire or licensee, in consideration of the granting of this concession or license, agrees to hold the United States, the Los Angeles County Flood Control District, and the City of Los Angeles, harmless for any and all claims or rights of action for damages which may or might arise or accrue to said concessionaire or licensee, his officers, agents, servants, employees, or others who may be on the licensed premises at his invitation or the invitation of any one of them, by reason of injury to the property, or the persons of any of them resulting from the entry upon or the use of the licensed premises, by the United States, the Los Angeles County Flood Control District, the City of Los Angeles, or any of them, at any time, for any purpose necessary or convenient in connection with river and flood control work, or for the removal of timber required or necessary for such work, or by reason of the flooding of the licensed premises, or any part thereof, when in the judgment of any of them, such flooding is necessary in connection with flood control work.

Signed copies of each concession, or license granted by the lessee herein shall be furnished to and filed with the District Engineer.

X 23. That the lessee shall remove all debris, including logs, brush, and driftwood within the perimeter of this lease, at its own expense, and shall maintain the property at all times in a clean condition, free from weeds, brush, gullies, and floatable material so determined by the District Engineer.

24. That the Government reserves the right to make water studies and surveys, or cause or permit said studies or surveys to be made. These surveys and studies shall include, among other things, the right to make well measurements, install well points, gauge surface streams, and do all necessary work in making an intensive study of water conditions; also to construct and maintain channels for low water flow.

25. That the lessee shall cut no timber, except in furtherance of the plans for the public park and recreational area approved in writing by said District Engineer, and shall conduct no mining or drilling operations, remove no sand, gravel, or kindred substances from the ground, except such sand, gravel, or kindred substances as may be used in connection with buildings, filling, landscaping, and improvement operations on the leased premises by the lessee in

Sepulveda Flood Control Basin
City of Los Angeles

Lease No. DACW09-1-67-11

United States without compensation therefor, or the Secretary of the Army may cause same to be removed and the premises to be restored at the expense of the lessee and no claim for damages against the United States or its officers or agents shall be created by or made on account of such removal and restoration work. It is expressly understood, however, that the lessee shall not be required to restore to its original condition the land in recreational areas with respect to landscaping, planting, grading, or paving of roadways, or be responsible for the restoration thereof. Lessee may, but shall not be required to, remove or be responsible for the removal of swimming pools and accessories, underground or exposed irrigation or utility pipes where such improvements or installations have been made in accordance with the U. S. Army Engineers' Master Recreational Plan and the implementing General Development Plan.

32. That it is understood that this instrument is effective only insofar as the rights of the United States in the property covered by this lease are concerned, and the lessee shall obtain such permission as may be necessary on account of any other existing rights.

33. That no member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this lease or to any monetary benefits to arise therefrom. Nothing, however, herein contained shall be construed to extend to any incorporated company, if the lease be for the general benefit of such corporation or company.

34. This lease supersedes unnumbered license dated 13 March 1951 and Amendment No. 1 dated 28 August 1958 thereto, to the City of Los Angeles. The facilities constructed on the premises by the licensee under said license shall be and remain the property of the City of Los Angeles which shall continue the administration, operation, and maintenance of said facilities under the terms and conditions of this lease.

35. That the lessee shall not discharge waste or effluent from the leased property in such a manner that such discharge will contaminate streams or other bodies of water or otherwise become a public nuisance.

36. That the grantee furnishes as part of this contract an assurance (Exhibit D) that it will comply with Title VI of the Civil Rights Act of 1964 (78 Stat. 24) and Department of Defense Directive 5500.11 issued pursuant thereto and published in part 300 of Title 32, Code of Federal Regulations.

Sepulveda Flood Control Basin
City of Los Angeles
Lease No. DACW09-1-67-11

ASSURANCE OF COMPLIANCE WITH THE DEPARTMENT OF DEFENSE DIRECTIVE
UNDER TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

City of Los Angeles (hereinafter called "Applicant-Recipient")
(Name of Applicant-Recipient)

HEREBY AGREES THAT it will comply with title VI of the Civil Rights Act of 1964 (P.L. 88-352) and all requirements imposed by or pursuant to the Directive of the Department of Defense (32 CFR Part 300, issued as Department of Defense Directive 5500.11, December 28, 1964) issued pursuant to that title, to the end that, in accordance with title VI of that Act and the Directive, no person in the United States shall, on the ground of race, color, or national origin be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Applicant-Recipient receives Federal financial assistance from Department of the Army and HEREBY GIVES ASSURANCE THAT it will
(Component of the Department)

immediately take any measures necessary to effectuate this agreement.

If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the Applicant-Recipient by this Department of the Army, assurance shall obligate the Appli-
(Component of the Department)
cant-Recipient, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If any personal property is so provided, this assurance shall obligate the Applicant-Recipient for the period during which it retains ownership or possession of the property. In all other cases, this assurance shall obligate the Applicant-Recipient for the period during which the Federal financial assistance is extended to it by, Department of the Army.
(Component of the Department)

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts or other Federal financial assistance extended after the date hereof to the Applicant-Recipient by the Department, including installment payments after such date on account of arrangements for Federal financial assistance which were approved before such date. The Applicant-Recipient recognizes and agrees that such Federal financial assistance will be extended in reliance on the representations and agreements made in this assurance, and that the United States shall

have the right to seek judicial enforcement of this assurance. This assurance is binding on the Applicant-Recipient, its successors, transferees, and assignees and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Applicant-Recipient.

Date Nov 23, 1966 City of Los Angeles,
Board of Recreation + Park Comm.
(Applicant-Recipient)

By [Signature]
(President, Chairman of Board, or
comparable authorized official)

Dept of Recreation + Parks
505, City Hall, Los Angeles 90012
(Applicant/Recipient's Mailing Address)

11-23-66
[Signature]

Lease No. DACW09-1-67-11
Department of the Army
City of Los Angeles
Sepulveda Flood Control Basin, California

SUPPLEMENTAL AGREEMENT NO. 1

THIS SUPPLEMENTAL AGREEMENT NO. 1, entered into by and between the SECRETARY OF THE ARMY, representing the United States of America, hereinafter called the Government, and the CITY OF LOS ANGELES, a municipal corporation of the State of California, hereinafter called the lessee, WITNESSETH:

WHEREAS, on 5 January 1967, Lease No. DACW09-1-67-11 was entered into between the Government and the lessee to use and occupy, for public park and recreational purposes, 1,641.48 acres, more or less, of land and water areas designated as Unit A-10, located in the Sepulveda Flood Control Basin, Los Angeles County, California, for a term of fifty (50) years; and

WHEREAS, the lessee requested that 88.07 acres, more or less, be deleted from Lease No. DACW09-1-67-11, for the construction of a water reclamation plant by the City of Los Angeles, Department of Public Works, Sewer Design Division, for the purpose of reclaiming sewage water which will, in part, promote the public's use and enjoyment of the recreational areas of the Basin by providing irrigation for the benefit of landscape development, and the Government is agreeable thereto.

NOW THEREFORE, in consideration of the premises, the parties hereby do mutually agree that Lease No. DACW09-1-67-11 is modified, effective 1 November 1969, in the following particulars:

1. That 88.07 acres, more or less, are hereby deleted from Lease No. DACW09-1-67-11, thereby decreasing the total leased acreage from 1,641.48 acres, more or less, to 1,553.41 acres, more or less.

2. That Drawing No. 63-K-38.2, dated 26 April 1966, marked Exhibit A, and Legal Description, File No. 63-K-38.2, dated 25 April 1966, marked Exhibit B, are hereby withdrawn from the basic lease and inserted, in lieu thereof, are the following: Drawing No. 63-K-38.3, Revised 18 Nov 66, marked Exhibit A-1, said drawing showing the remaining 1,553.41 acres, more or less, delineated in red and the deleted 88.07 acres, more or less, delineated in green, and Legal Description, File No. 63-K-38.3, Revised 24 Nov 69, marked Exhibit B-1, both exhibits being attached hereto and made a part hereof.

Lease No. DACW09-1-67-11
City of Los Angeles
Sepulveda Flood Control Basin
Supplemental Agreement No. 1

3. That in all other respects the terms and conditions of the basic lease remain unchanged.

IN WITNESS WHEREOF, I have hereunto set my hand by direction of
/Assistant
the SECRETARY OF THE ARMY this 1st day of July 1971.

Sherry B. Myers
SHERRY B. MYERS
Assistant for Real Property
OASA (I&L)

THIS SUPPLEMENTAL AGREEMENT NO. 1, together with the provisions and conditions thereof, is hereby accepted this 15th day of April 1971.

CITY OF LOS ANGELES

By: Brad Pfeiffer

Title: President

BOARD OF RECREATION AND
PARK COMMISSIONERS

ATTEST:

[Signature]
Secretary
BOARD OF RECREATION AND
PARK COMMISSIONERS

Approved as to Form
Date 2-23-71
ROGER BARNETT
City Attorney
By [Signature]
Assistant

DATE: 25 April 1966
UNIT: "A-1A"
ACREAGE: 1553.41
PROJECT: Sepulveda Flood Control Basin
LOCATION: City of Los Angeles, California
FILE: 63-K-38.3

OUTGRANT TO CITY OF LOS ANGELES FOR RECREATIONAL PURPOSES

That certain land, known as Sepulveda Flood Control Basin, situate in the City of Los Angeles, County of Los Angeles, State of California, being those portions of Rancho El Encino, Lot B, as shown on map recorded in Book 4232, pages 124 and 125 of Deeds in the office of the Recorder of said County; Tract 1000 as shown on map recorded in Book 19, pages 1 to 34, inclusive, of Maps in the office of said Recorder; Tract 1201 as shown on map recorded in Book 17, page 191 of Maps in the office of said Recorder; Tract 2955 as shown on map recorded in Book 31, pages 62 to 70, inclusive, of Maps in the office of said Recorder; Tract 5231 as shown on map recorded in Book 101, page 71 of Maps in the office of said Recorder; Tract 8511 as shown on map recorded in Book 121, pages 26 and 27 of Maps in the office of said Recorder; and Tract 11331 as shown on map recorded in Book 204, pages 11 and 12 of Maps in the office of said Recorder, within the following described boundary, bearings being based on Los Angeles County Surveyor's specifications for cadastral mapping dated December 13, 1933, Grid B:

Beginning at a point in the Northerly line of said Rancho El Encino, Lot B, distant on said line North 89° 41' 00" West, 676.96 feet from the Northeasterly corner of said Lot B; thence South 0° 02' 25" West, 1260.13 feet to a point in a non-tangent curve concave to the Southwest having a radius of 1485.45 feet, a radial line to said curve at said point bearing North 31° 46' 53" East; thence Southeasterly along said curve through a central angle of 28° 08' 48", an arc distance of 729.73 feet; thence tangent to said curve South 30° 04' 19" East, 731.47 feet to the beginning of a tangent curve, concave to the Northeast having a radius of 1385.45 feet; thence Southeasterly along said curve through a central angle of 50° 00' 19", an arc distance of 1450.97 feet; thence tangent to said curve, North 89° 55' 22" East, 319.93 feet to a point in the center line of Sepulveda Boulevard, formerly San Fernando Avenue, 50 feet wide, as shown on said map of Tract 1000; thence South 0° 02' 05" West, 100.00 feet; thence South 89° 55' 22" West 880 feet, more or less, to the Northeasterly corner of that certain land described in deed to Anna Ghiglia recorder in Book 1965, page 377, of Official Records in the office of said Recorder; thence South 0° 01' 56" West along the Easterly line of said land and its Southerly prolongation, 381.35 feet to a point in the center line of Oxnard Street, 50 feet wide, formerly Sixth Street, as shown on said map of Tract 1000; thence South 89° 58' 24" East along said center line 40.35 feet to a point thereon distant North 89° 58' 24" West, 839.64 feet from said center line of Sepulveda Boulevard; thence

EXHIBIT B-1

South 20° 25' 00" East, 570.57 feet; thence South 15° 09' 11" East, 1070.60 feet to the Northerly prolongation of the Easterly line of Lot 10 in said Tract 11331; thence South 0° 01' 57" West along said Northerly prolongation, to and along said Easterly line of Lot 10 and its Southerly prolongation and the Easterly line of Lot 35 of said Tract 11331, and its Southerly prolongation, a distance of 2223.13 feet; thence South 53° 39' 18" West, 516.28 feet to a point in the Westerly line of Lot 4 of said Tract No. 1201 distant South 0° 25' 06" West, 128.56 feet from the Northwesterly corner of said lot; thence South 0° 25' 06" West along said Westerly line and its Southerly prolongation, to and along the Westerly line of Lot 7 of said Tract 1201 and its Southerly prolongation 1191.60 feet to a point in the center line of Magnolia Boulevard, 60 feet wide, as now established; thence South 89° 57' 58" East along said center line, 783.69 feet to the center line of San Fernando Avenue, 30 feet wide (now Sepulveda Boulevard) as shown on said map of Tract 1000; thence South 0° 01' 52" West along said center line 1591.27 feet; thence North 75° 53' 28" West 1429.03 feet; thence North 54° 41' 52" West 1540.09 feet to a point in the center line of Haskell Avenue, 60 feet wide, as shown on said map of Tract 2955; thence North 0° 01' 38" East along said center line 159.13 feet to a point in the center line of Magnolia Boulevard, 60 feet wide, formerly Rita Street, as shown on said map of Tract 2955; thence North 89° 39' 25" West along said center line of Magnolia Boulevard 2641.53 feet to the center line of Woodley Avenue, 60 feet wide, as shown on said map; thence continuing along said center line of Magnolia Boulevard, North 29° 38' 02" West 1320.50 feet to an intersection with the Northerly prolongation of the center line of Libbit Avenue, 60 feet wide, as shown on said map; thence South 0° 01' 44" West along said prolongation and said center line of Libbit Avenue, 1620 feet, more or less, to a point distant North 0° 01' 44" East on said center line 1263.73 feet from the Southerly line of the Northerly 30 feet of Ventura Boulevard, formerly Ventura County Road, 60 feet wide, as shown on said map; thence North 89° 38' 02" West 400.00 feet; thence North 0° 01' 44" East 960.00 feet to the Southerly line of Lot 15, Block 23 of said Tract 2955; thence North 89° 38' 02" West along said Southerly line of Lot 15, the Southerly line of Lot 14 of said Block 23, and the Westerly prolongation thereof 920.24 feet to a point in the center line of Hayvenhurst Avenue, 60 feet wide, as shown on said map, distant on said center line North 0° 01' 37" East 2017.61 feet from the intersection thereof with the Southerly line of the Northerly 30 feet of said Ventura Boulevard; thence North 0° 01' 37" East along said center line 330 feet, more or less, to an intersection with the Easterly prolongation of the line forming the Southerly boundary of Lots 11 and 12 of Block 22 of said Tract 2955; thence North 89° 38' 13" West along last said line and its prolongations 659.79 feet to a point in the center line of Rubio Avenue, 60 feet wide, as shown on said map; thence North 0° 01' 06" East 330 feet, more or less, to said center line of Magnolia Boulevard; thence North 89° 34' 39" West, along said center line, 445.58 feet; thence North 0° 01' 28" East 530.00 feet; thence

North 89° 34' 39" West 805.00 feet; thence North 0° 01' 38" East 1721.09 feet; thence North 89° 38' 57" West 255.00 feet; thence North 0° 01' 28" East, 390.00 feet to a point in the Northerly line of the Southerly 30 feet of Burbank Boulevard, as now established, distant on said line South 89° 38' 57" East, 475.00 feet from the center line of Balboa Boulevard, shown as Balboa Avenue, 60 feet wide, on said map of Tract 2955; thence North 89° 38' 57" West, along said Northerly line of the Southerly 30 feet of Burbank Boulevard, 475.00 feet to said center line of Balboa Boulevard; thence continuing along said Northerly line of the Southerly 30 feet, North 89° 38' 27" West, 1320.24 feet to an intersection with the Southerly prolongation of the Westerly line of Amestoy Avenue, 30 feet wide, as shown on map of Tract 5231 recorded in Book 101, page 71 of Maps in the office of the Recorder of said County; thence North 0° 01' 18" East, along said prolongation and said Westerly line, 1475.22 feet to a point in the Northerly line of Hatteras Street, 30 feet wide, as shown on said map, said point being the Southwesterly corner of that certain land acquired by the United States of America and designated as Parcel No. 3, E.O. 383 in Final Judgment and Decree in Condemnation recorded January 22, 1941 in Book 18129, page 208 of Official Records in the office of the Recorder of said County; thence North 0° 01' 18" East along the Westerly line of said land 1474.55 feet, to a point in the Southerly line of that certain right-of-way described in a decree to the Southern Pacific Railroad Company recorded in Book 911, page 194 of Deeds, in the office of the Recorder of said County; thence South 89° 55' 43" West, along said Southerly line, 3129 feet, more or less, to a point in a line that is parallel with and distant 814.00 feet Easterly, measured along said Southerly line, from the Westerly line of said Rancho El Encino, Lot B; thence North 0° 16' 25" East along said parallel line 975.00 feet; thence South 89° 55' 43" West, 814.00 feet to a point in said Westerly line of Rancho El Encino, Lot B; thence North 0° 16' 25" East along said Westerly line 1290 feet, more or less, to a point in said line distant South 0° 16' 25" West, 1034.17 feet from the Northwesterly corner of said Lot B; thence South 89° 57' 21" East, 5254.00 feet, more or less, to a point in the center line of Balboa Boulevard, 60 feet wide; formerly Balboa Avenue, as described in an easement deed to the City of Los Angeles, recorded in Book 6466, page 312 of Deeds, in the office of the Recorder of said County, distant on said line South 0° 02' 55" West, 30.00 feet from the center line of Victory Boulevard, described as Laesdale Street, 60 feet wide, in an easement deed to said City of Los Angeles recorded in Book 1830, page 268 of Official Records in the office of said Recorder; thence North 0° 02' 55" East, along said center line of Balboa Boulevard 30.00 feet to a point in said center line of Victory Boulevard; thence South 89° 57' 16" East, along said center line 2640.52 feet to a point in the center line of Hayvenhurst Avenue, 60 feet wide, as described in Parcel No. 4 of a deed to the City of Los Angeles recorded in Book 9304, page 297 of Official Records, in the office of said Recorder; thence continuing along said center line of Victory Boulevard, South 89° 57' 49" East, 5281.69 feet to a point in the Southerly prolongation of the center line of Haskell Avenue, 60 feet wide, as now established; thence North 0° 02' 25" East, along said prolongation and said center line, 939.20 feet

to a point in the Northerly line of said Rancho El Encino, Lot B; thence South 89° 41' 00" East 250 feet, more or less, to the point of beginning.

EXCEPTING the portion thereof within that certain right-of-way granted to the Southern Pacific Railroad Company by deed dated September 26, 1944 and recorded in Book 23964, page 365, of Official Records, in the office of said Recorder;

ALSO EXCEPTING the portion thereof lying Southerly of said railroad right-of-way and downstream from the upstream toe of slope of Sepulveda Dam, and its Southerly prolongation, as said dam is shown on Drawing No. 136/87 on file in the office of the District Engineer, Corps of Engineers, Department of the Army, in Los Angeles, California.

ALSO EXCEPTING the portion thereof lying Easterly of said railroad right-of-way and included in Los Angeles River channel as said channel is shown on Drawing No. 136/75 on file in the office of said District Engineer;

ALSO EXCEPTING the portion thereof included in Los Angeles River channel lying Westerly of said railroad right-of-way;

ALSO EXCEPTING the portion thereof lying Southerly and Easterly of said railroad right-of-way, Southerly of the Southerly line of said Los Angeles River channel, and Westerly of the Northerly prolongation of the West line of Amestoy Avenue, as said avenue is shown on map of Tract 5231 recorded in Book 101, page 71 of Maps, in the office of said Recorder;

ALSO EXCEPTING the portion thereof lying Northerly of Victory Boulevard as now established;

ALSO EXCEPTING the portion thereof lying within Victory Boulevard, Balboa Boulevard, Magnolia Boulevard, Burbank Boulevard, and White Oak Avenue, as said streets are now established.

ALSO EXCEPTING, for road purposes, strips of land described as follows:

A strip of land, 30 feet in width, lying Westerly and Northerly of, and adjacent to the upstream toe of slope of said Sepulveda Dam, extending from Victory Boulevard on the North to Magnolia Boulevard on the South;

A strip of land, 20 feet in width, lying Westerly of and adjacent to the upstream toe of slope of said Sepulveda Dam, extending from Magnolia Boulevard to the Southerly end of said dam;

A strip of land, 30 feet in width, lying Northerly of and adjacent to the Northerly line of said Los Angeles River Channel, extending from the upstream toe of slope of said Sepulveda Dam to the Westerly boundary of said Sepulveda Flood Control Basin;

A strip of land, 30 feet in width, lying Southerly of and adjacent to the Southerly line of said Los Angeles River Channel, extending from the upstream toe of slope of said Sepulveda Dam to the Westerly boundary of said Sepulveda Flood Control Basin;

A strip of land, 20 feet in width, lying Northerly and Westerly of and adjacent to the Northerly and Westerly line of said railroad right-of-way, extending from Encino station ground on the East to the Northerly line of said Los Angeles River Channel on the Southwest.

ALSO EXCEPTING that portion granted to the State of California for the Ventura Freeway by easement deed dated 3 October 1956.

ALSO EXCEPTING that portion leased to the State of California by lease recorded 24 January 1964 in Book M1438, page 580, of Official Records in the office of said Recorder.

ALSO EXCEPTING that portion bounded on the north by the southerly line of said railroad right-of-way and on the east, south and west by the following described line:

Beginning at the intersection of the Southerly line of said railroad right-of-way with the Westerly line of said Haskell Avenue; thence South $0^{\circ} 02' 12''$ West 276.05 feet; thence South $33^{\circ} 49' 54''$ East, 321.08 feet to the beginning of a tangent curve, concave Southwesterly having a radius of 650.00 feet, a radial line to said curve at said point bears North $56^{\circ} 10' 06''$ East; thence Southerly along said curve, through a central angle of $33^{\circ} 52' 06''$, an arc distance of 384.22 feet; thence South $0^{\circ} 02' 12''$ West 1211.75 feet; thence North $89^{\circ} 57' 48''$ West 2268.00 feet; thence North $0^{\circ} 02' 12''$ East 1711.18 feet; thence North $89^{\circ} 57' 48''$ West 500.00 feet; thence North $0^{\circ} 02' 42''$ East 191.67 feet; thence North $89^{\circ} 57' 48''$ West 676.00 feet; thence North $0^{\circ} 02' 42''$ East 308.33 feet, more or less, to the point of ending in said Southerly line of said railroad right-of-way.

ALSO EXCEPTING those portions of Rubio Avenue and Bayvenhurst Avenue lying Southerly of Magnolia Boulevard.

NOTE: Whereas, the first ALSO EXCEPTING clause deleted from this license the area lying Westerly of the West line of said Libbit Avenue and Easterly of the downstream toe of the dam and Northerly of the service road at the Southerly end of the dam, the area is intended to be, and hereby is, included within the area covered by this license.

NOTE: Whereas, the first ALSO EXCEPTING excluded from the license all the area lying downstream from the upstream toe of the dam, the following described areas thereof are intended to be, and hereby are, included within the area covered by this license:

The area lying Easterly of the right-of-way of the San Diego Freeway, Southerly of the flood control channel and its access road, and Westerly of the west line of Sepulveda Boulevard; ALSO the area lying Easterly of the right-of-way of the San Diego Freeway, and Northerly of the flood control channel and its access road and Westerly of the west line of Sepulveda Boulevard, EXCEPT the area presently reserved for the U. S. Army Reserve Center; ALSO, the portion lying Southerly of the 100-foot right-of-way of the Southern Pacific Railroad, as same now exists, and Easterly of the right-of-way of the San Diego Freeway.

Containing 1553.41 acres, more or less.

Revised: 24 Nov 69

Revised: 17 Nov 66

Written by: W.H.P.

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FILE NO. 63-K-38.3

EXHIBIT B-1

Lease No. DACW09-1-67-11
Department of the Army
City of Los Angeles
Sepulveda Flood Control Basin, California

SUPPLEMENTAL AGREEMENT NO. 2

THIS SUPPLEMENTAL AGREEMENT NO. 2, entered into by and between the SECRETARY OF THE ARMY, representing the United States of America, hereinafter called the Government, and the CITY OF LOS ANGELES, a municipal corporation of the State of California, hereinafter called the lessee, WITNESSETH:

WHEREAS, on 5 January 1967, Lease No. DACW09-1-67-11 was entered into between the Government and the lessee to use and occupy, for public park and recreational purposes, 1,641.48 acres, more or less, of land and water areas designated as Unit A-10, located in the Sepulveda Flood Control Basin, Los Angeles County, California, for a term of fifty (50) years; and

WHEREAS, by Supplemental Agreement No. 1, 88.07 acres, more or less, were deleted from Lease No. DACW09-1-67-11 for the construction of a water reclamation plant by the City of Los Angeles, Department of Public Works, Sewer Design Division, decreasing the total leased acreage from 1,641.48 acres, more or less, to 1,553.41 acres, more or less; and

WHEREAS, the lessee requested that 11.29 acres, more or less, be deleted from Lease No. DACW09-1-67-11, for the construction of a Los Angeles City Fire Station, thereby decreasing the total leased acreage for public park and recreational purposes, from 1,553.41 acres, more or less, to 1,542.12 acres, more or less, and the Government is agreeable thereto.

NOW, THEREFORE, in consideration of the premises, the parties hereby do mutually agree that Lease No. DACW09-1-67-11 is modified, effective as of 1 January 1971, in the following particulars:

1. That 11.29 acres, more or less, are hereby deleted from Lease No. DACW09-1-67-11, thereby decreasing the total leased acreage from 1,553.41 acres, more or less, to 1,542.12 acres, more or less.

2. That Drawing No. 63-K-38.3, marked Exhibit A-1, and Legal Description, File No. 63-K-38.3, revised 24 November 1969, marked Exhibit B-1, attached to the basic lease by Supplemental Agreement No. 1, are hereby withdrawn and inserted, in lieu thereof, are the

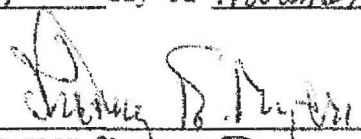
WEP
FAK

Lease No. DACW09-1-67-11
Supplemental Agreement No. 2

following: Drawing No. 63-K-38.4, marked Exhibit A-2, said drawing showing the remaining 1,542.12 acres, more or less, delineated in red and the deleted 11.29 acres, more or less, delineated in green, and Legal Description, File No. 63-K-38.4, Revised 9 December 1970, marked Exhibit B-2, both exhibits being attached hereto and made a part hereof.


3. That in all other respects the terms and conditions of the basic lease remain unchanged.

IN WITNESS WHEREOF, I have hereunto set my hand by direction of Assistant the/Secretary of the Army, this 17 day of November 1971.


SHERRY E. MYERS
Assistant for Real Property
OASA (I&L)

THIS SUPPLEMENTAL AGREEMENT NO. 2, together with the provisions and conditions thereof, is hereby accepted this 16th day of September 1971.

CITY OF LOS ANGELES

By: 
PRESIDENT
Board of Recreation
Title: & Park Commissioners

ATTEST:



SECRETARY
Board of Recreation
& Park Commissioners

Approved as to Form
Date 10/27/71
ROGER ARKINEN
City Attorney

By: 

DATE: 25 April 1966
UNIT: "A-10"
ACREAGE: 1542.12
PROJECT: Sepulveda Flood Control Basin
LOCATION: City of Los Angeles, California
FILE: 63-K-38.4

OUTGRANT TO CITY OF LOS ANGELES FOR RECREATIONAL PURPOSES

That certain land, known as Sepulveda Flood Control Basin, situate in the City of Los Angeles, County of Los Angeles, State of California, being those portions of Rancho El Encino, Lot B, as shown on map recorded in Book 4232, pages 124 and 125 of Deeds in the office of the Recorder of said County; Tract 1000 as shown on map recorded in Book 19, pages 1 to 34, inclusive, of Maps in the office of said Recorder; Tract 1201 as shown on map recorded in Book 17, page 181 of Maps in the office of said Recorder; Tract 2955 as shown on map recorded in Book 31, pages 62 to 70, inclusive, of Maps in the office of said Recorder; Tract 5231 as shown on map recorded in Book 101, page 71 of Maps in the office of said Recorder; Tract 8511 as shown on map recorded in Book 121, pages 26 and 27 of Maps, in the office of said Recorder; and Tract 11331 as shown on map recorded in Book 204, pages 11 and 12 of Maps in the office of said Recorder, within the following described boundary, bearings being based on Los Angeles County Surveyor's specifications for cadastral mapping dated December 13, 1933, Grid B:

Beginning at a point in the Northerly line of said Rancho El Encino Lot B, distant on said line North $89^{\circ} 41' 00''$ West, 676.96 feet from the Northeasterly corner of said Lot B; thence South $0^{\circ} 02' 25''$ West 1260.13 feet to a point in a non-tangent curve concave to the Southwest having a radius of 1485.45 feet, a radial line to said curve at said point bearing North $31^{\circ} 46' 53''$ East; thence Southeasterly along said curve through a central angle of $28^{\circ} 08' 48''$, an arc distance of 729.73 feet; thence tangent to said curve South $30^{\circ} 04' 19''$ East, 731.47 feet to the beginning of a tangent curve, concave to the Northeast having a radius of 1385.45 feet; thence Southeasterly along said curve through a central angle of $60^{\circ} 00' 19''$, an arc distance of 1450.97 feet; thence tangent to said curve North $89^{\circ} 55' 22''$ East, 319.93 feet to a point in the center line of Sepulveda Boulevard, formerly San Fernando Avenue, 50 feet wide, as shown on said map of Tract 1000; thence South $0^{\circ} 02' 05''$ West 100.00 feet; thence South $89^{\circ} 55' 22''$ West 880 feet, more or less, to the Northeasterly corner of that certain land described in deed to Anna Ghiglia recorded in Book 1965, page 377, of Official Records in the office of said Recorder; thence South $0^{\circ} 01' 56''$ West, along the Easterly line of said land and its Southerly prolongation, 381.35 feet to a point in the center line of Oxnard Street, 50 feet wide, formerly Sixth Street, as shown on said map of Tract 1000; thence South $89^{\circ} 58' 24''$ East, along said center line 40.35 feet to

a point thereon distant North 89° 58' 24" West, 839.64 feet from said center line of Sepulveda Boulevard; thence South 20° 25' 00" East 570.57 feet; thence South 15° 09' 11" East, 1070.60 feet to the Northerly prolongation of the Easterly line of Lot 10 in said Tract 11331; thence South 0° 01' 57" West, along said Northerly prolongation to and along said Easterly line of Lot 10 and its Southerly prolongation, and the Easterly line of Lot 35 of said Tract 11331 and its Southerly prolongation, a distance of 2223.13 feet; thence South 53° 39' 18" West, 516.28 feet to a point in the Westerly line of Lot 4 of said Tract No. 1201, distant South 0° 25' 06" West, 128.56 feet from the Northwesterly corner of said Lot; thence South 0° 25' 06" West, along said Westerly line and its Southerly prolongation, to and along the Westerly line of Lot 7 of said Tract 1201 and its Southerly prolongation, 1191.60 feet to a point in the center line of Magnolia Boulevard, 80 feet wide, as now established; thence South 89° 57' 59" East, along said center line 783.69 feet to the center line of San Fernando Avenue, 50 feet wide (now Sepulveda Boulevard), as shown on said map of Tract 1000; thence South 0° 01' 52" West, along said center line 1391.27 feet; thence North 75° 53' 28" West 1429.08 feet; thence North 54° 41' 52" West, 1540.09 feet to a point in the center line of Haskell Avenue, 60 feet wide, as shown on said map of Tract 2955; thence North 0° 01' 38" East, along said center line 159.13 feet to a point in the center line of Magnolia Boulevard, 60 feet wide, formerly Rita Street, as shown on said map of Tract 2955; thence North 89° 39' 25" West, along said center line of Magnolia Boulevard 2641.53 feet to the center line of Woodley Avenue, 60 feet wide, as shown on said map; thence continuing along said center line of Magnolia Boulevard North 89° 38' 02" West, 1320.50 feet to an intersection with the Northerly prolongation of the center line of Libbit Avenue, 60 feet wide, as shown on said map; thence South 0° 01' 44" West, along said prolongation and said center line of Libbit Avenue 1620 feet, more or less, to a point distant North 0° 01' 44" East on said center line 1268.73 feet from the Southerly line of the Northerly 30 feet of Ventura Boulevard, formerly Ventura County Road, 60 feet wide, as shown on said map; thence North 89° 38' 02" West 400.00 feet; thence North 0° 01' 44" East, 969.00 feet to the Southerly line of Lot 15, Block 23 of said Tract 2955; thence North 89° 38' 02" West, along said Southerly line of Lot 15, the Southerly line of Lot 14 of said Block 23, and the Westerly prolongation thereof 920.24 feet to a point in the center line of Hayvenhurst Avenue, 60 feet wide, as shown on said map, distant on said center line North 0° 01' 37" East, 2017.61 feet from the intersection thereof with the Southerly line of the Northerly 30 feet of said Ventura Boulevard; thence North 0° 01' 37" East, along said center line 330 feet, more or less, to an intersection with the Easterly prolongation of the line forming the Southerly boundary of Lots 11 and 12 of Block 22 of said Tract 2955; thence North 89° 38' 13" West, along last said line and its prolongations 659.79 feet to a point in the center line of Rubio Avenue, 60 feet wide, as shown on said map; thence North 0° 01' 06" East 330 feet, more or less, to said center line of

Magnolia Boulevard; thence North $89^{\circ} 34' 39''$ West, along said center line 445.58 feet; thence North $0^{\circ} 01' 28''$ East 530.00 feet; thence North $89^{\circ} 34' 39''$ West 805.00 feet; thence North $0^{\circ} 01' 28''$ East 1721.09 feet; thence North $89^{\circ} 38' 57''$ West 255.00 feet; thence North $0^{\circ} 01' 28''$ East, 390.00 feet to a point in the Northerly line of the Southerly 30 feet of Burbank Boulevard, as now established, distant on said line South $89^{\circ} 38' 57''$ East, 475.00 feet from the center line of Balboa Boulevard, shown as Balboa Avenue, 60 feet wide, on said map of Tract 2955; thence North $89^{\circ} 38' 57''$ West, along said Northerly line of the Southerly 30 feet of Burbank Boulevard, 475.00 feet to said center line of Balboa Boulevard; thence continuing along said Northerly line of the Southerly 30 feet North $89^{\circ} 38' 27''$ West, 1320.24 feet to an intersection with the Southerly prolongation of the Westerly line of Amestoy Avenue, 30 feet wide, as shown on map of Tract 5231, recorded in Book 101, page 71 of Maps in the office of the Recorder of said County; thence North $0^{\circ} 01' 18''$ East, along said prolongation and said Westerly line 1475.22 feet to a point in the Northerly line of Hatteras Street, 30 feet wide, as shown on said map, said point being the Southwesterly corner of that certain land acquired by the United States of America and designated as Parcel No. 3, E.O. 383 in Final Judgment and Decree in Condemnation recorded January 22, 1941 in Book 18129, page 208 of Official Records in the office of the Recorder of said County; thence North $0^{\circ} 01' 18''$ East, along the Westerly line of said land 1474.55 feet, to a point in the Southerly line of that certain right-of-way described in a decree to the Southern Pacific Railroad Company recorded in Book 911, page 194 of Deeds, in the office of the Recorder of said County; thence South $89^{\circ} 55' 43''$ West, along said Southerly line 3129 feet, more or less, to a point in a line that is parallel with and distant 814.00 feet Easterly, measured along said Southerly line from the Westerly line of said Rancho El Encino, Lot B; thence North $0^{\circ} 16' 25''$ East, along said parallel line 975.00 feet; thence South $89^{\circ} 55' 43''$ West, 814.00 feet to a point in said Westerly line of Rancho El Encino, Lot B; thence North $0^{\circ} 16' 25''$ East, along said Westerly line 1290 feet, more or less, to a point in said line distant South $0^{\circ} 16' 25''$ West, 1034.17 feet from the Northwesterly corner of said Lot B; thence South $89^{\circ} 57' 21''$ East, 5254.00 feet, more or less, to a point in the center line of Balboa Boulevard, 60 feet wide; formerly Balboa Avenue, as described in an easement deed to the City of Los Angeles, recorded in Book 6466, page 312 of Deeds, in the office of the Recorder of said County, distant on said line South $0^{\circ} 02' 55''$ West, 30.00 feet from the center line of Victory Boulevard, described as Leesdale Street, 60 feet wide, in an easement deed to said City of Los Angeles recorded in Book 1830, page 268 of Official Records in the office of said Recorder; thence North $0^{\circ} 02' 55''$ East, along said center line of Balboa Boulevard 30.00 feet to a point in said center line of Victory Boulevard; thence South $89^{\circ} 57' 16''$ East, along said center line 2640.52 feet to a point in the center line of Hayvenhurst Avenue, 60 feet wide, as described in Parcel No. 4 of a deed to the City of Los Angeles recorded in Book 9304, page 297 of Official Records, in the office of said Recorder; thence continuing along said center line of Victory Boulevard South $89^{\circ} 57' 48''$ East,

5281.69 feet to a point in the Southerly prolongation of the center line of Haskell Avenue, 60 feet wide, as now established; thence North 0° 02' 25" East, along said prolongation and said center line, 939.20 feet to a point in the Northerly line of said Rancho El Encino, Lot B; thence South 89° 41' 00" East 250 feet, more or less, to the point of beginning.

EXCEPTING the portion thereof within that certain right-of-way granted to the Southern Pacific Railroad Company by deed dated September 26, 1944 and recorded in Book 23964, page 365, of Official Records in the office of said Recorder;

ALSO EXCEPTING the portion thereof lying Southerly of said railroad right-of-way and downstream from the upstream toe of slope of Sepulveda Dam, and its Southerly prolongation, as said dam is shown on Drawing No. 136/87 on file in the office of the District Engineer, Corps of Engineers, Department of the Army, in Los Angeles, California.

ALSO EXCEPTING the portion thereof lying Easterly of said railroad right-of-way and included in Los Angeles River channel as said channel is shown on Drawing No. 136/75 on file in the office of said District Engineer;

ALSO EXCEPTING the portion thereof included in Los Angeles River channel lying Westerly of said railroad right-of-way;

ALSO EXCEPTING the portion thereof lying Southerly and Easterly of said railroad right-of-way, Southerly of the Southerly line of said Los Angeles River channel, and Westerly of the Northerly prolongation of the West line of Amestoy Avenue, as said avenue is shown on map of Tract 5231 recorded in Book 101, page 71 of Maps, in the office of the said Recorder;

ALSO EXCEPTING the portion thereof lying Northerly of Victory Boulevard as now established;

ALSO EXCEPTING the portion thereof lying within Victory Boulevard, Balboa Boulevard, Magnolia Boulevard, Burbank Boulevard, and White Oak Avenue, as said streets are now established.

ALSO EXCEPTING, for road purposes, strips of land described as follows:

A strip of land, 30 feet in width, lying Westerly and Northerly of and adjacent to the upstream toe of slope of said Sepulveda Dam, extending from Victory Boulevard on the North to Magnolia Boulevard on the South;

A strip of land, 20 feet in width, lying Westerly of and adjacent to the upstream toe of slope of said Sepulveda Dam, extending from Magnolia Boulevard to the Southerly end of said dam;

A strip of land, 30 feet in width, lying Northerly of and adjacent to the Northerly line of said Los Angeles River channel, extending from the upstream toe of slope of said Sepulveda Dam to the Westerly boundary of said Sepulveda Flood Control Basin;

A strip of land, 30 feet in width, lying Southerly of and adjacent to the Southerly line of said Los Angeles River channel, extending from the upstream toe of slope of said Sepulveda Dam to the Westerly boundary of said Sepulveda Flood Control Basin;

A strip of land, 20 feet in width, lying Northerly and Westerly of and adjacent to the Northerly and Westerly line of said railroad right-of-way, extending from Encino station ground on the East to the Northerly line of said Los Angeles River channel on the Southwest;

ALSO EXCEPTING that portion granted to the State of California for the Ventura Freeway by easement deed dated 3 October 1956.

ALSO EXCEPTING that portion leased to the State of California by lease recorded 24 January 1964 in Book M1438, page 580 of Official Records in the office of said Recorder.

ALSO EXCEPTING that portion bounded on the North by the Southerly line of said railroad right-of-way and on the East, South and West by the following described line;

Beginning at the intersection of the Southerly line of said railroad right-of-way with the Westerly line of said Haskell Avenue; thence South $0^{\circ} 02' 12''$ West 276.05 feet; thence South $33^{\circ} 49' 54''$ East, 321.08 feet to the beginning of a tangent curve, concave Southwesterly having a radius of 650.00 feet, a radial line to said curve at said point bears North $56^{\circ} 10' 06''$ East; thence Southerly along said curve, through a central angle of $33^{\circ} 52' 06''$, an arc distance of 384.22 feet; thence South $0^{\circ} 02' 12''$ West 1211.75 feet; thence North $89^{\circ} 57' 48''$ West 2268.00 feet; thence North $0^{\circ} 02' 12''$ East 1711.18 feet; thence North $89^{\circ} 57' 48''$ West 500.00 feet; thence North $0^{\circ} 02' 42''$ East 191.67 feet; thence North $89^{\circ} 57' 48''$ West 676.00 feet; thence North $0^{\circ} 02' 42''$ East 308.33 feet, more or less, to the point of ending in said Southerly line of said railroad right-of-way.

ALSO EXCEPTING those portions of Rubio Avenue and Hayvenhurst Avenue lying Southerly of Magnolia Boulevard.

ALSO EXCEPTING that portion described as follows:

Commencing at the intersection of the centerline of Magnolia Boulevard, 80 feet wide, with the centerline of Sepulveda Boulevard, formerly San Fernando Avenue, 50 feet wide, as shown on said map of Tract 1000; thence North $89^{\circ} 57' 58''$ West, along the centerline of Magnolia Boulevard to a point in a line parallel with and distant Westerly 50 feet, measured at right angles, from the centerline of said Sepulveda Boulevard; thence South $0^{\circ} 01' 52''$ West, along said parallel line 390.00 feet to the TRUE POINT OF BEGINNING; thence continuing South $0^{\circ} 01' 52''$ West, along said parallel line 709.90 feet; thence North $69^{\circ} 55' 12''$ West, 481.66 feet to the beginning of a tangent curve concave Northeasterly having a radius of 2460.00 feet; thence Northwesterly along said curve through a central angle of $12^{\circ} 09' 48''$, an arc distance of 522.23 feet to the Easterly line of the San Diego Freeway Right-of-Way as granted to the State of California on 3 October 1956; thence North $01^{\circ} 53' 07''$ West, along said Easterly line 129.03 feet; thence North $02^{\circ} 58' 34''$ West 186.63 feet; thence leaving said Easterly line South $89^{\circ} 57' 58''$ East, 934.59 feet to the TRUE POINT OF BEGINNING.

NOTE: Whereas, the first "Also Excepting" clause deleted from this license the area lying Westerly of the West line of said Libbit Avenue and Easterly of the downstream toe of the dam and Northerly of the service road at the Southerly end of the dam, the area is intended to be, and hereby is included within the area covered by this license.

NOTE: Whereas, the first "Also Excepting" excluded from the license all the area lying downstream from the upstream toe of the dam, the following described areas thereof are intended to be, and hereby are, included within the area covered by this license:

The area lying Easterly of the right-of-way of the San Diego Freeway, Southerly of the flood control channel and its access road, and Westerly of the West line of Sepulveda Boulevard; ALSO the area lying Easterly of the right-of-way of the San Diego Freeway, and Northerly of the flood control channel and its access road and Westerly of the West line of Sepulveda Boulevard, EXCEPT the area presently reserved for the U. S. Army Reserve Center; ALSO, the portion lying Southerly of the 100-foot right-of-way of the Southern Pacific Railroad, as same now exists, and Easterly of the right-of-way of the San Diego Freeway.

Containing 1542.12 acres, more or less.

Revised: 9 Dec 70

Revised: 24 Nov 69

Revised: 17 Nov 66

Written by: W.J.P.

6

FILE NO. 63-K-38.4

Lease No. DACW09-1-67-11
Department of the Army
City of Los Angeles
Sepulveda Flood Control Basin
Los Angeles County, California

SUPPLEMENTAL AGREEMENT NO. 3

THIS SUPPLEMENTAL AGREEMENT NO. 3, entered into by and between the SECRETARY OF THE ARMY, representing the United States of America, hereinafter called the Government, and the CITY OF LOS ANGELES, a municipal corporation of the State of California, hereinafter called the Lessee, WITNESSETH:

WHEREAS, on 5 January 1967, Lease No. DACW09-1-67-11 was entered into between the Government and the lessee to use and occupy, for public park and recreational purposes, 1,641.48 acres, more or less, of land and water areas designated as Unit A-10, located in the Sepulveda Flood Control Basin, Los Angeles County, California, for a term of fifty (50) years; and

WHEREAS, by Supplemental Agreement No. 1, 88.07 acres, more or less, were deleted from Lease No. DACW09-1-67-11 for the construction of a water reclamation plant by the City of Los Angeles, Department of Public Works, Sewer Design Division, thereby decreasing the total leased acreage from 1,641.48 acres, more or less, to 1,553.41 acres, more or less; and

WHEREAS, by Supplemental Agreement No. 2, 11.29 acres, more or less, were deleted from Lease No. DACW09-1-67-11 for the construction of a Los Angeles City Fire Station by the City of Los Angeles, thereby decreasing the total leased acreage under lease as amended by Supplemental Agreement No. 1 from 1,553.41 acres, more or less, to 1,542.12 acres, more or less; and

WHEREAS, the Department of the Navy desires to utilize 15.32 acres, more or less, within the Sepulveda Flood Control Basin, California, for a Naval and Marine Corps Reserve Training Center, subject to the conditions contained in Operating Agreement between the lessee and the Department of the Navy, marked Exhibit D, attached hereto and made a part hereof, and the lessee and the Government are agreeable thereto.

NOW, THEREFORE, in consideration of the premises the parties hereby do mutually agree that Lease No. DACW09-1-67-11 is modified in the following particulars:

W
SEP
AK
FAK

Lease No. DACW09-1-67-11
Supplemental Agreement No. 3


1. That 15.32 acres, more or less, are hereby deleted from Lease No. DACW09-1-67-11, thereby decreasing the total leased acreage as amended by Supplemental Agreement No. 2 from 1,542.12 acres, more or less, to 1,526.80 acres, more or less, subject to Conditions contained in Exhibit D attached hereto.

2. That Drawing No. 63-K-38.4, marked Exhibit A-2, and legal description, File No. 63-K-38.4, Revised 9 December 1970, marked Exhibit B-2, attached to the basic lease by Supplemental Agreement No. 2, are hereby withdrawn; and inserted, in lieu thereof, are the following:

Drawing No. 63-K-38.5, marked Exhibit A-3, said drawing showing the remaining 1,526.80 acres, more or less, delineated in red and the deleted 15.32 acres, more or less, delineated in green, and Legal Description, File No. 63-K-38.5, Revised 1 July 1971, marked Exhibit B-3, both exhibits being attached hereto and made a part hereof.

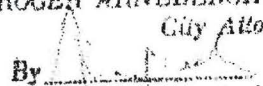
3. That in all other respects the terms and conditions of the basic lease remain unchanged.


IN WITNESS WHEREOF, I have hereunto set my hand by direction of the Secretary of the Army, this 5th day of January 1972.



SHERRY B. MYERS
Assistant for Real Property
OASA (I&L)

THIS SUPPLEMENTAL AGREEMENT NO. 3, together with the provisions and Conditions thereof, is hereby accepted this 29th day of July, 1971.

Approved as to Form
Date 9-28-71
ROGER ARNEBERG
City Attorney
By 
Assistant

CITY OF LOS ANGELES - BOARD OF RECREATION
AND PARK COMMISSIONERS
By: 
PRESIDENT

Title: _____

ATTEST:



SECRETARY

DATE: 25 April 1966
UNIT: "A-10"
ACREAGE: 1526.80
PROJECT: Sepulveda Flood Control Basin
LOCATION: City of Los Angeles, California
FILE: 63-K-38.5

OUTGRANT TO CITY OF LOS ANGELES FOR RECREATIONAL PURPOSES

That certain land, known as Sepulveda Flood Control Basin, situate in the City of Los Angeles, County of Los Angeles, State of California, being those portions of Rancho El Encino, Lot B, as shown on map recorded in Book 4232, pages 124 and 125 of Deeds in the office of the Recorder of said County; Tract 1000 as shown on map recorded in Book 19, pages 1 to 34, inclusive, of Maps in the office of said Recorder; Tract 1201 as shown on map recorded in Book 17, page 181 of Maps in the office of said Recorder; Tract 2955 as shown on map recorded in Book 31, pages 62 to 70, inclusive, of Maps in the office of said Recorder; Tract 5231 as shown on map recorded in Book 101, page 71 of Maps in the office of said Recorder; Tract 8511 as shown on map recorded in Book 121, pages 26 and 27 of Maps, in the office of said Recorder; and Tract 11331 as shown on map recorded in Book 204, pages 11 and 12 of Maps in the office of said Recorder, within the following described boundary, bearings being based on Los Angeles County Surveyor's specifications for cadastral mapping dated December 13, 1933, Grid B:

Beginning at a point in the Northerly line of said Rancho El Encino Lot B, distant on said line North $89^{\circ} 41' 00''$ West, 676.96 feet from the Northeasterly corner of said Lot B; thence South $0^{\circ} 02' 25''$ West 1260.13 feet to a point in a non-tangent curve concave to the Southwest having a radius of 1485.45 feet, a radial line to said curve at said point bearing North $31^{\circ} 46' 53''$ East; thence Southeasterly along said curve through a central angle of $28^{\circ} 08' 48''$, an arc distance of 729.73 feet; thence tangent to said curve South $30^{\circ} 04' 19''$ East, 731.47 feet to the beginning of a tangent curve, concave to the Northeast having a radius of 1385.45 feet; thence Southeasterly along said curve through a central angle of $60^{\circ} 00' 19''$, an arc distance of 1450.97 feet; thence tangent to said curve North $89^{\circ} 55' 22''$ East, 319.93 feet to a point in the center line of Sepulveda Boulevard, formerly San Fernando Avenue, 50 feet wide, as shown on said map of Tract 1000; thence South $0^{\circ} 02' 05''$ West 100.00 feet; thence South $89^{\circ} 55' 22''$ West 880 feet, more or less, to the Northeasterly corner of that certain land described in deed to Anna Ghiglia recorded in Book 1965, page 377, of Official Records in the office of said Recorder; thence South $0^{\circ} 01' 56''$ West, along the Easterly line of said land and its Southerly prolongation, 381.35 feet to a point in the center line of Oxnard Street, 50 feet wide, formerly Sixth Street, as shown on said map of Tract 1000; thence South $89^{\circ} 58' 24''$ East, along said center line 40.35 feet to

EXHIBIT B - 3

a point thereon distant North 89° 58' 24" West, 839.64 feet from said center line of Sepulveda Boulevard; thence South 20° 25' 00" East 570.57 feet; thence South 15° 09' 11" East, 1070.60 feet to the Northerly prolongation of the Easterly line of Lot 10 in said Tract 11331; thence South 0° 01' 57" West, along said Northerly prolongation to and along said Easterly line of Lot 10 and its Southerly prolongation, and the Easterly line of Lot 35 of said Tract 11331 and its Southerly prolongation, a distance of 2223.13 feet; thence South 53° 39' 18" West, 516.28 feet to a point in the Westerly line of Lot 4 of said Tract No. 1201, distant South 0° 25' 06" West, 128.56 feet from the Northwesterly corner of said lot; thence South 0° 25' 06" West, along said Westerly line and its Southerly prolongation, to and along the Westerly line of Lot 7 of said Tract 1201 and its Southerly prolongation, 1191.60 feet to a point in the center line of Magnolia Boulevard, 80 feet wide, as now established; thence South 89° 57' 38" East, along said center line 783.69 feet to the center line of San Fernando Avenue, 50 feet wide (now Sepulveda Boulevard), as shown on said map of Tract 1000; thence South 0° 01' 52" West, along said center line 1391.27 feet; thence North 75° 53' 28" West 1429.08 feet; thence North 54° 41' 52" West, 1540.09 feet to a point in the center line of Haskell Avenue, 60 feet wide, as shown on said map of Tract 2955; thence North 0° 01' 38" East, along said center line 159.13 feet to a point in the center line of Magnolia Boulevard, 60 feet wide, formerly Rita Street, as shown on said map of Tract 2955; thence North 89° 39' 25" West, along said center line of Magnolia Boulevard 2641.53 feet to the center line of Woodley Avenue, 60 feet wide, as shown on said map; thence continuing along said center line of Magnolia Boulevard North 89° 38' 02" West, 1320.50 feet to an intersection with the Northerly prolongation of the center line of Libbit Avenue, 60 feet wide, as shown on said map; thence South 0° 01' 44" West, along said prolongation and said center line of Libbit Avenue 1620 feet, more or less, to a point distant North 0° 01' 44" East on said center line 1269.73 feet from the Southerly line of the Northerly 30 feet of Ventura Boulevard, formerly Ventura County Road, 60 feet wide, as shown on said map; thence North 89° 38' 02" West 400.00 feet; thence North 0° 01' 44" East, 960.00 feet to the Southerly line of Lot 15, Block 23 of said Tract 2955; thence North 89° 38' 02" West, along said Southerly line of Lot 15, the Southerly line of Lot 14 of said Block 23, and the Westerly prolongation thereof 920.24 feet to a point in the center line of Hayvenhurst Avenue, 50 feet wide, as shown on said map, distant on said center line North 0° 01' 37" East, 2017.61 feet from the intersection thereof with the Southerly line of the Northerly 30 feet of said Ventura Boulevard; thence North 0° 01' 37" East, along said center line 330 feet, more or less, to an intersection with the Easterly prolongation of the line forming the Southerly boundary of Lots 11 and 12 of Block 22 of said Tract 2955; thence North 89° 38' 13" West, along last said line and its prolongations 659.79 feet to a point in the center line of Rubio Avenue, 60 feet wide, as shown on said map; thence North 0° 01' 06" East 330 feet, more or less, to said center line of

Magnolia Boulevard; thence North 89° 34' 39" West, along said center line 445.58 feet; thence North 0° 01' 28" East 530.00 feet; thence North 89° 34' 39" West 805.00 feet; thence North 0° 01' 28" East 1721.09 feet; thence North 89° 38' 57" West 255.00 feet; thence North 0° 01' 28" East, 390.00 feet to a point in the Northerly line of the Southerly 30 feet of Burbank Boulevard, as now established, distant on said line South 89° 38' 57" East, 475.00 feet from the center line of Balboa Boulevard, shown as Balboa Avenue, 60 feet wide, on said map of Tract 2955; thence North 89° 38' 57" West, along said Northerly line of the Southerly 30 feet of Burbank Boulevard, 475.00 feet to said center line of Balboa Boulevard; thence continuing along said Northerly line of the Southerly 30 feet North 89° 38' 27" West, 1320.24 feet to an intersection with the Southerly prolongation of the Westerly line of Amestoy Avenue, 30 feet wide, as shown on map of Tract 5231, recorded in Book 101, page 71 of Maps in the office of the Recorder of said County; thence North 0° 01' 18" East, along said prolongation and said Westerly line 1475.22 feet to a point in the Northerly line of Hatteras Street, 30 feet wide, as shown on said map, said point being the Southwesterly corner of that certain land acquired by the United States of America and designated as Parcel No. 3, E.O. 383 in Final Judgment and Decree in Condemnation recorded January 22, 1941 in Book 18129, page 208 of Official Records in the office of the Recorder of said County; thence North 0° 01' 18" East, along the Westerly line of said land 1474.55 feet, to a point in the Southerly line of that certain right-of-way described in a decree to the Southern Pacific Railroad Company recorded in Book 911, page 194 of Deeds, in the office of the Recorder of said County; thence South 89° 55' 43" West, along said Southerly line 3129 feet, more or less, to a point in a line that is parallel with and distant 814.00 feet Easterly, measured along said Southerly line from the Westerly line of said Rancho El Encino, Lot B; thence North 0° 16' 25" East, along said parallel line 975.00 feet; thence South 89° 55' 43" West, 814.00 feet to a point in said Westerly line of Rancho El Encino, Lot B; thence North 0° 16' 25" East, along said Westerly line 1290 feet, more or less, to a point in said line distant South 0° 16' 25" West, 1034.17 feet from the Northwesterly corner of said Lot B; thence South 89° 57' 21" East, 5254.00 feet, more or less, to a point in the center line of Balboa Boulevard, 60 feet wide; formerly Balboa Avenue, as described in an easement deed to the City of Los Angeles, recorded in Book 6466, page 312 of Deeds, in the office of the Recorder of said County, distant on said line South 0° 02' 55" West, 30.00 feet from the center line of Victory Boulevard, described as Leesdale Street, 60 feet wide, in an easement deed to said City of Los Angeles recorded in Book 1830, page 268 of Official Records in the office of said Recorder; thence North 0° 02' 55" East, along said center line of Balboa Boulevard 30.00 feet to a point in said center line of Victory Boulevard; thence South 89° 57' 16" East, along said center line 2640.52 feet to a point in the center line of Hayvenhurst Avenue, 60 feet wide, as described in Parcel No. 4 of a deed to the City of Los Angeles recorded in Book 9304, page 297 of Official Records, in the office of said Recorder; thence continuing along said center line of Victory Boulevard South 89° 57' 48" East,

5281.69 feet to a point in the Southerly prolongation of the center line of Haskell Avenue, 60 feet wide, as now established; thence North $0^{\circ} 02' 25''$ East, along said prolongation and said center line, 939.20 feet to a point in the Northerly line of said Rancho El Encino, Lot B; thence South $89^{\circ} 41' 00''$ East 250 feet, more or less, to the point of beginning.

EXCEPTING the portion thereof within that certain right-of-way granted to the Southern Pacific Railroad Company by deed dated September 26, 1944 and recorded in Book 23964, page 365, of Official Records in the office of said Recorder;

ALSO EXCEPTING the portion thereof lying Southerly of said railroad right-of-way and downstream from the upstream toe of slope of Sepulveda Dam, and its Southerly prolongation, as said dam is shown on Drawing No. 136/87 on file in the office of the District Engineer, Corps of Engineers, Department of the Army, in Los Angeles, California.

ALSO EXCEPTING the portion thereof lying Easterly of said railroad right-of-way and included in Los Angeles River channel as said channel is shown on Drawing No. 136/75 on file in the office of said District Engineer:

ALSO EXCEPTING the portion thereof included in Los Angeles River channel lying Westerly of said railroad right-of-way;

ALSO EXCEPTING the portion thereof lying Southerly and Easterly of said railroad right-of-way, Southerly of the Southerly line of said Los Angeles River channel, and Westerly of the Northerly prolongation of the West line of Amestoy Avenue, as said avenue is shown on map of Tract 5231 recorded in Book 101, page 71 of Maps, in the office of the said Recorder;

ALSO EXCEPTING the portion thereof lying Northerly of Victory Boulevard as now established;

ALSO EXCEPTING the portion thereof lying within Victory Boulevard, Balboa Boulevard, Magnolia Boulevard, Burbank Boulevard, and White Oak Avenue, as said streets are now established.

ALSO EXCEPTING, for road purposes, strips of land described as follows:

A strip of land, 30 feet in width, lying Westerly and Northerly of and adjacent to the upstream toe of slope of said Sepulveda Dam, extending from Victory Boulevard on the North to Magnolia Boulevard on the South;

A strip of land, 20 feet in width, lying Westerly of and adjacent to the upstream toe of slope of said Sepulveda Dam, extending from Magnolia Boulevard to the Southerly end of said dam;

A strip of land, 30 feet in width, lying Northerly of and adjacent to the Northerly line of said Los Angeles River channel, extending from the upstream toe of slope of said Sepulveda Dam to the Westerly boundary of said Sepulveda Flood Control Basin;

A strip of land, 30 feet in width, lying Southerly of and adjacent to the Southerly line of said Los Angeles River channel, extending from the upstream toe of slope of said Sepulveda Dam to the Westerly boundary of said Sepulveda Flood Control Basin;

A strip of land, 20 feet in width, lying Northerly and Westerly of and adjacent to the Northerly and Westerly line of said railroad right-of-way, extending from Encino station ground on the East to the Northerly line of said Los Angeles River channel on the Southwest;

ALSO EXCEPTING that portion granted to the State of California for the Ventura Freeway by easement deed dated 3 October 1956.

ALSO EXCEPTING that portion leased to the State of California by lease recorded 24 January 1964 in Book M1438, page 580 of Official Records in the office of said Recorder.

ALSO EXCEPTING that portion bounded on the North by the Southerly line of said railroad right-of-way and on the East, South and West by the following described line;

Beginning at the intersection of the Southerly line of said railroad right-of-way with the Westerly line of said Haskell Avenue; thence South $0^{\circ} 02' 12''$ West 276.05 feet; thence South $33^{\circ} 49' 54''$ East, 321.08 feet to the beginning of a tangent curve, concave Southwesterly having a radius of 650.00 feet, a radial line to said curve at said point bears North $56^{\circ} 10' 06''$ East; thence Southerly along said curve, through a central angle of $33^{\circ} 52' 06''$, an arc distance of 384.22 feet; thence South $0^{\circ} 02' 12''$ West 1211.75 feet; thence North $89^{\circ} 57' 48''$ West 2268.00 feet; thence North $0^{\circ} 02' 12''$ East 1711.18 feet; thence North $89^{\circ} 57' 48''$ West 500.00 feet; thence North $0^{\circ} 02' 42''$ East 191.67 feet; thence North $89^{\circ} 57' 48''$ West 676.00 feet; thence North $0^{\circ} 02' 42''$ East 308.33 feet, more or less, to the point of ending in said Southerly line of said railroad right-of-way.

ALSO EXCEPTING those portions of Rubio Avenue and Hayvenhurst Avenue lying Southerly of Magnolia Boulevard.

ALSO EXCEPTING that portion described as follows:

Commencing at the intersection of the centerline of Magnolia Boulevard, 80 feet wide, with the centerline of Sepulveda Boulevard, formerly San Fernando Avenue, 50 feet wide, as shown on said map of Tract 1000; thence North 89° 57' 58" West, along the centerline of Magnolia Boulevard to a point in a line parallel with and distant westerly 50 feet, measured at right angles, from the centerline of said Sepulveda Boulevard; thence South 0° 01' 52" West, along said parallel line 390.00 feet to the TRUE POINT OF BEGINNING; thence continuing South 0° 01' 52" West, along said parallel line 709.90 feet; thence North 69° 55' 12" West, 481.66 feet to the beginning of a tangent curve concave Northeasterly having a radius of 2460.00 feet; thence Northwesterly along said curve through a central angle of 12° 09' 48", an arc distance of 522.23 feet to the Easterly line of the San Diego Freeway Right-of-Way as granted to the State of California on 3 October 1956; thence North 01° 53' 07" West, along said Easterly line 129.03 feet; thence North 02° 58' 34" West 186.63 feet; thence leaving said Easterly line South 89° 57' 58" East 934.59 feet to the TRUE POINT OF BEGINNING.

ALSO EXCEPTING the portion thereof lying Southerly of said railroad right-of-way, easterly and northerly of the following described line and westerly of Balboa Boulevard:

Beginning at a point in the Southerly line of that certain strip of land 100.00 feet wide, described as Strip "D" in a said deed to Southern Pacific Railroad Company, said point being North 89° 57' 05" West (recorded South 89° 57' 21" East) 142.21 feet from the easterly terminus of said Strip "D"; thence South 00° 02' 55" West 575.00 feet; thence South 89° 57' 05" East 1300.00 feet to the westerly line of said Balboa Boulevard.

NOTE: Whereas, the first "Also Excepting" clause deleted from this license the area lying Westerly of the West line of said Libbit Avenue and Easterly of the downstream toe of the dam and Northerly of the service road at the Southerly end of the dam, the area is intended to be, and hereby is included within the area covered by this license.

NOTE: Whereas, the first "Also Excepting" excluded from the license all the area lying downstream from the upstream toe of the dam, the following described areas thereof are intended to be, and hereby are, included within the area covered by this license:

The area lying Easterly of the right-of-way of the San Diego Freeway, Southerly of the flood control channel and its access road, and Westerly of the West line of Sepulveda Boulevard; ALSO the area lying Easterly of the right-of-way of the San Diego Freeway, and Northerly of the flood control channel and its access road and Westerly of the West line of Sepulveda Boulevard, EXCEPT the area presently reserved for

the U.S. Army Reserve Center; ALSO, the portion lying Southerly of the 100-foot right-of-way of the Southern Pacific Railroad, as same now exists, and Easterly of the right-of-way of the San Diego Freeway.

Containing 1526.80 acres, more or less.

Revised: 1 Jul 71

Revised: 11 Jun 71

Revised: 9 Dec 70

Revised: 24 Nov 69

Revised: 17 Nov 66

Written by: W.J.P.

OPERATING AGREEMENT

BETWEEN THE DEPARTMENT OF THE NAVY AND THE DEPARTMENT OF
RECREATION AND PARKS, CITY OF LOS ANGELES, CALIFORNIA

1. This document expresses an agreement reached as of 1 May 1971 by and between the Department of the Navy, hereinafter called NAVY, and the Department of Recreation and Parks, hereinafter called PARKS.
2. The Department of the Army, acting by and through the District Engineer, Los Angeles, has made this Agreement an Exhibit to its Permit to the NAVY for an indefinite term, authorizing use and occupancy of approximately fifteen acres of land within the limits of the Sepulveda Flood Control Basin, Los Angeles County, California, adjacent to Balboa and Victory. It is the intention of NAVY to construct and operate a Naval and Marine Corps Reserve Training Center at this site.
3. Said site is part of the Sepulveda Basin Recreational Area leased by the Army to PARKS for recreational purposes. On 1 May 1971, PARKS agreed to the deletion of said site for NAVY's proposed improvements.
4. NAVY agrees that said improvements shall be made available to PARKS for recreational uses at all reasonable times not required for military uses, subject to the following terms and conditions:
 - a. Representatives of PARKS will meet with the Commanding Officer of said Training Center at the start of each quarter of the calendar year to program use of said Center insofar as military requirements, as known at that time, will permit.
 - b. A license in the form attached hereto, as modified, will be issued quarterly for functions sponsored by PARKS in accordance with current NAVY instructions. Specific activities that may be scheduled under the license shall include the following:
 - (1) Sports activities, including team play and classes.
 - (2) Arts and crafts activities.
 - (3) Social events such as parties and dances.
 - (4) Meetings of charitable, civic and educational organizations such as the Boy Scouts of America. The Commanding Officer shall also schedule activities of such groups as member organizations of the Navy-

EXHIBIT D

Marine Corps Council and the American Red Cross. The times set aside for these events shall not be available for City-sponsored recreational activities.

(5) Nonmilitary use of any swimming pool and other recreational facilities that may be established at the Center limited to Department-sponsored organizations and activities, school and college clubs, and classes and other responsible organizations recognized by NAVY.

c. The Commanding Officer of the said Center may approve the issuance of licenses for authorized purposes to other than PARKS whenever such occasions arise provided they do not conflict with previously arranged schedules made with PARKS.

5. PARKS agrees that its use of said Center shall be subject to the following conditions:

a. No event may be scheduled except during those times established at the quarterly meetings, or as subsequently mutually agreed upon.

b. The City shall notify the Commanding Officer of every scheduled event.

c. Any event is subject to cancellation or postponement without prior notice at the option of NAVY.

d. Every event must be organized and supervised in a manner acceptable to the Commanding Officer.

e. The City shall assume all liability for its scheduled events in accordance with Naval regulations, or shall require the sponsoring organizations to save and hold harmless the United States Navy, the Corps of Engineers, and the City, and to provide sufficient insurance naming those agencies as additional insureds.

f. After each event, PARKS shall return the premises to its original condition. No construction or structural alteration of the premises is authorized, regardless of the City's intent to restore the premises.

g. All nondiscrimination laws and other Federal, State, and local laws and regulations regarding public usage shall be enforced.

6. This Operating Agreement shall terminate in the event the said Center is disestablished, upon the termination of PARKS' lease with the Army, or upon mutual agreement of the parties hereto.

7. The parties hereto have executed this agreement as of the day and year first written above.

DEPARTMENT OF RECREATION & PARKS

By: Brad Pyle, Jr.
President, Board of Recreation &
Park Commissioners

By: [Signature]
Secretary, Board of Recreation &
Park Commissioners

DEPARTMENT OF THE NAVY

[Signature]
LEON CONNER
Acting Director
Real Estate Division

10. GENERAL PROVISIONS

a. The Licensor hereby grants to the Licensee the non-exclusive right to use the premises or facilities described in Item 3 together with the necessary rights of ingress and egress.

b. This License shall be effective for the period stated in Item 2 and is revocable at any time without notice at the option and discretion of the Licensor or its duly authorized representative.

c. The use shall be limited to the purposes specified herein.

d. This License shall be neither assignable nor transferable by the Licensee.

~~e. The Licensee, not the Licensor, shall be liable for its use of the premises the Licensee shall reimburse the Licensor for the cost thereof as determined by the Licensor in accordance with applicable statutes and regulations.~~

f. The Licensee, at its own cost and expense, shall protect, maintain, and keep in good order, the premises or facilities licensed hereby. At the discretion of the Licensor this obligation shall include, but not be limited to, contribution toward the expense of long-term maintenance of the premises or facilities, the necessity for which accrued during the period of its use. The amount of expense to be borne by the Licensee shall be determined by prorating the total expense of the item of long-term maintenance on the basis of fractional use by the Licensee. This fractional part of the total expense shall be prorated further if the item of long-term maintenance did not accrue in its entirety during the Licensee's use. Upon a determination by the Licensor that the necessity exists for an expenditure of funds for maintenance, protection, preservation or repair, the Licensee shall pay to the Licensor its proportionate share of the cost.

g. No additions to, or alterations of, the premises or facilities shall be made without the prior consent of the Licensor. Upon evacuation or surrender of this License, to the extent directed by the Licensor, the Licensee shall remove all alterations, additions, betterments and improvements made, or installed and restore the premises or facilities to the same, or as good condition as existed on the date of entry under this License, reasonable wear and tear excepted.

h. The Licensee shall be liable for any loss of, or damage to, the premises or facilities incurred as a result of its use and shall make such restoration or repair, or monetary compensation as may be directed by the Licensor. The Licensee's liability for loss or damage to the premises resulting from risks expressly required to be insured hereunder shall not exceed the amount of insurance so required. The Licensee shall not be liable for loss of, or damage to, the premises arising from causes beyond the control of the Licensee and occasioned by a risk not in fact covered by insurance and not customarily covered by insurance in the locality in which the premises are situated. Nothing contained herein, however, shall relieve the Licensee of liability with respect to any loss or damage to the premises, not fully compensated for by insurance, which results from willful misconduct, lack of good faith, or failure to exercise due diligence, on the part of the Licensee. All insurance required of the Licensee on the premises shall be for the protection of the Licensor and the Licensee against their respective risks and liabilities in connection with the premises. Each policy of insurance against loss or damage to Government property shall name the Licensee and the United States of America, Department of the Navy, as the insured and shall contain a loss payable clause reading substantially as follows:

"Loss, if any, under this policy shall be adjusted with (Name of Licensee) and the proceeds, at the direction of the Government, shall be payable to (Name of Licensee), and proceeds not paid to (Name of Licensee) shall be payable to the Treasurer of the United States of America."

In the event that any item or part of the premises or facilities shall require repair, rebuilding or replacement resulting from loss or damage, the risk of which is assumed under this paragraph h, the Licensee shall promptly give notice thereof to the Licensor and, to the extent of its liability as provided in this paragraph, shall, upon demand, either compensate the Government for such loss or damage, or rebuild, replace or repair the item or items of the premises or facilities so lost or damaged, as the

Licensor may elect. If the cost of such repair, rebuilding, or replacement exceeds the liability of the Licensee for such loss or damage, the Licensee shall effect such repair, rebuilding or replacement if required so to do by the Licensor, and such excess of cost shall be reimbursed to the Licensee by the Licensor. In the event the Licensee shall have effected any repair, rebuilding or replacement which the Licensee is required to effect pursuant to this paragraph, the Licensor shall direct payment to the Licensee of so much of the proceeds of any insurance carried by the Licensee and made available to the Government on account of loss of or damage to any item or part of the premises or facilities as may be necessary to enable the Licensee to effect such repair, rebuilding or replacement. In event the Licensee shall not have been required to effect such repair, rebuilding, or replacement, and the insurance proceeds allocable to the loss or damage which has created the need for such repair, rebuilding or replacement have been paid to the Licensee, the Licensee shall promptly refund to the Licensor the amount of such proceeds.

i. The Licensee shall indemnify and save harmless the Government, its officers, agents, servants and employees from all liability under the Federal Tort Claims Act (62 Stat. 969, 982; 28 U.S.C. Sec. 2671, 2680) or otherwise, for death or injury to all persons, or loss or damage to the property of all persons resulting from the use of the premises by the Licensee and shall furnish the insurance specified in Item 9. Such policy of insurance required in Item 9 covering bodily injuries and third party property damage shall contain an endorsement reading substantially as follows:

"The insurer waives any right of subrogation against the United States of America which might arise by reason of any payment made under this policy."

j. All insurance required by this License shall be in such form, for such periods of time, and with such insurers as the Licensor may require or approve. A certificate of insurance or a certified copy of each policy of insurance taken out hereunder shall be deposited with the Licensor's local representative prior to the use of the premises and facilities. The Licensee agrees that not less than thirty (30) days prior to the expiration of any insurance required by this License, it will deliver to the Licensor's local representative a certificate of insurance or a certified copy of each renewal policy to cover the same risks.

k. No member of or Delegate to Congress, or Resident Commissioner shall be admitted to any share or part of this grant or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this grant if made with a corporation for its general benefit.

l. The Licensee warrants that it has not employed any person to solicit or secure this License upon any agreement for a commission, percentage, brokerage or contingent fee. Breach of this warranty shall give the Government the right to annul this License or in its discretion to recover from the Licensee the amount of such commission, percentage, brokerage or contingent fee in addition to the consideration herein set forth. This warranty shall not apply to commissions payable by the Licensee upon contracts or sales secured or made through bona fide established commercial or selling agencies maintained by the Licensee for the purpose of securing business.

m. In connection with the performance of work under this License, the Licensee agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; lay-off or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Licensee agrees to post hereafter in conspicuous places available for employees and applicants for employment, notices to be provided by the Licensor setting forth the provisions of the non-discrimination clause. The Licensee further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

n. All activities authorized hereunder shall be subject to such rules and regulations as regards supervision or otherwise, as may, from time to time, be prescribed by the local representative of the Licensor as designated in Item 3a.

LICENSE FOR NON FEDERAL USE OF REAL PROPERTY

NAVDCAS 2240 (1-56)

LICENSE NUMBER

THIS LICENSE TO USE THE U.S. GOVERNMENT PROPERTY HEREIN DESCRIBED IS ISSUED BY THE DEPARTMENT OF THE NAVY TO THE LICENSEE NAMED BELOW FOR THE PURPOSE HEREIN SPECIFIED UPON THE TERMS AND CONDITIONS SET FORTH BELOW AND THE GENERAL PROVISIONS ON THE REVERSE SIDE HEREOF. BY THE EXECUTION HEREOF THE LICENSEE AGREES TO COMPLY WITH ALL SUCH TERMS, CONDITIONS AND GENERAL PROVISIONS.

(Refer to BuDocs Instr. 12011.28 and any succeeding changes.)

1. NAVAL ACTIVITY (Property location)	2. DATES COVERED (Inclusive)
	From _____ to _____

3. DESCRIPTION OF PROPERTY (Include room and building numbers where appropriate)

4. PURPOSE OF LICENSE

5. LICENSOR	5A. LOCAL REPRESENTATIVE, DEPT. OR NAVY OFFICIAL (Title and address)
UNITED STATES OF AMERICA DEPARTMENT OF THE NAVY	

6. LICENSEE (Name and address)	6A. LOCAL REPRESENTATIVE (Name and address)

7. CASH PAYMENT BY LICENSEE (Payable in advance)
(If no cash payment is required, enter "None" under item 7a "Amount")

a. AMOUNT (Each payment)	b. FREQUENCY PAYMENTS DUE	c. FIRST DUE DATE	d. TO (Address of DPO)

8. DEPOSIT FOR UTILITIES AND SERVICES (Payable in advance)
(If no cash payment is required, enter "None" under item 8a "Amount")

a. AMOUNT (Each deposit)	b. FREQUENCY PAYMENTS DUE	c. FIRST DUE DATE	d. TO (Mailing address)

9. INSURANCE REQUIRED AT EXPENSE OF LICENSEE
(If any or all insurance requirements have been waived, enter "None" in a, b, c, or d as appropriate)

TYPE	MINIMUM AMOUNT	TYPE	MINIMUM AMOUNT
a. FIRE AND EXTENDED COVERAGE	\$	c. THIRD PARTY PERSONAL INJURY PER PERSON	\$
b. THIRD PARTY PROPERTY DAMAGE	\$	d. THIRD PARTY PERSONAL INJURY PER ACCIDENT	\$

10. GENERAL PROVISIONS (See Reverse Side)

11. EXECUTION OF LICENSE

FOR	BY		DATE
	NAME AND TITLE (Typed)	SIGNATURE	
DEPARTMENT OF THE NAVY			
LICENSEE			

If Licensee is a Corporation, Certification of signature is attached

**SEPULVEDA FLOOD CONTROL BASIN
LOS ANGELES COUNTY, CALIFORNIA
LEASE NO. DACW09-1-67-11**

SUPPLEMENTAL AGREEMENT NO. 4

THIS SUPPLEMENTAL AGREEMENT, made and entered into between the SECRETARY OF THE ARMY of the first part, hereinafter called the Government and the CITY OF LOS ANGELES, DEPARTMENT OF RECREATION AND PARKS a municipal corporation of the State of California, of the second part, hereinafter called the lessee, WITNESSETH:

WHEREAS, on January 5, 1967, Lease No. DACW09-1-67-11 was entered into between the Government and Lessee to use and occupy, for a term of 50 years 1,641.48 acres of land located within the boundaries of the Sepulveda Flood Control Basin, Los Angeles County, California for park and recreational purposes: and

WHEREAS, by Supplemental Agreement No. 1 dated 1 July 1971, approximately 88.07 acres were deleted for the construction of a water reclamation plant by the City of Los Angeles, Department of Public Works decreasing the leased acreage from 1,641.48 acres to 1,553.41 acres, more or less; and

WHEREAS, by Supplemental Agreement No. 2 dated 17 November 1971, approximately 11.29 acres, more or less, were deleted from the leased area, for the construction of a Fire Station by the City of Los Angeles, thereby decreasing the total acreage under the lease from 1,553.41 acres to 1,542.12 acres, more or less; and

WHEREAS, by Supplemental Agreement No. 3, dated 5 January 1972, approximately 15.32 acres, more or less, were deleted from the leased area for a Naval and Marine Corps Reserve Training Center, thereby decreasing the leased acreage from 1,542.12 to 1,526.80 acres more or less; and

WHEREAS, the Lessee has requested in order to qualify for grant funds, that the term of the lease be extended an additional 25 years; and

WHEREAS, it has been administratively determined that amendment of the lease to extend the term is in the public interest

NOW THEREFORE, in consideration of the premises, and the mutual benefits to be derived, the parties hereto do mutually agree that lease No. DACW09-1-67-11 is amended as follows:

**Sepulveda Flood Control Basin
Supplemental Agreement No. 4
Lease No. DACW09-1-67-11**

1. Delete that portion of the granting clause which states: "a lease for a period of 50 years commencing on the execution date of/ execution here of to use " and substitute therefore a "lease for a period of 75 years commencing on 5 January 1967 and ending on 4 January, 2042."
2. At the end of Condition 4. add: "Fees may be charged by the Lessee for entrance to or use of the premises or any facilities, however, no user fees may be charged by the Lessee if federal funds were used in whole or part to develop the facility if a user charge by the Corps of Engineers for the facility would be prohibited under law. The lessee may charge for any facility or services provided without federal assistance or funding."
3. Add the following new conditions to the lease beginning with No. 38 and ending with No. 43.

38. DEVELOPMENT PLANS

- a. The lessee shall administer and maintain the leased property for purposes of this lease in accordance with the U.S. Army Corps of Engineers Master Plan, Rules and Regulations, Title 36, Section 327.
- b. The lessee shall submit an Annual Feasibility Plan for future projects.
- c. The Lessee shall submit an Annual Updated Organizational Chart.
- d. The Lessee shall obtain written approval from the District Engineer on all projects, improvements and large events with gatherings over 1,000 people.

39. ENVIRONMENTAL PROTECTION

- a. The Lessee's and the Corps of Engineers' environmental staffs shall meet annually to review the status of all mitigation commitments on the leased area.
- b. An Environmental Review Guide for Operations (ERGO) environmental compliance inspections shall be conducted on the leased property on a minimum cycle of every fifth year. The leased property shall be evaluated following all currently applicable, relevant and appropriate environmental laws and regulations. The most stringent requirements identified among the various environmental laws and regulations shall be applied to the leased property. The following manuals serve as tools for conducting environmental compliance inspections: The Environmental Assessment and Management (TEAM) Guide, the California Supplement to the TEAM Guide, and the California Air Districts Supplement to the TEAM Guide. This list is not intended to be all encompassing.

40. COMPLIANCE, CLOSURE, REVOCATION AND RELINQUISHMENT

a. Lessee and/or its sublessees, concessionaires or assignees are charged at all times with full knowledge of all the limitations and requirements of this lease, and the necessity for corrections of deficiencies, and compliance with any reasonable request by the District Engineer or his representative. This lease may be revoked in the event the Lessee violates any of its terms or conditions and continues and persists in such non-compliance. The Lessee will be notified of any non-compliance, which notice shall be in writing or shall be confirmed in writing, giving a period of time in which to correct the non-compliance. Failure to satisfactorily correct any substantial or persistent non-compliance within the temporary specified time is grounds for closure of all or part of the premises, temporary suspension of operation, or revocation of the lease, after notice in writing of such intent. Decisions by the District Engineer concerning the future request by the lessee to extend the lease, expend the premises, modify authorized activities, or assign the lease shall reflect the lessee's past performance and compliance with the lease terms.

b. Lessee shall keep the premises in good order and in a clean, sanitary and safe condition by and at the expense of the Lessee. In addition to the right of revocation for non-compliance stated in Condition Nos. 39, 40.b and 42.d. the District Engineer or his duly authorized representative, upon discovery of any hazardous condition on the premises that present an immediate threat to health or danger to life or property, will so notify the lessee and will require that the affected part or all of the premises be closed until such condition is corrected and the danger eliminated. If the condition is not corrected the District Engineer or his representative will have the option to (1) correct the hazardous condition and collect the cost of repairs from Lessee, or (2) revoke the lease. The Lessee shall have no claim for damages against the United States, or any officer, agent or employee thereof on account of action pursuant to this condition.

41. TRANSFERS, ASSIGNMENT, SUBLEASES

There shall be no assignments or subleases without prior written approval of the District Engineer. Assignments or subleases may be authorized after coordination with the District Engineer or his duly authorized representatives

42. INDEMNITY AND INSURANCE

The Lessee along with its concessionaries, sublessees and assignees shall indemnify, and hold harmless the United States of America and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses damages, and /or liability arising out of this lease from any cause whatsoever incurred by the City or United States of America on account of any claim therefore, except where such indemnification is prohibited by law.

**Sepulveda Flood Control Basin
Supplemental Agreement No. 4
Lease No. DACW09-1-67-11**

42. INDEMNITY AND INSURANCE (Continued)

a. At the commencement of this lease, the Lessee, unless self-insured, and its sub-lessees, concessionaires, volunteers and assigns at the commencement of operating under the terms of this lease as third parties, shall obtain from a reputable insurance company or companies contracts of liability insurance which names the United States Army Corps of Engineers a additional insured. The insurance shall provide an amount not less than that which is prudent reasonable and consistent with sound business practices or a minimum Combined Single Limit of \$2, 000, 000.00, whichever is greater, for any number of persons or claims arising from any one incident with respect to bodily injuries or death resulting therefrom, property damage, or both suffered or alleged to have been suffered by any person or persons, resulting from the operations of the Lessee, sub-lessees, concessionaires, volunteers, film licensees and assigns under the terms of this lease. The Lessee shall require its insurance company to furnish to the District Engineer a copy of the policy or policies, or, if acceptable to the District Engineer, certificates of insurance evidencing the purchase of such insurance. The District Engineer shall have the right to review and revise the amount of minimum liability insurance required.

b. The Insurance policy or policies shall specifically provide protection appropriate for the types of facilities, services and products involved; and shall provide that the District Engineer be given thirty (30) days notice of any cancellation or change in such insurance.

c. In the event the Lessee is self-insured, the Lessee shall certify such self-insurance in writing in the minimum amount specified above to the District Engineer. The Lessee's insurance status shall not eliminate the requirement for its sub-lessees, concessionaires to have insurance from a reputable insurance carrier as set out above.

d. The District Engineer may require closure of any or all of the premises during any period for which the Lessee and/or its sub-lessees, concessionaires, volunteers film and assigns licensees do not have the required coverage.

b. ~~In no case shall liability insurance coverage be less than which is prudent and reasonable considering the risk factors present in the operation of the particular concession or activity or \$1,000,000 whichever is greater.~~

43. HISTORIC PRESERVATION

The Lessee shall not remove or disturb, or cause or permit to be removed or disturbed, any historical, archaeological, architectural or other cultural artifacts, relics, remains or object of antiquity. In the event such items are discovered on the premises, the Lessee shall immediately notify said officer and protect the site and the material from further disturbances until said officer gives clearance to proceed.

In all other respects the terms and conditions of the basic lease remain unchanged.

IN WITNESS WHEREOF, I have hereunto set my hand by authority of the Secretary of the Army, this 25th day of February 2002.


Theresa M. Kaplan

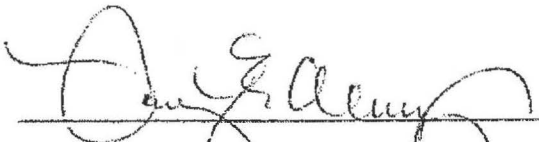
THERESA KAPLAN
Chief, Real Estate Division
Los Angeles District,
U.S. Army Corps of Engineers



THIS SUPPLEMENTAL AGREEMENT is also executed by the lessee this
24th day of September 2002.

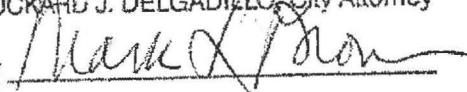
CITY OF LOS ANGELES
DEPARTMENT OF RECREATION AND PARKS

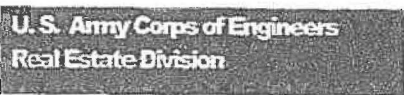
By 
Title Commission President

By 
Title Executive Assistant

Approved as to Form

9-24, 2002
ROCKARD J. DELGADILLO, City Attorney

By 



Real Estate Division
P.O. Box 632711
Los Angeles, CA 90053-2325

Doc# DACW09-1-67-11

TYPE OF INSTRUMENT: LEASE EASEMENT LICENSE PERMIT OTHER

This instrument is not a lease and no circumstances noted that would warrant its treatment as a capital lease

If instrument is a lease, complete the following:

CAPITAL LEASE OR OPERATING LEASE DETERMINATION

1) Does the lease transfer ownership of the property to the lessee by, or at the end of the lease term?

YES NO

If "Yes," complete the following:

Lease Paragraph References _____ Expiration Date _____

2) Does the lease contain an option to purchase the leased property at a bargain price?

YES NO

If "Yes," complete the following:

Lease Paragraph References _____ Option Price _____
Estimated Value When Option Matures _____

3) Is the lease term (as defined in DFMR 060207.A.1) equal to 75 per cent or more of the estimated economic life of the leased property? Check here if land only, (and "No" below)

YES NO

For depreciable assets, complete the following:

- (a) Description of Property Recreation Facilities/Bldgs
- (b) Lease Term 50 Years
- (c) Estimated Remaining Economic Life 220/240 Years
- (d) Standard useful life from tables 20/40 Years
- (e) Lease Term As Percentage of Economic Life [DIVIDE: (b)/(c) X 100%] 250/125 %
- (f) Remaining Life as Percentage of Standard Life [DIVIDE: (c)/(d) X 100%] 2/100 %

Lease Paragraph References Absolute 1st Para., Para 1 & 2

4) Does the present value of the minimum lease payments (as defined in DFMR 060207.A.5) equal or exceed 90 percent of the fair value of the leased property? *(If total rent for the term of the lease is paid in advance or within 90 days of inception, enter as present value).

YES NO

Minimum Lease Payments _____ Per _____ Times PV Factor _____ =
*Present Value of Minimum Lease Payments _____
Fair Value of Leased Property _____ Times 90 Percent =
90 Percent of Fair Value of Leased Property _____

Lease paragraph and other references _____

*OVERALL ASSESSMENT: CAPITAL LEASE OPERATING LEASE

(* Note: If "Yes" marked for any item, lease should be classified as a capital lease. Item Nos 3 & 4 are not applicable if beginning of lease term falls within last 25% of total estimated economic life of leased property)

Signed Gabe Brooks Date: 2/17/2005
Print Name: Gabe Brooks Title: Realty Specialist



DEPARTMENT OF THE ARMY
LOS ANGELES DISTRICT CORPS OF ENGINEERS
P.O. BOX 532711
LOS ANGELES, CALIFORNIA 90053-2711

July 30, 2010

Asset Management
Civil Works Branch

Ms. Catalina M. Santo Domingo, P.E.
City of Los Angeles
Dept. Public Works
Bureau of Engineering
200 North Spring St. Suite 2305
Los Angeles, California 90012

Dear Ms. Domingo:

Enclosed are an original and two copies of Supplemental Agreement No. 5 to Government Lease No. DACW09-1-67-11. That as of July 30, 2010, 61.56 acres, more or less, are hereby added to Lease No. DACW09-1-67-11, thereby increasing the total lease acreage as amended by Supplemental Agreement No. 3, from 1,526.80 acres, more or less, to 1,588.36 acres, more or less. This lease is for public park and recreational use. The property is located within the boundaries of the Sepulveda Flood Control Basin, Los Angeles County, California.

Please sign, date and return the original and two copies of the Supplemental Agreement No. 5. A self-addressed envelope is enclosed for your convenience.

If you have any questions or comments please contact Mr. Al Moreno at (213) 452-3165.

Sincerely,

Enclosures

Theresa M. Kaplan
Chief, Asset Management Division

CF:

TC
KAPLAN
WHITE
LEGAL
FREDHOLM
MORENO *Al Moreno*

E:\AL Folder\LICENSE - EASEMENT\SEPULVEDA FCB\Sport Park\DACW09-1-67-11
Supplemental 5.doc



DEPARTMENT OF THE ARMY
LOS ANGELES DISTRICT CORPS OF ENGINEERS
P.O. BOX 532711
LOS ANGELES, CALIFORNIA 90053-2725

July 30, 2010

Asset Management
Civil Works Branch

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City of Los Angeles
Dept. Public Works
Bureau of Engineering
200 North Spring St. Suite 2305
Los Angeles, California 90012

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Please sign, date and return the original and two copies of the Supplemental Agreement No. 5. A self-addressed envelope is enclosed for your convenience.

If you have any questions or comments please contact Mr. Al Moreno at (213) 452-3165.

Sincerely,

Enclosures

 Theresa M. Kaplan
Chief, Asset Management Division

LEASE NO. DACW09-1-67-11
UNIT A-10
SEPULVEDA FLOOD CONTROL BASIN
LOS ANGELES COUNTY, CALIFORNIA

SUPPLEMENTAL AGREEMENT NO. 5

THIS SUPPLEMENT AGREEMENT NO 5, entered into by and between the SECRETARY OF THE ARMY, representing the United States of America, hereinafter designated as the Government, and the CITY OF LOS ANGELES, a municipal corporation of the State of California, hereinafter called the Lessee, WITNESSETH:

WHEREAS, on January 5, 1967, Lease No. DACW09-1-67-11 was entered into between the Government and the Lessee to use and occupy, for public park and recreational purposes, 1,641.48 acres, more or less, of land and water areas designated as Unit A-10, located within the boundaries of the Sepulveda Flood Control Basin, Los Angeles County, California, for a term of fifty (50) years; and

WHEREAS, by Supplemental Agreement No. 1, 88.07 acres, more or less, were deleted from Lease No. DACW09-1-67-11 for the construction of a water reclamation plant by the City of Los Angeles, Department of Public Works, Sewer Design Division, thereby decreasing the total lease acreage from 1,641.48 acres, more or less, to 1,553.41 acres, more or less; and

WHEREAS, by Supplemental Agreement No. 2, 11.29 acres, more or less, were deleted from Lease No. DACW09-1-67-11, for the construction of a Los Angeles Fire Station by the City of Los Angeles, thereby decreasing the total leased acreage under lease as amended by Supplemental Agreement No. 1 from 1,553.41 acres, more or less, to 1,542.12 acres, more or less; and

WHEREAS, by Supplemental Agreement No. 3, 15.32 acres, more or less, were deleted from Lease No. DACW09-1-67-11, for a Naval and Marine Corps Reserve Training Center, subject to the conditions contained in an Operating Agreement between the Lessee and the Department of the Navy, thereby decreasing the total leased acreage under lease as amended by Supplemental Agreement No. 2 from 1,542.12 acres, more or less, to 1,526.80 acres, more or less; and

WHEREAS, by Supplemental Agreement No. 4, (1) Extended the Term of the lease an additional 25 years commencing on 5 January 1967 and ending on 4 January, 2042. (2) "Fees may be charged by the Lessee for entrance to or use of the premises or any facilities, however, no user fees may be charged by the Lessee if federal funds were used in whole or part to develop the facility is a user charge by the Corps of Engineers for the facility. (3) And adding 6 new conditions to the lease to bring up to current standard. (3-1) Development Plans. (3-2) Environmental Protection, (3-3) Compliance, Closure, Revocation and Relinquishment, (3-4) Transfers, Assignment, Subleases. (3-5) Indemnity and Insurance, (3-6) Historic Preservation; and

LEASE NO. DACW09-1-67-11
SUPPLEMENT AGREEMENT NO. 5

NOW THEREFORE, in consideration of the premises, the parties hereto do mutually agree that Lease No. DACW09-1-67-11 is further amended in the following particulars:

1. That as of June 30, 2010, 61.56 acres, more or less, are hereby added to Lease No. DACW09-1-67-11, for construction, operation and maintenance of the Sepulveda Basin Sports Complex, thereby increasing the total leased acreage as amended by Supplemental Agreement No. 3, from 1,526.80 acres, more or less, to 1,588.36 acres, more or less;
2. Exhibits E and F, said Map and legal description showing the additional 61.56 acres, more or less, exhibits attached hereto and made a part thereof.
3. The exercise of the privileges herein granted shall be subject to the condition stated in Exhibit G.
4. That in all other respects the terms and conditions of the easement remain unchanged.

IN WITNESS WHEREOF, I have hereunto set my hand by authority of the Secretary of the Army this _____ day of _____ 2010.

CONTRACTING OFFICER
Real Estate Division

THIS AMENDMENT NO. 5, together with the provisions and conditions thereof, is hereby accepted this __ day of _____ 2010.

BY: _____

TITLE: _____

Department of the Army
Corps of Engineers, South Pacific Division
Los Angeles District, Asset Management Division
Administrative & Technical Services Section
Post Office Box 2711
Los Angeles, Ca 90051-2325

DATE: 16 June 2010
UNIT: "R-3"
ACRAGE: 61.56 ± AC.
GRANTEE: City of Encino
PROJECT: Sepulveda FCB/LACDA
DOCUMENT NO.: DACW09-1-67-11
LOCATION: Encino (Los Angeles County), Ca
CESPL-RE-PC FILE: 63-K-222

Recreation Lease to City of Encino

That portion of Lot B in the Rancho El Encino, in the City of Los Angeles, County of Los Angeles, State of California, as shown on map recorded in Book 4232 Pages 118 through 125, inclusive, of Deeds, in the office of the Recorder of said county, bounded and described as follows:

Beginning at the westerly terminus of a curve having a radius of 1,385.45 feet on the southerly line of Parcel B of Parcel Map L.A. No. 4180 in said city as per map filed in Book 128 Pages 50 and 51 of Parcel Maps in said County Recorder's office, a radial line of said curve to said terminus point bears North 58°03'09" West for the purposes of this description; thence northeasterly along said curve through a central angle of 43°18'42" an arc distance of 1,047.31 feet to the beginning of a non-tangent curve concave to the South having a radius of 828.86 feet, a radial line of last said curve bears North 17°05'32" West; thence easterly along last said curve through a central angle of 27°37'04" an arc distance of 399.53 feet; thence parallel with the centerline of Balboa Boulevard, South 0°00'55" West a distance of 550.04 feet; thence at right angle, South 89°59'05" East 1,268.96 feet to the westerly sideline of Balboa Boulevard; thence southerly along said westerly sideline 1,461.49 feet to a point; thence North 63°34'19" West 285.32 feet; thence South 26°25'41" West 43.92 feet to a line parallel with and distant 89.00 feet northeasterly measured at right angles from the northeasterly line of the Los Angeles River 300.00 feet wide and varies as shown on City of Los Angeles cadastral map No. 1778133 on file in the office of the City Engineer of said city, thence along said parallel line North 63°34'19" West 2,562.65 feet to the southwesterly prolongation of said southerly line of Parcel B, thence along said southwesterly prolongation and southerly line North 31°15'51" East 148.59 feet; thence continuing northeasterly along that certain curve having a radius of 1,360.45 feet in said southerly line of Parcel B through a central angle of 0°41'00" an arc distance of 16.22 feet; thence North 58°03'09" West 25.00 feet to the point of beginning

Containing approximately 2,681,472 square feet or 61.56 acres

All as shown on Exhibit B attached hereto and by this reference made a part thereof.

U:\Sep_SportComplex



[Handwritten signature]
6/15/10

Exhibit G

1. Activities shall not result in a reduction of storage capacity. Any loss shall be compensated at an equal or lower elevation.
 2. All excess construction materials shall be removed from the Sepulveda Flood Control Basin at the end of construction.
 3. Emergency actions and contingency plans for Sepulveda Basin maintained by Lessee will be updated.
 4. Hydroseeding will not occur on the maintenance road along the Los Angeles River.
 5. HISTORIC PRESERVATION, The grantee shall not remove or disturb, or cause or permit to be removed or disturbed, any historical, archeological, architectural or other cultural artifacts, relics, remains or objects of antiquity. In the event such items are discovered on the premises, the grantee shall immediately notify said officer and protect the site and the material from further disturbance until said officer gives clearance to proceed.
-

Sepulveda Boundary



**SCHEDULE A
CITY OF LOS ANGELES
MBE/WBE/SBE/EBE/DVBE/OBE SUBCONTRACTORS INFORMATION FORM**

(NOTE: COPY THIS PAGE AND ADD ADDITIONAL SHEETS AS NECESSARY, SIGN ALL SHEETS)

Project Title

Prosper	Address
Contact Person	Phone/Fax

LIST OF ALL SUBCONTRACTORS (SERVICE PROVIDERS/SUPPLIERS/ETC.)				
NAME, ADDRESS, TELEPHONE NO. OF SUBCONSULTANT	DESCRIPTION OF WORK OR SUPPLY	MBE/WBE/SBE/EBE/DVBE/OBE	CALTRANS/CITY/MTA CERT. NO.	DOLLAR VALUE OF SUBCONTRACT

PERCENTAGE OF MBE/WBE/SBE/EBE/DVBE/OBE PARTICIPATION			<div style="text-align: center; margin-bottom: 20px;"> <hr style="border: 0; border-top: 1px solid black; width: 80%; margin: 0 auto;"/> Signature of Person Completing this Form </div> <div style="text-align: center; margin-bottom: 20px;"> <hr style="border: 0; border-top: 1px solid black; width: 80%; margin: 0 auto;"/> Printed Name of Person Completing this Form </div> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center; width: 45%;"> <hr style="border: 0; border-top: 1px solid black; width: 80%; margin: 0 auto;"/> Title </div> <div style="text-align: center; width: 45%;"> <hr style="border: 0; border-top: 1px solid black; width: 80%; margin: 0 auto;"/> Date </div> </div>
	DOLLARS	PERCENT	
TOTAL MBE AMOUNT	\$	%	
TOTAL WBE AMOUNT	\$	%	
TOTAL SBE AMOUNT	\$	%	
TOTAL EBE AMOUNT	\$	%	
TOTAL DVBE AMOUNT	\$	%	
TOTAL OBE AMOUNT	\$	%	
BASE BID AMOUNT	\$		

MUST BE SUBMITTED WITH BID

SCHEDULE B

MBE/WBE/SBE/EBE/DVBE/OBE UTILIZATION PROFILE

Project Title	Contract No.
----------------------	---------------------

Consultant	Address
Contact Person	Phone/Fax

CONTRACT AMOUNT (INCLUDING AMENDMENTS)	THIS INVOICE AMOUNT	INVOICED TO DATE AMOUNT (INCLUDE THIS INVOICE)

MBE/WBE/SBE/EBE/DVBE/OBE SUBCONTRACTORS (LIST ALL SUBS)					
NAME OF SUBCONTRACTOR	MBE/WBE/ SBE/EBE/ DVBE/OBE	ORIGINAL SUBCONTRACT AMOUNT	THIS INVOICE (AMOUNT NOW DUE)	INVOICED TO DATE (INCLUDE THIS INVOICE)	SCHEDULED PARTICIPATION TO DATE

CURRENT PERCENTAGE OF MBE/WBE/SBE/EBE/DVBE/OBE PARTICIPATION TO DATE			Signature of Person Completing this Form:
	DOLLARS	PERCENT	_____
TOTAL MBE PARTICIPATION	\$	%	Printed Name of Person Completing this Form:
TOTAL WBE PARTICIPATION	\$	%	
TOTAL SBE PARTICIPATION	\$	%	Title: _____ Date: _____
TOTAL EBE PARTICIPATON	\$	%	
TOTAL DVBE PARTICIPATION	\$	%	_____
TOTAL OBE PARTICIPATION	\$	%	_____

MUST BE SUBMITTED WITH EACH INVOICE

DEPARTMENT OF RECREATION
AND PARKS

BOARD OF COMMISSIONERS

SYLVIA PATSAOURAS
PRESIDENT

LYNN ALVAREZ
VICE PRESIDENT

PILAR DIAZ
JOSEPH HALPER

IRIS L. DAVIS
BOARD SECRETARY (213) 202-2640

CITY OF LOS ANGELES
CALIFORNIA



ERIC GARCETTI
MAYOR

MICHAEL A. SHULL
GENERAL MANAGER

ANTHONY-PAUL (AP) DIAZ, ESQ.
EXECUTIVE OFFICER &
CHIEF OF STAFF

RAMON BARAJAS
ASSISTANT GENERAL MANAGER

VICKI ISRAEL
ASSISTANT GENERAL MANAGER

SOPHIA PIÑA-CORTEZ
ASSISTANT GENERAL MANAGER

(213) 202-2633 FAX (213) 202-2614

January 23, 2019

Freetime, Inc. DBA Wheel Fun Rentals
4526 Telephone Rd., #202
Ventura, CA 93003

Attn: Al Stonehouse

Gentlepersons:

Enclosed is Agreement No. 3694, executed on January 19, 2019, between the City of Los Angeles, by and through its Board of Recreation and Park Commissioners (RAP), and your organization for the operation and maintenance of the bicycle rental concession at Lake Balboa/ Anthony C. Beilenson Park for a term of five years with one five-year extension option exercisable at the sole discretion of RAP.

If you have any questions with regard to the Agreement at this time, please contact Ms. LaTricia Jones, Management Analyst II, Concessions Unit at (212) 202 - 5678.

Very truly yours,

BOARD OF RECREATION AND
PARK COMMISSIONERS

IRIS L. DAVIS
Commission Executive Assistant II

Enclosures

cc: City Controller (w/ enclosure)
City Attorney (w/ enclosure)
Departmental Chief Accountant (w/ enclosure)
LaTricia Jones, Management Analyst II, Concessions Unit, Finance Division (w/out enclosure)



AGREEMENT NO. 3694

BETWEEN

THE CITY OF LOS ANGELES

DEPARTMENT OF RECREATION AND PARKS

AND

FREETIME, INC

FOR THE OPERATION AND MAINTENANCE OF

THE BICYCLE RENTAL CONCESSION

AT

LAKE BALBOA / ANTHONY C. BEILENSON PARK

AGREEMENT
FOR THE OPERATION AND MAINTENANCE OF
THE BICYCLE RENTAL CONCESSION

BETWEEN

THE CITY OF LOS ANGELES
DEPARTMENT OF RECREATION AND PARKS

AND

FREETIME, INC.

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AGREEMENT FOR THE OPERATION AND MAINTENANCE
OF THE BICYCLE RENTAL CONCESSION

This Concession Agreement (hereinafter AGREEMENT or CONTRACT), is made and entered into this 19 day of January, 2019, by and between the City of Los Angeles, a municipal corporation acting by and through its Department of Recreation and Parks (hereinafter CITY), and Freetime, Inc. DBA Wheel Fun Rentals (hereinafter CONCESSIONAIRE).

WHEREAS, the Department of Recreation and Parks (hereinafter RAP) seeks to serve the public by providing bicycle rental and related services at Lake Balboa/Beilenson Park and other future locations (hereinafter CONCESSION); and

WHEREAS, the CITY recognizes that the U.S. Army Corps of Engineers, Los Angeles District is the management agency for the Sepulveda basin on behalf of the United States, and recognizes the master lease between the United States and the City of Los Angeles; and

WHEREAS, the CITY finds, in accordance with Charter Section 1022, that it is necessary, feasible, and economical to secure these services by contract as it lacks available personnel in its employ with sufficient expertise to undertake these specialized services; and

WHEREAS, the CITY finds, pursuant to Charter Section 371(e)(10), and Los Angeles Administrative Code Section 10.15(a)(10), that the use of competitive bidding would be undesirable, impractical, or otherwise excused by the common law and the Charter because, unlike the purchase of a specified product, there is no single criterion, such as price comparison, that will determine which proposer can best provide the services required by RAP for the improvement, operation, and maintenance of RAP's CONCESSION; and

WHEREAS, RAP finds it is necessary to utilize a standard request for proposal process and to evaluate proposals received based upon the criteria included in a Request for Proposal (RFP); and

WHEREAS, RAP solicited proposals for the operation and maintenance of the CONCESSION, to include providing bicycle rental and related services to the public; and

WHEREAS, RAP received and evaluated *two* proposals which were received on *August 29, 2017*; and

WHEREAS, Freetime, Inc. DBA Wheel Fun Rentals was the highest-ranked proposer, and was selected to provide bicycle rental and related services in accordance with the terms and conditions of this AGREEMENT; and

WHEREAS, CONCESSIONAIRE desires to enter into such AGREEMENT to provide services of the type and character required therein by CITY to meet the needs of the public at Lake Balboa/Beilensen Park and other future locations.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter to be kept and performed by the respective parties, it is agreed as follows:

SECTION 1. DEFINITIONS

For the purpose of this AGREEMENT, the following words and phrases are defined and shall be construed as hereinafter set for:

AGREEMENT:	This Concession Agreement consisting of thirty (30) pages and twelve (12) exhibits (A-L) attached hereto
BOARD:	Board of Recreation and Park Commissioners
CITY:	The City of Los Angeles, acting by and through its Department of Recreation and Parks
CONCESSION:	Bicycle Rental Concession
CONCESSIONAIRE:	Freetime, Inc. DBA Wheel Fun Rentals
RAP:	The Department of Recreation and Parks
FACILITY:	Lake Balboa/Beilenson Park Bicycle Concession located at 6300 Balboa Boulevard, Van Nuys, CA 91316
CORP:	United States Army Corps of Engineers, acting by and through the District Engineer of the Los Angeles District or its duly authorized representative.
UNITED STATES:	The Federal Government of the United States of America, acting through the CORP
LAAC:	Los Angeles Administrative Code
LAMC:	Los Angeles Municipal Code
PREMISES:	The geographical areas, as defined in Section 3 of this AGREEMENT, in which the CONCESSIONAIRE may operate.
GENERAL MANAGER:	The City of Los Angeles Department of Recreation and Parks General Manager or designee.
DAA:	Designated Administrative Agency, as defined in Section 10.8.1. of the LAAC.

SECTION 2. PERMISSION GRANTED

For and in consideration of the payment of the fees and charges as hereinafter provided, and subject to all of the terms, covenants, and conditions of this AGREEMENT, RAP hereby grants to CONCESSIONAIRE, the exclusive right and obligation to furnish, equip, and operate a bicycle rental service, including mountain bikes, tandem bikes, children's bikes, surrey bikes, beach cruisers, bikes with child seats, in-line skates, traditional skates, and all equipment, and supply storage facilities of a type and location satisfactory to RAP; and not for any other purpose without the prior written consent of RAP. CONCESSIONAIRE understands that this right excludes any bike share program operation.

Rental of motorized scooters or other motorized vehicles is not permitted under this AGREEMENT.

The CONCESSION rights herein granted shall be carried out at the FACILITY solely within the limits and confines of said areas designated as PREMISES (Section 3) in this AGREEMENT. CONCESSIONAIRE, by accepting this AGREEMENT, agrees for itself, and its successors and assigns, that it will not make use of PREMISES in any manner which might interfere with the recreational uses of the FACILITY.

In the event of a conflict between CONCESSIONAIRE and any other concessionaire or any lessee at the FACILITY regarding the services to be offered or products to be sold by respective concessionaires or lessees, RAP shall meet and confer with all necessary parties to determine the services to be offered or products to be sold by each, and CONCESSIONAIRE hereunder agrees thereafter to be bound by said determination.

RAP reserves the right to further develop or improve PREMISES as it sees fit, without interference or hindrance, however RAP shall consider the desire and views of CONCESSIONAIRE.

SECTION 3. PREMISES

The PREMISES (Exhibit A) subject to this AGREEMENT are located at:

6300 Balboa Boulevard, Van Nuys, CA 91316. Location of PREMISES as set forth in Exhibit A, attached hereto and incorporated herein. Any discrepancy in the definition or boundaries of PREMISES shall be resolved solely by RAP.

CONCESSIONAIRE shall not use or allow PREMISES to be used, in whole or in part, during the term of this AGREEMENT, for any use in violation of any present or future laws, ordinances, rules, and regulations at any time applicable thereto of any public or governmental authority or agencies, departments, or officers thereof, including CITY, relating to sanitation or public health, safety, or welfare.

Future Bicycle Rental Locations

RAP reserves the right to request that the CONCESSIONAIRE operate the Griffith Park bicycle rental concession ("Griffith Concession") located at Griffith Park as part of the CONCESSION under this AGREEMENT with 30 days notice, and CONCESSIONAIRE shall be obligated to operate such concession upon such RAP request. If RAP decides, in its sole discretion, to add the Griffith Concession as part of the CONCESSION under this AGREEMENT, it shall be

subject to the same terms and conditions of this AGREEMENT and the concession fees paid for such Griffith Concession shall be consistent with that set forth in CONCESSIONAIRE's proposal under the CONCESSION RFP. RAP also reserves the right to relocate any bicycle rental concession or add additional bicycle rental locations as determined solely by the City. Other than the Griffith Concession, CONCESSIONAIRE shall be given the right of first right of refusal to operate future bicycle rental concessions with the exception of bike share programs upon the same terms and conditions of this AGREEMENT.

SECTION 4. TERM OF AGREEMENT

The term of this AGREEMENT shall be five years with one five-year extension option exercisable at the sole discretion of RAP, effective from the date of execution. Neither RAP, nor any BOARD member, officer, or employee thereof shall be liable in any manner to CONCESSIONAIRE because of any action taken to revoke or decline to exercise an option of this AGREEMENT.

SECTION 5. OPERATING RESPONSIBILITIES

CONCESSIONAIRE shall, at all times during the term of this AGREEMENT, comply with the following conditions:

A. Cleanliness

CONCESSIONAIRE shall, at its own expense, keep the PREMISES and the surrounding areas, within a minimum of twenty-five (25) feet, clean, sanitary, and free of graffiti at all times. No offensive or refuse matter, nor any substance constituting an unnecessary, unreasonable, or unlawful fire hazard, nor any material detrimental to the public health, shall be permitted to remain thereon, and CONCESSIONAIRE shall prevent any such matter or material from being or accumulating upon said PREMISES.

CONCESSIONAIRE, at its own expense, shall see that all garbage or refuse is collected as often as necessary and in no case less than once a day and disposed of in the main dumpster. CONCESSIONAIRE shall furnish all equipment and materials necessary therefore, including trash receptacles of a size, type, and number approved by RAP. If no trash storage area is made available, CONCESSIONAIRE shall provide at its own expense and with RAP's prior written approval, an enclosed area concealing the trash storage from public view. RAP will incur the cost of all garbage pick-up from the main dumpster for the PREMISES during the term of this AGREEMENT.

B. Conduct

CONCESSIONAIRE and its representatives, agents, servants, and employees shall at all times conduct its business in a quiet and orderly manner to the satisfaction of RAP.

C. Disorderly Person

CONCESSIONAIRE shall use its best efforts to permit no intoxicated person or persons, profane or indecent language, or boisterous or loud conduct in or about the PREMISES and will call upon peace officers to assist in maintaining peaceful conditions. CONCESSIONAIRE shall not knowingly allow the use or possession of illegal drugs, narcotics, or controlled substances on the PREMISES.

D. Personnel

1. Freedom from Tuberculosis

CONCESSIONAIRE, on behalf of all employees of the CONCESSION, shall provide to RAP certificates for each, indicating freedom from communicable tuberculosis as required under Section 5163 of the California Public Resources Code.

2. Qualified Personnel

CONCESSIONAIRE will, in the operation of the CONCESSION, employ or permit the employment of only such personnel as will assure a high standard of service to the public and cooperation with RAP. All such personnel, while on or about PREMISES, shall be neat in appearance and courteous at all times and shall be appropriately attired, with badges or other suitable means of identification. Appearance standards include: no body jewelry/piercing (other than earrings), hair must be neat and if dyed, must be a color that occurs naturally, and overall appearance be clean and generally well groomed. All CONCESSIONAIRE staff members shall wear standardized uniforms consisting of branded polo shirts and/or branded jackets, khaki or navy shorts or pants, and branded hats, if worn. Uniforms are to be clean and in good condition without holes, stains or noticeable wear. No person employed by CONCESSIONAIRE, while on or about PREMISES, shall be under the influence of illegal drugs, narcotics, other controlled substances or alcohol, or use inappropriate language, or engage in otherwise inappropriate conduct for a work environment. In the event an employee is not satisfactory, RAP may direct CONCESSIONAIRE to remove that person from PREMISES.

3. Concession Manager

CONCESSIONAIRE shall appoint, subject to written approval by RAP, a Concession Manager. Such person must be a qualified and experienced manager or supervisor of operations, vested with full power and authority to accept service of all notices provided for herein and regarding operation of the CONCESSION, including the quality and prices of the CONCESSION goods and services, and the appearance, conduct, and demeanor of CONCESSIONAIRE's agents, servants, and employees. The Concession Manager shall be available during regular business hours and, at all times during that person's absence, a responsible subordinate shall be in charge and available.

The Concession Manager shall devote the greater part of his or her working time and attention to the operation of the CONCESSION and shall promote, increase, and develop the business. During the days and hours established for the operation of the CONCESSION, the Concession Manager's personal attention shall not be directed toward the operation of any other business activity.

If, for reasons of ill health, incapacitation, or death, the Concession Manager becomes incapable of performing each and all terms and provisions of this AGREEMENT, RAP may, in its sole discretion, suspend this AGREEMENT and all terms and conditions contained therein.

4. Approval of Employees, Volunteers, and Subcontractors

RAP shall have the right to approve or disapprove all employees, volunteers, and subcontractors (including all employees and volunteers for any subcontractor) of CONCESSIONAIRE. Failure of CONCESSIONAIRE to obtain RAP's written approval of all persons operating under the authority of this AGREEMENT on PREMISES shall be a material breach of this AGREEMENT. CONCESSIONAIRE shall submit a list of all persons employed by, or volunteering or subcontracting for CONCESSIONAIRE at PREMISES to RAP prior to commencing operations pursuant to this AGREEMENT. All changes to the approved list of employees, volunteers, and subcontractors shall be submitted to RAP for written approval prior to any employee, volunteer, or subcontractor commencing work at PREMISES. CONCESSIONAIRE shall not hire as an employee or volunteer, or subcontract with, any person whom RAP would be prohibited from hiring as an employee or volunteer pursuant to California Public Resources Code Section 5164 to perform work at PREMISES. Each employee, volunteer, or subcontractor (including all employees or volunteers of any subcontractor) shall be required to fill out a form requesting the information required by Section 5164, and RAP reserves the right to fingerprint and conduct a Department of Justice criminal background check on any such person prior to approving their employment, volunteer service, or subcontract. Failure to comply with this hiring standard shall be a material breach of this AGREEMENT and CONCESSIONAIRE shall immediately remove any employee, volunteer, or subcontractor from the PREMISES at RAP's instruction.

E. Pricing and Standards

1. Bike rental fees and other charges to the public for the use of bicycles and other equipment are subject to approval by RAP and cannot be changed without prior written approval by RAP. RAP seeks to promote both high standards of quality as well as provide services at an affordable rate. All prices shall be prominently posted and shall not exceed prevailing market prices for the same standard of services at similar establishments in the City of Los Angeles.

A price list must be submitted with the execution of this AGREEMENT for written approval by RAP. Changes are subject to RAP approval. Upon request during the term of this AGREEMENT, CONCESSIONAIRE shall provide RAP with a list of prices of all items or services rented and/or sold.

2. All services offered for rent, sale and/or sold by CONCESSIONAIRE in said PREMISES, shall be of high quality and must be related to the ordinary business of the CONCESSION. No adulterated, misbranded, or impure articles shall be sold or kept for sale by CONCESSIONAIRE. All equipment rented by CONCESSIONAIRE shall be kept subject to the approval or rejection of RAP, and CONCESSIONAIRE shall remove from the PREMISES any article which may be rejected and shall not again offer it for rent without the written approval of the RAP. RAP may order the improvement of the quality of any equipment.

F. Diversion of Business

CONCESSIONAIRE shall not divert, cause, allow, or permit to be diverted any business from PREMISES and shall take all reasonable measures, in every proper manner, to develop, maintain, and increase the business conducted by it under this AGREEMENT.

G. Layout and Inventory

CONCESSIONAIRE shall provide to the CITY a layout, indicating the location of storage container(s), displays, and modifications of any kind that will take place to accommodate the bicycles, safety equipment, and administrative materials. Prior to operating, CONCESSIONAIRE shall also provide a starting inventory of bicycles, and other equipment. Any changes to the storage or display arrangements are subject to prior written approval of RAP.

H. Equipment, Furnishings, and Expendables

All equipment, furnishings, and expendables required for said CONCESSION shall be purchased and installed by CONCESSIONAIRE at its sole expense and shall remain its personal property. Upon expiration or earlier termination of this AGREEMENT, CONCESSIONAIRE shall have the right to remove its own equipment, furnishings, and expendables, but not improvements, from PREMISES and shall be allowed a period of seven (7) calendar days to complete such removal. If not removed within that period, said equipment, furnishings, and expendables shall become the property of RAP.

CONCESSIONAIRE agrees to provide, to the satisfaction of RAP, the following equipment at the PREMISES two days prior to commencement of operations. RAP reserves the right to request CONCESSIONAIRE to alter the equipment list as necessary:

Lake Balboa Park Equipment List

Item	# of Items
Single Bench Surrey	11
Double Bench Surrey	10
Deuce Coupe	3
Chopper Recumbent Cycle	4
Quad Sport Recumbent Cycle	4
Cruiser Bicycle	10
Hybrid Infinity Shifting Bicycle	15
Tandem	1
Kid Bike	3
Child Trailer	1
Helmets	170

I. Maintenance of Equipment

CONCESSIONAIRE shall, at all times and at its expense, keep and maintain all equipment, whether owned and/or installed by CONCESSIONAIRE or CITY, in good repair and in a clean, sanitary, and orderly condition and appearance. RAP will be responsible for utility lines and repairs, including telephone, exterior to the PREMISES.

All maintenance, repairs and replacements of all equipment shall be performed at the sole expense of the CONCESSIONAIRE. CONCESSIONAIRE may elect to not use City-owned equipment, with prior written consent of RAP.

No equipment provided by RAP shall be removed or replaced by CONCESSIONAIRE without the prior written consent of RAP, and if consent is secured, such removal and/or

replacement shall be at the expense of CONCESSIONAIRE.

J. Claims for Labor and Materials

CONCESSIONAIRE shall promptly pay when due all amounts payable for labor and materials furnished in the performance of this AGREEMENT so as to prevent any lien or other claim under any provision of law from arising against any CITY property (including reports, documents, and other tangible matter produced by CONCESSIONAIRE hereunder), against CONCESSIONAIRE's rights hereunder, or against CITY, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.

K. Signs and Advertisements

CONCESSIONAIRE shall post, implement, and enforce all required safety rules and regulations related to the CONCESSION.

CONCESSIONAIRE shall not erect, construct, or place any signs, banners, ads, or displays of any kind whatsoever upon any portion of CITY property without the prior written approval from RAP. Certain signs and advertisements may also require the prior written approval of other appropriate agencies.

CONCESSIONAIRE shall place a public notice that CONCESSIONAIRE operates the CONCESSION. The address and phone number of CONCESSIONAIRE shall be shown along with the notation that all complaints should be referred directly to CONCESSIONAIRE.

On signage on the PREMISES, CONCESSIONAIRE shall provide the credit, or as proportions of signage allow, similar credit as approved by RAP in writing:

"In Collaboration with the City of Los Angeles Department of Recreation and Parks."

RAP may require removal or refurbishment, at CONCESSIONAIRE's expense, of any sign previously approved.

Upon the expiration or earlier termination of this AGREEMENT, CONCESSIONAIRE shall, at its own expense, remove or paint out, as RAP may direct, any and all of its signs and displays on PREMISES and in connection therewith, and shall restore said PREMISES and improvements thereto to the same condition as prior to the placement of any such signs or displays.

L. Utilities

CONCESSIONAIRE shall pay RAP an amount equal to Seventy-Five Dollars (\$75.00) per month for utility costs. Such payment will be included with the monthly concession fee payment and stated on the Monthly Gross Receipts and Concession Fee Report, also referred to as a Monthly Revenue Report (Section 8.D – Monthly Revenue Reports). Payment of utilities will be subject to increase annually to cover increasing utility costs. The utility payment for future CONCESSION locations will be negotiated and determined by RAP, and based on cost of utilities per location.

Water and electricity shall be utilized by CONCESSIONAIRE in the most efficient manner possible, and CONCESSIONAIRE expressly agrees to comply with all CITY water conservation programs.

The CONCESSIONAIRE will pay all other utilities directly to the service provider(s) when at such time separate meter(s) is/are installed at the PREMISES.

CONCESSIONAIRE hereby expressly waives all claims for compensation, or for any diminution or abatement of the rental payment provided for herein, for any and all loss or damage sustained by reason of any defect, deficiency, or impairment of the water, heating, or air conditioning systems, electrical apparatus, or wires furnished to the PREMISES which may occur from time to time and from any cause or from any loss resulting from water, earthquake, wind, civil commotion, or riot; and CONCESSIONAIRE hereby expressly releases and discharges CITY and its officers, employees, and agents from any and all demands, claims, actions, and causes of action arising from any of the aforesaid causes.

In all instances where damage to any utility service line is caused by CONCESSIONAIRE, its employees, contractors, sub-contractors, suppliers, agents, or invitees, CONCESSIONAIRE shall be responsible for the cost of repairs and any and all damages occasioned thereby.

CONCESSIONAIRE shall reimburse RAP if any utility charges are paid by RAP.

M. Vending Machines

CONCESSIONAIRE shall not install, or allow to be installed, any vending machines, electronic games, or other coin-operated machines without prior written approval of RAP. RAP shall have the right to order the immediate removal of any unauthorized machines.

N. Safety

CONCESSIONAIRE shall correct safety deficiencies and violations of safety practices immediately after the condition becomes known or RAP notifies CONCESSIONAIRE of said condition. CONCESSIONAIRE shall cooperate fully with CITY in the investigation of accidents occurring on PREMISES. In the event of injury to a patron or customer, CONCESSIONAIRE shall reasonably ensure that the injured person receives prompt and qualified medical attention, and as soon as possible thereafter, CONCESSIONAIRE shall submit a City Form General No. 87 "Non-Employee Accident or Illness Report" (see Section 18, "Notices," for mailing address) (Exhibit F). If CONCESSIONAIRE fails to correct hazardous conditions specified by RAP in a written notice, which have led, or in the opinion of CITY could lead, to injury, RAP may, in addition to all other remedies which may be available to CITY, repair, replace, rebuild, redecorate, or paint any such PREMISES to correct the specified hazardous conditions, with the cost thereof, plus fifteen percent (15%) for administrative overhead, to be paid by CONCESSIONAIRE to CITY on demand.

O. Environmental Sensitivity

CONCESSIONAIRE must operate the CONCESSION in an environmentally sensitive manner and all operations must comply with CITY policies regarding protection of the environment. CONCESSIONAIRE shall not use or allow the use of environmentally unsafe products on PREMISES.

P. Fund Raising And / Or Special Events Activities

CONCESSIONAIRE shall cooperate with RAP personnel on all matters relative to the conduct of fund-raising and/or special events at the discretion of RAP.

Q. Community Outreach

CONCESSIONAIRE shall coordinate and cooperate with RAP to develop strategies to outreach to all members of the community, particularly those living in low-to-moderate income areas, fixed-income households, youth, the disabled, etc., to provide its services to these members of the community who may not otherwise have the opportunity to partake in the services provided by CONCESSIONAIRE.

R. Amplified Sound

No amplified sound is permitted by CONCESSIONAIRE in its operations on PREMISES.

S. Security

CONCESSIONAIRE shall be responsible for security of the interior PREMISES. CONCESSIONAIRE may install equipment, approved by RAP, which will assist in protecting the PREMISES from theft, burglary, or vandalism. Any such equipment must be purchased, installed, and maintained by CONCESSIONAIRE.

T. Receipts

1. CONCESSIONAIRE shall offer receipts to customers for every transaction.
2. CONCESSIONAIRE shall at all times place a sign within twelve (12) inches of any cash register, in clear view to the public, and in minimum one-inch lettering, which states: "If a receipt is not provided for this transaction, please contact the Department of Recreation and Parks - Concessions Division (213) 202-3280."

U. Quiet Enjoyment

RAP agrees that CONCESSIONAIRE, upon payment of the fees and charges specified herein, and all other charges and payments to be paid by CONCESSIONAIRE under the terms of this AGREEMENT, and upon observing and keeping the required terms, conditions and covenants of this AGREEMENT, shall lawfully and quietly hold, use and enjoy the PREMISES during the term of this AGREEMENT. In the case of disputes, during the term of the AGREEMENT, over any conditions which may impede upon the CONCESSIONAIRE's quiet enjoyment of the PREMISES, RAP shall have final determination of any solution to such dispute; RAP's final determination shall be binding upon all parties in such dispute.

V. Filming

It is the policy of RAP to facilitate the use of City-controlled properties as film locations when appropriate. RAP has established a Park Film Office to coordinate use of parks for film production purposes. Any commercial filming shall be subject to approval by RAP and the Film Office. All fees for use of park premises by film production companies shall be established and collected by the Film Office in accordance with RAP policies. The Park Film Office may be reached at (323) 644-6220. If PREMISES is used as a film location, CONCESSIONAIRE agrees to report any revenue received from use of the PREMISES and any property of the CONCESSIONAIRE as a film location and to share that revenue equally with RAP.

W. Failure to Operate

Should CONCESSIONAIRE fail to use the PREMISES for a period of thirty (30) consecutive calendar days, this AGREEMENT shall cease, terminate, and be forfeited unless CONCESSIONAIRE, prior to the expiration of any such period notifies GENERAL MANAGER in writing that such non-use is temporary and obtains the written consent of GENERAL MANAGER of non-use.

SECTION 6. IMPROVEMENTS

CONCESSIONAIRE may propose improvements to the CONCESSION and PREMISES. However, award of the AGREEMENT shall not constitute approval to make any such proposed improvements. The improvements must have prior written approval from the GENERAL MANAGER. Improvements for Lake Balboa/Beilenson Park must also have written concurrence from CORP.

RAP shall hold CONCESSIONAIRE responsible for guaranteeing the completion of all improvements, according to approved plans, regardless of cost. CONCESSIONAIRE shall bear all costs for all necessary permits, insurance, and taxes required for compliance of such improvements. Any breach of this condition for CONCESSION improvements shall be a material breach of this AGREEMENT. RAP reserves the right to recover damages from CONCESSIONAIRE if the improvements are not completed, completed as stipulated, or completed to the satisfaction of RAP. Such damages may include, but are not limited to, recovering up to the entire cost of the improvements from the CONCESSIONAIRE's performance deposit. The performance deposit must be recompensed as stipulated in Section 13, "Performance Deposit," herein. Failure to complete the required improvements within the time frame specified in the written approval, or as prescribed RAP, is subject to a penalty of One Hundred Dollars (\$100.00) per day for each calendar day over the appropriate time limit. At the conclusion of each improvement, CONCESSIONAIRE shall submit proof of project completion to RAP. At that point, RAP will inspect the submitted improvement to confirm completion. All improvements shall become the property of RAP. Additionally, if the value of all completed required and optional improvements is less than the agreed upon value, the CONCESSIONAIRE will be responsible for paying RAP the difference within thirty (30) days of written notification.

RAP reserves the right to further develop or improve the PREMISES as it sees fit, and without interference or hindrance by CONCESSIONAIRE. Such development or improvement may require the suspension or termination of the AGREEMENT. CITY shall not be liable for loss of business which results from the construction of any development or improvements to the PREMISES.

A. Optional Concession Improvements

CONCESSIONAIRE agrees to make, to the satisfaction of the CITY, optional improvements to the PREMISES specified below within six months of the execution of this AGREEMENT or pay the CITY an amount equal to the value of the specific optional improvements not completed within sixty (60) days of written notification by the City that said improvement was not completed:

The CONCESSIONAIRE is the current operator of the CONCESSION at Lake Balboa/Beilenson Park and has already made the following concession improvements with the following value:

1. Upgraded Storage. Value - \$20,000.00.
2. Rental Kiosk. Value - \$10,000.00.
3. Signage.

The total value of all optional concession improvements is Thirty Thousand Dollars (\$30,000.00).

B. Compliance with Applicable Rules and Regulations

All structural or other improvements, equipment and interior design and decor constructed or installed by CONCESSIONAIRE, including the plans and specifications therefore, shall in all respects conform to and comply with the applicable statutes (including the California Environmental Quality Act), ordinances, building codes, rules and regulations of CITY and such other authorities that may have jurisdiction over the facility areas or CONCESSIONAIRE'S operations therein. The written approval by RAP of any improvements as provided above shall not constitute a representation or warranty as to such conformity or compliance, but responsibility therefore shall at all times remain with CONCESSIONAIRE.

C. Procurement of Permits and Approvals

CONCESSIONAIRE shall, at its sole expense, and prior to construction of any Improvements, procure all building, fire, safety, aesthetic, environmental, and other permits and approvals necessary for the construction of the structural and other improvements, installation of the equipment, and the interior design and decor. Copies of all said permits and approvals shall thereafter be submitted to RAP. No permission to begin said improvements shall be granted by RAP prior to CONCESSIONAIRE obtaining of said permits and approvals.

D. Subcontractors

CONCESSIONAIRE shall require by any contract that it awards in connection with the structural or other improvements, the installation of any and all equipment, and the interior designing and decor, that the contractor doing, performing or furnishing the same shall comply with all applicable statutes, ordinances, codes, rules and regulations, and submit to RAP evidence of required insurance coverage.

SECTION 7. HOURS / DAYS OF OPERATION

At minimum, CONCESSIONAIRE shall operate the CONCESSION daily from March 1st to Labor Day, Thursday through Sunday from Labor Day to February 28th, and on all major holidays and during winter and spring breaks. Additionally, in all cases, CONCESSIONAIRE shall operate only when weather permits and not to extend beyond those hours that the park is open to the public. Exceptions to this may be granted by RAP upon written request by CONCESSIONAIRE.

CONCESSIONAIRE must post the hours of operation in a location visible to the public, and must be open for business during the hours posted. Hours of operation may not be changed without prior written approval of RAP.

SECTION 8. CONCESSION FEE

A. Payment

As part of the consideration for RAP granting the CONCESSION rights set forth in this AGREEMENT, CONCESSIONAIRE shall pay to RAP annually as follows:

The greater of:

- The Minimum Annual Guarantee (MAG) of Twenty-Two Thousand Dollars (\$22,000.00)

or

- 15% of gross receipts of all sales.

In the event the Griffith Concession is added as part of the CONCESSION under this AGREEMENT, the applicable concession fee shall be that proposed by CONCESSIONAIRE for the Griffith Concession in its proposal submitted for the CONCESSION RFP. Other than the Griffith Concession, the minimum payment commitment for future locations will be negotiated and determined by comparable existing bicycle rental operations.

Refer to Section 8.C for the definition of "Gross Receipts."

CONCESSIONAIRE shall pay to RAP a monthly payment representing 15% of the gross receipts of sales for the applicable month. If the MAG is not met by December 31st of each calendar year, the difference between the actual concession fee payment received by RAP and the MAG will be due to RAP by January 15th of the subsequent year. The MAG shall be pro-rated as necessary for the first year of operation or fractional part thereof, and pro-rated as necessary for the final year of operation or fractional part thereof.

B. Payment Due

Payment shall be due and payable (postmarked) by the fifteenth (15th) day of each calendar month based on the gross receipts received in the previous month. The payment and Monthly Revenue Report (Section 8.D) shall be addressed to:

CITY OF LOS ANGELES
DEPARTMENT OF RECREATION AND PARKS
ATTENTION: Concessions Unit
P.O. Box 86328
Los Angeles, California 90086

Payments may also be made by electronic deposit, which may be arranged by submitting a request to the department contact listed in Section 19.A.

C. Gross Receipts Defined

The term "gross receipts" is defined as the total amount charged for the sale of any goods or services (whether or not such services are performed as a part of or in connection with the sale of goods) provided in connection with this CONCESSION, but not including any of the following:

1. Cash discounts allowed or taken on sales;
2. Any sales taxes, use taxes, or excise taxes required by law to be included in or added to the purchase price and collected from the consumer or purchaser and paid by CONCESSIONAIRE;
3. California Redemption Value (CRV);
4. Receipts from the sale of waste or scrap materials resulting from the CONCESSION operation;
5. Receipts from the sale of or the trade-in value of any furniture, fixtures, or equipment used in connection with the CONCESSION, and owned by CONCESSIONAIRE;

6. The value of any merchandise, supplies, or equipment exchanged or transferred from or to other business locations of CONCESSIONAIRE where such exchanges or transfers are not made for the purpose of avoiding a sale by CONCESSIONAIRE which would otherwise be made from or at PREMISES;
7. Refunds from, or the value of, merchandise, supplies, or equipment returned to shippers, suppliers, or manufacturers;
8. Receipts from the sale at cost of uniforms, clothing, or supplies to CONCESSIONAIRE's employees where such uniforms, clothing, or supplies are required to be worn or used by said employees;
9. Receipts from any sale where the subject of such sale, or some part thereof, is thereafter returned by the purchaser to and accepted by CONCESSIONAIRE, to the extent of any refund actually granted or adjustment actually made, either in the form of cash or credit;
10. Fair market trade-in allowance, in the event merchandise is taken in trade;
11. The amount of any cash or quantity discounts received from sellers, suppliers, or manufacturers;
12. Discounts or surcharges applied to receipts for services or merchandise, with the concurrence of both CONCESSIONAIRE and RAP, including discounts to employees, if concurred by RAP;

CONCESSIONAIRE shall not reduce or increase the amount of gross receipts, as herein defined, as a result of any of the following:

13. Any error in cash handling by CONCESSIONAIRE or CONCESSIONAIRE's employees or agents;
14. Any losses resulting from bad checks received from consumers or purchasers; or from dishonored credit, charge, or debit card payments; or any other dishonored payment to CONCESSIONAIRE by customer or purchaser;
15. Any arrangement for a rebate, kickback, or hidden credit given or allowed to customer.

D. Monthly Revenue Reports

CONCESSIONAIRE shall transmit with each payment a Monthly Revenue Report (Exhibit D) for the month for which a payment is submitted.

E. Late Payment Fee

Failure of CONCESSIONAIRE to pay any of the concession fee payments or any other fees, charges, or payments required herein on time is a breach of this AGREEMENT for which RAP may terminate same or take such other legal action as it deems necessary.

Without waiving any rights available at law, in equity or under this AGREEMENT, in the event of late or delinquent payments by CONCESSIONAIRE, the latter recognizes that

RAP will incur certain expenses as a result thereof, the amount of which is difficult to ascertain. Therefore, in addition to monies owing, CONCESSIONAIRE agrees to pay RAP a late fee set forth below to compensate RAP for all expenses and/or damages and loss resulting from said late or delinquent payments.

The charge for late or delinquent payments shall be one hundred and fifty dollars (\$150.00) for each month late plus interest calculated at the rate of eighteen percent (18%) per annum, assessed monthly, on the balance of the unpaid amount. Payments shall be considered past due if postmarked after the fifteenth (15th) day of the month in which payment is due.

The acceptance of late payments by RAP shall not be deemed as a waiver of any other breach by CONCESSIONAIRE of any term or condition of this AGREEMENT other than the failure of CONCESSIONAIRE to timely make the particular payment so accepted.

F. Compliance with Identity Theft Laws and Payment Card Data Security Standards:

CONCESSIONAIRE agrees to comply with all Identity Theft Laws including without limitation, Laws related to: 1) Payment Devices; 2) Credit and Debit Card Fraud; and 3) the Fair and Accurate Credit Transactions Act (FACTA), including its requirement relating to the content of Transaction Receipts provided to Customers. CONCESSIONAIRE also agrees to comply with all requirements related to maintaining compliance with Payment Card Industry Data Security Standards (PCI DSS). During the performance of any service to replace, install, program or update Payment Devices equipped to conduct Credit or Debit Card transactions, including PCI DSS services, CONCESSIONAIRE agrees to verify proper truncation of receipts in compliance with FACTA. CONCESSIONAIRE understands that failure to ensure proper truncation will result in the imposition of liability and defense costs that may arise out of consequent litigation.

SECTION 9. ADDITIONAL FEES AND CHARGES

- A.** If RAP pays any sum or incurs any obligations or expense which CONCESSIONAIRE has agreed to pay or reimburse RAP for, or if RAP is required or elects to pay any sum or to incur any obligations or expense by reason of the failure, neglect, or refusal of CONCESSIONAIRE to perform or fulfill any one or more of the conditions, covenants, or agreements contained in this AGREEMENT, or as a result of an act or omission of CONCESSIONAIRE contrary to said conditions, covenants, and agreements, CONCESSIONAIRE agrees to pay RAP the sum so paid or the expense so incurred, including all interest, costs, (including RAP's fifteen percent (15%) administrative overhead cost), damages, and penalties. This amount shall be added to the concession fee payment thereafter due hereunder, and each and every part of the same shall be and become additional concession fee payment, recoverable by RAP in the same manner and with like remedies as if it were originally a part of the concession fee payment set forth in Section 8.
- B.** For all purposes under this Section, and in any suit, action, or proceeding of any kind between the parties hereto, any receipt showing the payment of any sum by RAP for any work done or material furnished shall be prima facie evidence against CONCESSIONAIRE that the amount of such payment was necessary and reasonable. Should RAP elect to use its own personnel in making any repairs, replacements, and/or alterations, and to charge CONCESSIONAIRE with the cost of same, receipts and

timesheets will be used to establish the charges, which shall be presumed to be reasonable in absence of contrary proof submitted by CONCESSIONAIRE.

- C. Use of PREMISES for purposes not expressly permitted herein, whether approved in writing by RAP or not, may result in additional charges; however, any such use without the prior written approval of RAP shall also constitute a material breach of this AGREEMENT and is prohibited.

SECTION 10. MAINTENANCE OF PREMISES

During all periods that the PREMISES are used or are under control of CONCESSIONAIRE for the uses, purposes, and occupancy aforesaid, CONCESSIONAIRE shall be responsible for all necessary janitorial duties and damage/maintenance repairs, to the satisfaction of RAP. The cause of said maintenance, cleaning and repairs may result from normal wear and tear, as well as vandalism.

A. Interior of Premises

- 1. Areas to be maintained by CONCESSIONAIRE:

CONCESSIONAIRE shall, at its own expense, keep and maintain all the interior walls and surfaces of PREMISES and all improvements, fixtures, and utility systems which may now or hereafter exist thereon, whether installed by RAP or CONCESSIONAIRE. Improvements shall include all buildings and appurtenances recessed into or attached by any method to the ground or to another object which is recessed or attached to the ground or to other CITY-owned facilities (such as buildings, fences, posts, signs, electrical hook-ups, plumbing, tracks, tanks, etc.).

CONCESSIONAIRE shall provide all maintenance, repair, and service required on all interior areas, surfaces, and equipment used in the PREMISES and keep such equipment in good repair and in a clean and orderly condition and appearance. CONCESSIONAIRE shall also be responsible for electrical, mechanical, and plumbing maintenance in the interior of the PREMISES, such as lighting fixtures, sinks, and faucets; however, CITY shall be responsible for maintenance of utility lines and drains within the walls and floors of the concession PREMISES. Insofar as sanitation and appearance of the PREMISES is concerned, RAP may direct CONCESSIONAIRE to perform necessary repairs and maintenance to the interior of the structure or to the equipment, whether the equipment is CONCESSIONAIRE or RAP property.

- 2. Duties

CONCESSIONAIRE'S maintenance duties shall include all sweeping, washing, servicing, repairing, replacing, cleaning, and interior painting that may be required to properly maintain the premises in a safe, clean, operable, and attractive condition. CONCESSIONAIRE shall provide for such repairs, replacements, rebuilding, and restoration as may be required by or given prior written approval by RAP to comply with the requirements hereof. Those duties shall also include electrical, mechanical, and plumbing maintenance in the interior of the premises, such as light fixtures, toilets, and faucets.

B. Exterior of Premises and Common Passageways

RAP shall maintain the exterior of all buildings and will endeavor to perform all exterior repairs occasioned by normal wear and tear, and the elements, unless otherwise provided for in the AGREEMENT. Common passageways leading to other CONCESSION facilities or offices maintained by RAP which also lead to the PREMISES shall not be considered under the control of CONCESSIONAIRE for purposes of this

Section. In addition, RAP shall be responsible for maintenance of the lawn area within the perimeter of the PREMISES, including mowing and watering, and shall maintain all existing landscaping, trees, and bushes on the PREMISES. CITY shall also maintain the existing water, drain and sewer systems, provided, however, that CONCESSIONAIRE shall make every effort not to clog such systems with debris from operations.

C. Correction of Conditions Leading to Damage

If CONCESSIONAIRE fails, after written notice, to correct such conditions which have led or, in the opinion of RAP, could lead to significant damage to CITY property, RAP may at its option, and in addition to all other remedies which may be available to it, repair, replace, rebuild, redecorate or paint any such PREMISES included in said notice, with the cost thereof, plus fifteen percent (15%) for administrative overhead, to be paid by CONCESSIONAIRE to RAP on demand. If, for any reason, payment of such fees becomes delinquent, RAP may, in its sole discretion, suspend the AGREEMENT and all terms and conditions contained therein.

D. Property Damage and Theft Reporting

CONCESSIONAIRE shall complete and submit to RAP a "Special Occurrence and Loss Report," (Exhibit G) in the event that the PREMISES and/or CITY-owned property is damaged or destroyed, in whole or in part, from any cause whatsoever, and in the event of theft, burglary, or other crime committed on the PREMISES. Blank forms for this purpose shall be provided by RAP.

E. Damage or Destruction to Premises

1. Partial Damage

If all or a portion of the PREMISES are partially damaged by fire, explosion, flooding inundation, floods, the elements, public enemy, or other casualty, but not rendered uninhabitable, the same will be repaired with due diligence by RAP at its own cost and expense, subject to the limitations as hereinafter provided; if said damage is caused by the negligent acts or omissions of CONCESSIONAIRE, its agents, officers, or employees, CONCESSIONAIRE shall be responsible for reimbursing RAP for the cost and expense incurred in making such repairs.

2. Extensive Damage

If the damages as described above in "Partial Damage" are so extensive as to render the PREMISES or a portion thereof uninhabitable, but are capable of being repaired within a reasonable time not to exceed sixty (60) days, the same shall be repaired with due diligence by RAP at its own cost and expense and a negotiated portion of the fees and charges payable hereunder shall abate from the time of such damage until such time as the PREMISES are fully restored and certified by RAP as again ready for use; provided, however, that if such damage is caused by the negligent acts or omissions of CONCESSIONAIRE, its agents, officers, or employees, said fees and charges will not abate and CONCESSIONAIRE shall be responsible for the cost and expenses incurred in making such repairs.

3. Complete Destruction

In the event all or a substantial portion of the PREMISES are completely destroyed by fire, explosion, the elements, public enemy, or other casualty, or are so damaged that they are uninhabitable and cannot be replaced except after more than sixty (60) days, RAP shall be under no obligation to repair, replace or reconstruct said

PREMISES, and an appropriate portion of the fees and charges payable hereunder shall abate as of the time of such damage or destruction and shall henceforth cease until such time as the said PREMISES are fully restored. If within four (4) months after the time of such damage or destruction said PREMISES have not been repaired or reconstructed, CONCESSIONAIRE may terminate this AGREEMENT in its entirety as of the date of such damage or destruction. Notwithstanding the foregoing, if the said PREMISES, or a substantial portion thereof, are completely destroyed as a result of the negligent acts or omissions of CONCESSIONAIRE, its agents, officers, or employees, said fees and charges shall not abate and RAP may, in its discretion, require CONCESSIONAIRE to repair and reconstruct the same within twelve months of such destruction and CONCESSIONAIRE shall be responsible for reimbursing CITY for the cost and expenses incurred in making such repairs. CONCESSIONAIRE shall continue paying CITY rent as determined above during the rebuilding of the PREMISES.

4. Limits of CITY'S Obligation Defined

In the application of the foregoing provisions, RAP may, but shall not be obligated to, repair or reconstruct the PREMISES. If RAP chooses to do so, CITY'S obligation shall also be limited to repair or reconstruction of the PREMISES to the same extent and of equal quality as obtained by CONCESSIONAIRE at the commencement of its operations hereunder. Redecoration and replacement of furniture, equipment and supplies shall be the responsibility of CONCESSIONAIRE and any such redecoration and refurbishing/reequipping shall be equivalent in quality to that originally installed.

F. Pest Control

Unless otherwise specified in the AGREEMENT, CONCESSIONAIRE shall be responsible for pest control in and around the PREMISES, including but not limited to, abatement of insects (including roaches, bees, etc.), spiders, rodents, vermin, and other nuisance pests, if the pests are found in or on structures or areas used and maintained by CONCESSIONAIRE, such as any of the following portions of the PREMISES:

1. Any portion of a building or enclosed structure with walls, roof, and doors, such as pro shops, gift shops, golf car storage facilities, restaurants, food stands, ticket and sales booths, kiosks, theater stage buildings, offices and storage facilities, storage containers owned and/or used by CONCESSIONAIRE, equine housing, etc.

RAP shall be responsible for pest control if pests are found in or on structures or areas maintained by RAP, such as:

1. Open, unfenced areas such as those locations permitted for mobile food vending, bike rentals, coin-operated telescopes, etc.
2. Recreation centers, rental halls, and other facilities occupied in part by CONCESSIONAIRE but maintained by CITY.
3. Other areas, structures, or facilities adjacent to the PREMISES, but not used by or under the control of CONCESSIONAIRE; or areas, structures, or facilities shared by CONCESSIONAIRE and RAP.

Pest control for pests which may cause permanent structural damage to RAP property (for example, termite infestation) shall be the responsibility of RAP. CONCESSIONAIRE shall take all reasonable measures to reduce the proliferation of pests, including

maintaining the PREMISES clean and orderly in accordance with this Section, and keeping wood components painted. RAP may direct CONCESSIONAIRE to take additional measures to abate pests which are an immediate threat to public health or safety.

SECTION 11. UNITED STATES ARMY CORP OF ENGINEERS REQUIREMENTS

This AGREEMENT is executed subject to all terms and conditions in accordance with the Master Agreement Lease Number DACW09-1-67-11 between CITY and the United States, (Exhibit H) ("Master Lease"). The following requirements are for the Lake Balboa bicycle rental concession location:

1. CONCESSIONAIRE is charged at all times with full knowledge of all the limitations and requirements of Master Lease No. DACW09-1-67-11 and its Supplemental Agreements and the necessity for corrections of deficiencies, and compliance with any reasonable request By the Corps District Engineer or his/her representative.
2. CONCESSIONAIRE shall indemnify, and hold harmless, the United States of America and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability out of Lease No. DACW09-1-67-11 and its Supplemental Agreements, from any cause whatsoever incurred by the City or United States of America on account of any claim therefore, except where such indemnification is prohibited by law.
3. Indemnity and Insurance: CONCESSIONAIRE, at the commencement of operating under the terms of Lease No. DACW09-1-67-11 and its Supplemental Agreements shall obtain from a reputable insurance company or companies contracts of liability insurance which names the United States Army Corps of Engineers an additional insured. The insurance shall provide an amount not less than that which is prudent, reasonable, and consistent with sound business practices or a minimum Combined Single Limit of \$2,000,000.00, whichever is greater, for any number of persons or claims arising from any one incident with respect to bodily injuries or death resulting therefrom, property damage, or both suffered or alleged to have been suffered by any person or persons, resulting from the operations of the CONCESSIONAIRE under the terms of Lease No. DACW09-1-67-11 and its Supplemental Agreements. The CONCESSIONAIRE shall require its insurance company to furnish to the City and District Engineer a copy of the policy or policies, or, if acceptable to the District Engineer, certificates of insurance evidencing the purchase of such insurance. The District Engineer shall have the right to review and revise the amount of minimum liability insurance required. The Insurance policy or policies shall specifically provide protection appropriate for the types of facilities, services, and products involved, and shall provide that the District Engineer be given thirty (30) days' notice of cancellation or change in such insurance. The City's insurance status shall not eliminate the requirement for CONCESSIONAIRE to have insurance from a reputable insurance carrier. The District Engineer may require closure of any or all of the premises during any period for which the City and/or its CONCESSIONAIRE do not have the required coverage.
4. CONCESSIONAIRE agrees that this AGREEMENT is granted subject to all of the terms and conditions of the Master Lease and will not be effective until the terms and conditions thereof are approved by the District Engineer.

SECTION 12. PROHIBITED ACTS

CONCESSIONAIRE shall not:

1. Use PREMISES to conduct any other business operations not related to the CONCESSION.
2. Do or allow to be done anything which may interfere with the effectiveness or accessibility of utility, heating, ventilating, or air conditioning systems or portions thereof on PREMISES or elsewhere at the PREMISES, nor do or permit to be done anything which may interfere with free access and passage in PREMISES or the public areas adjacent thereto, or in the streets or sidewalks adjoining PREMISES, or hinder police, fire fighting, or other emergency personnel in the discharge of their duties;
3. Interfere with the public's enjoyment and use of the PREMISES or use PREMISES for any purpose which is not essential to the CONCESSION operations;
4. Rent, sell, lease, or offer any space for storing of any articles whatsoever within or on PREMISES other than specified herein, without the prior written approval of RAP;
5. Overload any floor on PREMISES;
6. Place any additional lock of any kind upon any window or interior or exterior door on PREMISES, or make any change in any existing door or window lock or mechanism thereof, nor refuse, upon the expiration or earlier termination of this AGREEMENT, to surrender to RAP any and all keys to the interior or exterior doors on PREMISES, whether said keys were furnished to or otherwise procured by CONCESSIONAIRE. In the event of the loss of any keys furnished by RAP, CONCESSIONAIRE shall pay RAP, on demand, the cost for replacement thereof;
7. Do or permit to be done any act or thing upon PREMISES which will invalidate, suspend, or increase the rate of any insurance policy required under this AGREEMENT, or carried by RAP, covering PREMISES, or the buildings in which the same are located or which, in the opinion of RAP, may constitute a hazardous condition that will increase the risks normally attendant upon the operations contemplated under this AGREEMENT, provided, however, that nothing contained herein shall preclude CONCESSIONAIRE from bringing, keeping, or using on or about the PREMISES such materials, supplies, equipment, and machinery as are appropriate or customary in carrying on its business, or from carrying on said business in all respects as is customary;
8. Use, create, store, or allow any hazardous materials as defined in Title 26, Division 19.1, Section 19-2510 of the California Code of Regulations, or those which meet the criteria of the above Code, as well as any other substance which poses a hazard to health and environment, provided, however, that nothing contained herein shall preclude CONCESSIONAIRE from bringing, keeping, or using on or about PREMISES such materials, supplies, equipment, and machinery as are appropriate or customary in carrying on its business, or from carrying on said business in all

- respects as is customary. All hazardous materials must be stored and used in compliance with all City, State, and Federal rules, regulations, ordinances, and laws;
9. Allow any sale by auction upon PREMISES;
 10. Permit undue loitering on or about PREMISES;
 11. Use PREMISES in any manner that will constitute waste;
 12. Use or allow PREMISES to be used for, in the opinion of RAP, any improper, immoral, or unlawful purposes.

SECTION 13. PERFORMANCE DEPOSIT

CONCESSIONAIRE shall provide to RAP a sum equal to Six Thousand Dollars (\$6,000.00) to guarantee payment of fees and as a damage deposit to be used in accordance with the default provisions of this AGREEMENT.

A. Form of Deposit

A cashier's check drawn on any bank that is a member of the Los Angeles Clearing House Association, which cashier's check is payable to the order of the City of Los Angeles.

B. Agreement of Deposit and Indemnity

CONCESSIONAIRE unconditionally agrees that in the event of any default, RAP shall have full power and authority to use the deposit in whole or in part to indemnify CITY. All deposits of checks must be immediately so deposited by RAP.

C. Maintenance of Deposit

Said Deposit shall be held by CITY during the entire term of this AGREEMENT.

D. Return of Deposit to CONCESSIONAIRE

Said Deposit shall be returned to CONCESSIONAIRE and any rights assigned to the Deposit shall be surrendered by RAP in writing, after the expiration or earlier termination of this AGREEMENT and any exit audits performed in conjunction with this AGREEMENT. RAP reserves the right to deduct from the Performance Deposit any amounts up to and including the full amount of the Deposit as stated herein owed to RAP by CONCESSIONAIRE as shown by any exit audits performed by RAP, or as compensation to RAP for failure to adhere to the terms and conditions of this AGREEMENT.

SECTION 14. TAXES, PERMITS, AND LICENSES

- A. CONCESSIONAIRE shall obtain and maintain at its sole expense any and all approvals, permits, or licenses that may be required in connection with the operation of the CONCESSION including, but not limited to, tax permits, business licenses, health permits, police and fire permits, etc.
- B. CONCESSIONAIRE shall pay all taxes of whatever character that may be levied or charged upon the rights of CONCESSIONAIRE to use PREMISES, or upon CONCESSIONAIRE's improvements, fixtures, equipment, or other property thereon or upon CONCESSIONAIRE's operations hereunder. In addition, by executing this

AGREEMENT and accepting the benefits thereof, a property interest may be created known as "Possessory Interest" and such property interest will be subject to taxation. CONCESSIONAIRE, as the party to whom the Possessory Interest is vested, may be subject to the payment of the property taxes levied by the State and County upon such interest.

- C. During the entire term of this AGREEMENT, CONCESSIONAIRE must hold a current Los Angeles Business Tax Registration Certificate (BTRC) as require by CITY's Business Tax Ordinance (LAMC Article 1, Chapter 2, Section 12.00 *et seq.*).
- D. Pursuant to Section 21.3.3 of Article 1.3 of the LAMC Commercial Tenants Occupancy Tax, CONCESSIONAIRE must pay to the City of Los Angeles for the privilege of occupancy, a tax at the rate of One Dollar and Forty-Eight Cents (\$1.48) per calendar quarter or fractional part thereof for the first One Thousand Dollars (\$1,000.00) or less of charges (rent) attributable to said calendar quarter, plus One Dollar and Forty-Eight Cents (\$1.48) per calendar quarter for each additional One Thousand Dollars (\$1,000.00) of charges or fractional part thereof in excess of One Thousand Dollars (\$1,000.00). Said tax shall be paid quarterly to RAP, on or before the fifteenth (15th) of April, July, October, and January of each calendar year, for the preceding three (3) months. Should the rate of the Occupancy Tax rise at any time during the term of this AGREEMENT, CONCESSIONAIRE shall be responsible to pay the updated, higher rate.

SECTION 15. ASSIGNMENT, SUBLEASE, BANKRUPTCY

CONCESSIONAIRE shall not under-let or sub-let the subject PREMISES or any part thereof or allow the same to be used or occupied by any other person or for other use than that herein specified, nor purport or attempt to assign this AGREEMENT nor transfer, assign, or in any manner convey any of the rights or privileges herein granted without the explicit prior written consent of RAP and the CORP. Neither this AGREEMENT nor the rights herein granted shall be assignable or transferable by any process or proceedings in any court, or by attachment, execution, proceeding in insolvency or bankruptcy either voluntary or involuntary, or receivership proceedings. Any attempted assignment, mortgaging, hypothecation, or encumbering of the CONCESSION rights or other violation of the provisions of this Section shall be void and shall confer no right, title, or interest in or to this AGREEMENT or right of use of the whole or any portion of PREMISES upon any such purported assignee, mortgagee, encumbrancer, pledgee, or other lien holder, successor, or purchaser. Any such purported or attempted assignment, transfer, mortgaging, hypothecation, or encumbering without the explicit, prior written consent of RAP (and the CORP if it pertains to Lake Balboa/Beilenson Park) shall be a material breach of this AGREEMENT, and RAP, at its discretion, may terminate this AGREEMENT. A change of control in the ownership of the CONCESSIONAIRE during the term of this AGREEMENT shall be deemed an assignment of this AGREEMENT.

SECTION 16. BUSINESS RECORDS

CONCESSIONAIRE shall maintain during the term of this AGREEMENT and for three years thereafter, all of its books, ledgers, journals, and accounts wherein are kept all entries reflecting the gross receipts received or billed by it from the business transacted pursuant to this AGREEMENT. Such books, ledgers, journals, accounts, and records shall be available for inspection and examination by RAP, or a duly authorized representative, during ordinary business hours at any time during the term of this AGREEMENT and for at least three years thereafter.

A. Employee Fidelity Bonds

At RAP's discretion, adequate employee fidelity bonds may be required to be maintained by CONCESSIONAIRE covering all its employees who handle money.

B. Cash and Record Handling Requirements

If requested by RAP, CONCESSIONAIRE shall prepare a description of its cash handling and sales recording systems and equipment to be used for operation of the CONCESSION which shall be submitted to RAP for approval.

CONCESSIONAIRE shall be required to maintain a method of accounting of the CONCESSION which shall correctly and accurately reflect the gross receipts and disbursements received or made by CONCESSIONAIRE from the operation of the CONCESSION. The method of accounting, including bank accounts, established for the CONCESSION shall be separate from the accounting systems used for any other business operated by CONCESSIONAIRE or for recording CONCESSIONAIRE's personal financial affairs. Such method shall include the keeping of the following documents:

1. Regular books of accounting such as general ledgers.
2. Journals including supporting and underlying documents such as vouchers, checks, tickets, bank statements, etc.
3. State and Federal income tax returns and sales tax returns and checks and other documents proving payment of sums shown.
4. Cash register tapes shall be retained so that day to day sales can be identified. A cash register must be used in public view which prints a dated double tape, indicating each sale and the daily total.
5. Any other accounting records that RAP, in its sole discretion, deems necessary for proper reporting of receipts.

C. Method of Recording Gross Receipts

CONCESSIONAIRE must install a computerized point-of-sale (POS) system, including hardware and software, to record transactions and receipts. Such POS system must be capable of accepting credit and debit card payments; providing paper receipts to patrons; have a price display which is and shall remain at all times visible to the public; and have controls in place to make it equivalent to a non-resettable cash register. CONCESSIONAIRE shall not purchase or install the POS system, including hardware and software, before obtaining RAP's written approval of the specific hardware and software to be purchased.

D. Annual Statement of Gross Receipts and Expenses

CONCESSIONAIRE shall transmit a Statement of Gross Receipts and Expenses (Profit and Loss Statement) for the CONCESSION operations as specified in this AGREEMENT, in a form acceptable to RAP, on or before April 30th, of each calendar year during the term of this AGREEMENT. Such Statement must be prepared by a Certified Public Accountant (CPA) and shall not include statements of omission or non-disclosure. An extension may be granted in writing, prior to the April 30th due date, by RAP, provided sufficient verification of the need for the extension is provided, as

accepted by RAP. The charge for late or delinquent Statements shall be One Hundred Fifty Dollars (\$150.00) per month or part thereof late.

In addition, RAP may, from time to time, conduct an audit and re-audit of the books and businesses conducted by CONCESSIONAIRE and observe the operation of the business so that accuracy of the above records can be confirmed. If the report of gross sales made by CONCESSIONAIRE to RAP shall be found to be less than the amount of gross sales disclosed by such audit and observation, CONCESSIONAIRE shall pay RAP within thirty (30) days after billing any additional rentals disclosed by such audit. If discrepancy exceeds two percent (2%) and no reasonable explanation is given for such discrepancy, CONCESSIONAIRE shall also pay the cost of the audit.

SECTION 17. REGULATIONS, INSPECTION, AND DIRECTIVES

A. Constitutional and Other Limits on CONCESSIONAIRE's Rights to Exclusivity

Notwithstanding exclusivity granted to CONCESSIONAIRE by the terms of this AGREEMENT, CITY in its discretion may require CONCESSIONAIRE, without any reduction in rent or other valuable consideration to CONCESSIONAIRE, to accommodate the rights of persons to access and engage in expressive activities, as guaranteed by the First Amendment to the UNITED STATES Constitution, the California Constitution, and other laws, as these laws are interpreted by CITY. Expressive activities include, but are not limited to, protesting, picketing, proselytizing, soliciting, begging, and vending of certain expressive, message-bearing items.

B. Conformance with Laws

CONCESSIONAIRE shall conform to:

1. Any and all applicable rules, regulations, orders, and restrictions which are now in force or which may be hereafter adopted by RAP with respect to the operation of the CONCESSION;
2. Any and all orders, directions, or conditions issued, given, or imposed by CITY with respect to the use of the roadways, driveways, curbs, sidewalks, parking areas, or public areas adjacent to PREMISES;
3. Any and all applicable laws, ordinances, statutes, rules, regulations, or orders, including the LAMC, LAAC, the Charter of the City of Los Angeles, and of any governmental authority, federal, state, or municipal, lawfully exercising authority over CONCESSIONAIRE's operations; and,
4. Any and all applicable local, state, and federal laws and regulations relative to the design and installation of facilities to accommodate disabled persons.

C. Permissions

Any permission required by this AGREEMENT shall be secured in writing by CONCESSIONAIRE from CITY or RAP and any errors or omissions therefrom shall not relieve CONCESSIONAIRE of its obligations to faithfully perform the conditions therein. CONCESSIONAIRE shall immediately comply with any written request or order submitted to it by CITY or RAP.

D. Right of Inspection

The UNITED STATES, CITY and RAP, their authorized representatives, agents, and employees shall have the right to enter upon PREMISES at any and all reasonable times for the purpose of inspection, evaluation, and observation of CONCESSIONAIRE's operation. Park Rangers are specifically designated as CITY agents and are empowered by CITY to conduct inspections of PREMISES, evaluate CONCESSIONAIRE, and inform RAP fully as to CONCESSIONAIRE's conduct of the CONCESSION. During these inspections, they all shall have the right to photograph, film, or otherwise record conditions and events taking place upon PREMISES. The inspections may be made by persons identified to CONCESSIONAIRE as CITY Employees, or may be made by independent contractors engaged by CITY. Inspections may be made for the purposes set forth below, and for any other lawful purpose for which CITY or another governmental entity with jurisdiction is authorized to perform inspections of the PREMISES:

1. To determine if the terms and conditions of this AGREEMENT are being complied with.
2. To observe transactions between CONCESSIONAIRE and patrons in order to evaluate the quality of services provided or quality and quantities of items sold or dispensed.
3. To ensure quality control and verify the validity of mandatory operating permits.

E. Control of Premises

The UNITED STATES AND CITY shall have absolute and full access to PREMISES and all its appurtenances during the term of this AGREEMENT and may make such changes and alterations therein, and in the grounds surrounding same, as may be determined by the UNITED STATES and CITY. Such determination shall not be unreasonable and shall take into account the business considerations presented by CONCESSIONAIRE.

F. Business Inclusion Program

CONCESSIONAIRE agrees and obliges itself to utilize the services of Minority, Women, Small, Emerging, Disabled Veteran, and Other Business Enterprise firms on a level so designated in its proposal, Schedule A (Exhibit I). CONCESSIONAIRE certifies that it has complied with Executive Directive No. 14 regarding the Outreach Program. CONCESSIONAIRE shall not change any of these designated sub consultants and subcontractors, nor shall CONCESSIONAIRE reduce their level of effort, without prior written approval of CITY, provided that such approval shall not be unreasonably withheld.

During the term of this AGREEMENT, CONCESSIONAIRE must submit the MBE/WBE/SBE/EBE/DVBE/OBE Utilization Profile, Schedule B (Exhibit J) when submitting the Monthly Remittance Advice. Upon completion of the project, a summary of these records shall be prepared on the "Final Subcontracting Report" form, Schedule C (Exhibit K) and certified corrected by CONCESSIONAIRE or its authorized representative. The completed Schedule C shall be furnished to RAP within fifteen (15) working days after completion of this AGREEMENT.

G. First Source Hiring Ordinance

Unless otherwise exempt in accordance with the provisions of this Ordinance, this AGREEMENT is subject to the applicable provisions of the First Source Hiring Ordinance (FSHO), Section 10.44 *et seq.* of the LAAC, as amended from time to time.

1. CONCESSIONAIRE shall, prior to the execution of this AGREEMENT, provide to the Designated Administrative Agency (DAA) a list of anticipated employment opportunities that CONCESSIONAIRE estimates it will need to fill in order to perform the services under this AGREEMENT. The Department of Public Works, Bureau of Contract Administration is the DAA.
2. CONCESSIONAIRE further pledges that it will, during the term of this AGREEMENT:
 - a. At least seven (7) business days prior to making an announcement of a specific employment opportunity, provide notification of that employment opportunity to the Economic and Workforce Development Department (EWDD), which will refer individuals for interview;
 - b. Interview qualified individuals referred by EWDD; and,
 - c. Prior to filling any employment opportunity, CONCESSIONAIRE shall inform the DAA of the names of the Referral Resources used, the names of the individuals they referred, the names of the referred individuals who CONCESSIONAIRE interviewed, and the reasons why referred individuals were not hired.
3. Any subcontract entered into by CONCESSIONAIRE relating to this AGREEMENT, to the extent allowed hereunder, shall be subject to the provisions of FSHO, and shall incorporate the FSHO.
4. CONCESSIONAIRE shall comply with all rules, regulations, and policies promulgated by the DAA, which may be amended from time to time.

Where under the provisions of Section 10.44.13 of the LAAC the DAA has determined that CONCESSIONAIRE intentionally violated or used hiring practices for the purpose of avoiding the article, the determination must be documented in the Awarding Authority's Contractor Evaluation, required under LAAC Section 10.39 *et seq.*, and must be documented in each of CONCESSIONAIRE's subsequent Contractor Responsibility Questionnaires submitted under LAAC Section 10.40 *et seq.* This measure does not limit CITY's authority to act under this article.

Under the provisions of Section 10.44.8 of the LAAC, the Awarding Authority shall, under appropriate circumstances, terminate this AGREEMENT and otherwise pursue legal remedies that may be available if the DAA determines that the subject CONCESSIONAIRE has violated provisions of the FSHO.

H. CEC Form 50

Certain contractors agree to comply with the disclosure requirements and prohibitions established in the Los Angeles Municipal Lobbying Ordinance if those contractors qualify as a lobbying entity under Los Angeles Municipal Code 48.02. CEC Form 50 attached as Exhibit L. Responses submitted without a completed CEC Form 50, by proposers that qualify as a lobbying entity under Los Angeles Municipal Code 48.02 shall be deemed nonresponsive.

I. CEC Form 55

CEC Form 55 requires bidders to identify their principals, their subcontractors performing One Hundred Thousand Dollars (\$100,000.00) or more in work on the contract, and the principals of those subcontractors. Bidders must also notify their principals and subcontractors in writing of the restrictions and include the notice in contracts with subcontractors. Responses submitted without a completed CEC Form 55 shall be deemed nonresponsive. Bidders who fail to comply with City Law may be subject to penalties, termination of contract, and debarment. Additional information regarding restrictions and requirements may be obtained from the City Ethics Commission at (213) 978-1960 or ethics.lacity.org.

SECTION 18. SURRENDER OF POSSESSION

CONCESSIONAIRE agrees to yield and deliver possession of PREMISES to RAP on the date of the expiration or earlier termination of this AGREEMENT promptly, peaceably, quietly, and in as good order and condition as the same now are or may be hereafter improved by CONCESSIONAIRE or RAP, normal use and wear and tear thereof excepted.

No agreement of surrender or to accept a surrender shall be valid unless and until the same is in writing and signed by the duly authorized representatives of RAP and CONCESSIONAIRE. Neither the doing nor omission of any act or thing by any of the officers, agents, or employees of RAP shall be deemed an acceptance of a surrender of PREMISES utilized by CONCESSIONAIRE under this AGREEMENT.

Upon termination of this AGREEMENT other than by forfeiture, CONCESSIONAIRE shall quit and surrender possession of PREMISES to RAP and shall, without cost to RAP, remove any and all works, structures, or other improvements owned by CONCESSIONAIRE and restore PREMISES to the same or as good condition, ordinary wear and tear excepted, as the same were in it at the time of the first occupancy, thereof by CONCESSIONAIRE under this or any prior agreement or lease. CONCESSIONAIRE will have thirty (30) days to effect removal and restoration. RAP may at its option accept all or a portion of the works, structures, or other improvements on behalf of RAP in lieu of all or a portion of the removal or restoration required herein.

SECTION 19. NOTICES

A. To RAP

Unless otherwise stated in this AGREEMENT, written notices via post to RAP hereunder shall be addressed to:

Department of Recreation and Parks
Attention: Concessions Unit
P.O. Box 86328
Los Angeles, CA 90086-0610

All such notices may be delivered personally, transmitted via electronic mail, or may be deposited in the United States mail, properly addressed as aforesaid with postage fully prepaid for delivery by registered or certified mail. Service in such manner by email, personal delivery, or registered or certified mail shall be effective upon receipt. Written notices may also be emailed to RAP Concessions Analyst.

RAP shall provide CONCESSIONAIRE with written notice of any address change within thirty (30) days of the occurrence of said change.

B. To CONCESSIONAIRE

The execution of any notice to CONCESSIONAIRE by RAP shall be as effective for CONCESSIONAIRE as if it were executed by BOARD, or by Resolution or Order of said BOARD.

All such notices may be delivered personally to CONCESSIONAIRE or to any officer or responsible employee of CONCESSIONAIRE, or may be deposited in the United States mail, properly addressed as aforesaid with postage fully prepaid for delivery by registered or certified mail, or transmitted via electronic mail by the RAP Concessions Analyst. Service in such manner by personal delivery, registered or certified mail, or electronic mail shall be effective upon receipt.

Written Notices via post to CONCESSIONAIRE shall be addressed to CONCESSIONAIRE as follows:

*Freetime, Inc. DBA Wheel Fun Rentals
Attn: Al Stonehouse
4526 Telephone Rd., #202
Ventura, CA 93003*

Written Notices via electronic mail to CONCESSIONAIRE shall be addressed to:

al@wheelfunrentals.com

CONCESSIONAIRE shall provide RAP with written notice of any address change within thirty (30) days of the occurrence of said address change.

SECTION 20. INCORPORATION OF DOCUMENTS

This AGREEMENT and incorporated documents represent the entire integrated agreement of the parties and supersedes all prior written or oral representations, discussions, and agreements. The following Exhibits are to be attached to and made part of this AGREEMENT by reference:


- A. Lake Balboa Bicycle Rental Premise Map
- B. Standard Provisions for City Contracts (Rev. 10/17 v.3)
- C. Proposal in Response to RFP No. CON-M17-004
- D. Monthly Revenue Report
- E. Required Insurance and Minimum Limits; Instructions and Information on Complying with City Insurance Requirements
- F. Form General No. 87 "Non-Employee Accident or Illness Report"
- G. Special Occurrence and Loss Report
- H. Master Agreement Lease Number DACW09-1-67-11 between CITY and the United States and its Supplemental Agreements
- I. Schedule A, MBE/WBE/SBE/EBE/DVBE/OBE Subcontractors Information Form
- J. Schedule B, MBE/WBE/SBE/EBE/DVBE/OBE Utilization Profile
- K. Schedule C, Final Subcontracting Report Form
- L. CEC Form 50, Bidder Certification

In the event of any inconsistency between any of the provisions of this AGREEMENT and/or exhibits attached hereto, the inconsistency shall be resolved by giving precedence in the following order: 1) This AGREEMENT exclusive of attachments, 2) Exhibit A, 3) Exhibit B, 4) Exhibit C, 5) Exhibit D, 6) Exhibit E, 7) Exhibit F, 8) Exhibit G, 9) Exhibit H, 10) Exhibit I, 11) Exhibit J, 12) Exhibit K, 13) Exhibit L.

(Signature Page to Follow)


IN WITNESS WHEREOF, THE CITY OF LOS ANGELES has caused this AGREEMENT to be executed on its behalf by its duly authorized General Manager of the Department of Recreation and Parks, and FREETIME, INC. DBA WHEEL FUN RENTALS has executed the same as of the day and year herein below written.

THE CITY OF LOS ANGELES, a municipal corporation, acting by and through the Department of Recreation and Parks.

BY:  DATE: 1/4/19
MICHAEL A. SHULL
General Manager

FREETIME, INC. DBA WHEEL FUN RENTALS
BY:  DATE: 12/21/2018
Title: President

APPROVED AS TO FORM:
MICHAEL N. FEUER, City Attorney

BY:  DATE: 1/19/19
Deputy City Attorney

Business Tax Registration Certificate Number: 000013509-0002-1

Internal Revenue Service Taxpayer Identification Number: 77-052976

AGREEMENT Number: 3694