

1 reasonable notice when such work may become necessary and shall adjust operations
2 so that the City may proceed expeditiously.

3 6. MAINTENANCE BY PERMITTEE. Permittee shall, at its sole cost
4 and expense, maintain, repair and replace its items in a clean and sanitary condition
5 acceptable to the City, and in good operating condition and repair at all times.
6 Permittee's items and the permit areas surrounding these items shall be kept free of
7 rubbish, litter and debris by Permittee. Failure to maintain as required herein shall be
8 grounds for revocation of this Permit.

9 7. UTILITIES. The City shall pay the monthly charges for water, gas,
10 electricity and sewer for two washers and two dryers at each location. Permittee shall
11 pay all charges for all costs related to installation fo any connections to any utility.

12 8. PERMIT FEE. Permittee shall on or before the 10th day of the
13 calendar month next following the month during which the term hereof begins and on or
14 before the 10th day of each succeeding calendar month thereafter during the term of
15 this Permit, pay to the City at 2760 Studebaker Road, Long Beach California 90815, a
16 Permit fee, without set off, deduction or demand, equal to fifty percent (50%) of gross
17 receipts derived by Permittee from the operations permitted hereunder for the
18 immediately preceding calendar month. "Gross receipts" shall mean the total of (a) all
19 revenues made in, on, through or from the permit areas relating to Permittee's items,
20 whether for cash or credit and whether payment is actually made or not.

21 Permittee shall transmit with each monthly payment of Permit fees a
22 monthly concessionaire report showing daily and monthly gross receipts from the
23 operations permitted hereunder for the month for which said Permit fee is being paid.

24 In the event Permittee fails to make the monthly payment of Permit fees
25 or monthly report when due, Permittee shall pay to the City a late charge of \$25.00. If a
26 due date falls on a non-workday for the City, the late charge shall not apply until the
27 end of the next workday. If there are any unusual circumstances for Permittee's failure
28 to pay when due, the City, at its discretion, may waive the late charge.

1 Permittee shall submit to the City on or before the 10th day of January of each
2 year throughout the term of this Permit, a statement of gross receipts in a format
3 acceptable to the City.

4 9. BOOKKEEPING AND AUDITING. Permittee shall maintain a
5 method of accounting for all the receipts and disbursements in connection with this
6 Permit which correctly and accurately reflects the gross receipts and disbursements
7 received or made by Permittee from the operations permitted hereunder. The method
8 of accounting, including bank accounts established for the operations permitted
9 hereunder, shall be separate from the accounting system used for any other business
10 operated by Permittee or for recoding Permittee's personal financial affairs.

11 Such method shall include but not be limited to keeping the following
12 documents: regular books of accounting such as general ledgers, journals including any
13 supporting and underlying documents such as vouchers, checks, tickets, bank
14 statements, State and Federal income tax returns and sales tax returns, checks and
15 other documents proving payment of sums shown.

16 The City shall have the right to require any other accounting records from
17 Permittee that the City deems necessary for the proper reporting of receipts. Said
18 documents, books and accounting records shall be open for inspection and
19 reinspection by any authorized representative of the City at any reasonable time during
20 the term of this Permit and for one (1) year thereafter. Failure to keep any records
21 required to be maintained above, or failure to allow full inspection or reinspection of
22 said records, shall be grounds for immediate revocation fo this Permit.

23 In addition to the right of inspection, the City shall have the right from time
24 to time to conduct an audit and reaudit of the books and operations permitted
25 hereunder and Permittee shall cooperate fully. If the report of gross receipts disclosed
26 by such audit and observation, Permittee shall within ten (10) days after billing therefor
27 by the City pay any amount due the City as disclosed by said audit, any late charges
28 that are due, and the costs of such audit if the deficiency in payment exceeds five

1 percent (5%) of the Permit fees actually paid by Permittee. The City shall refund any
2 overpayment of Permit fees discovered by an audit.

3 10. BOND FOR FAITHFUL PERFORMANCE. Prior to the execution of
4 this Permit by the City, Permittee shall provide a faithful performance bond from a
5 surety company, satisfactory to the City, a check certified by a reasonable bank, or a
6 certificate of deposit payable to the City in the amount of Five Hundred Dollars
7 (\$500.00). If Permittee fails to perform any term of this Permit, the sum guaranteed by
8 the faithful performance bond, check or certificate of deposit shall be used by the City
9 to reimburse it for any cost or loss occurred by reason of said failure. Said bond, check
10 or certificate of deposit shall be held by the City during the term of this Permit. All
11 faithful performance bonds and certificates of deposit shall include a provision giving to
12 the City thirty (30) days' prior written notice of cancellation.

13 11. INDEMNITY. Permittee shall defend, protect, indemnify and hold
14 harmless the City, its officials, employees and agents from and against any and all
15 claims, demands, loss, damage, causes of action, liability, cost or expense (including
16 reasonable attorney's fees) arising from or connected with the alleged acts or omissions
17 of Permittee, its employees, agents, or invitees in connection with the operations
18 permitted hereunder or the condition of the permit areas surrounding Permittee's items.

19 12. INSURANCE. Concurrent with the execution of this Permit,
20 Permittee shall procure and maintain at Permittee's expense, during the term of this
21 Permit and any renewal hereof, from an insurer admitted in California or having a
22 minimum rating equivalent to A:VIII in Best's Insurance Guide:

23 (a) Commercial general liability insurance, including fire legal
24 liability and products, with a combined single limit of at least One Million
25 Dollars (\$1,000,000) for each occurrence or Two Million Dollars
26 (\$2,000,000) general aggregate. The City, its officials, employees, and
27 agents shall be covered as additional insureds with respect to liability
28 arising from activities performed by or on behalf of Permittee, or the use

1 of the permit areas. Said insurance shall be primary insurance with
2 respect to City and shall contain a cross liability endorsement.

3 (b) Workers' compensation insurance as required by the
4 California Labor Code.

5 (c) "All Risk" property insurance in an amount sufficient to cover
6 the full replacement value of Permittee's personal property, improvements
7 and items at the permit areas.

8 (d) Upon the execution of this Permit, Permittee shall deliver to
9 City certificates of insurance with original endorsements evidencing the
10 coverage herein. The certificates and endorsements shall be signed by a
11 person authorized by the insurer to bind coverage on its behalf. City
12 reserves the right to require complete certified copies of all policies at any
13 time.

14 (e) Said insurance shall contain an endorsement requiring thirty (30)
15 days' prior written notice from insurers to City before cancellation or change of
16 coverage.

17 (f) Said insurance may provide for such deductibles or self-insured
18 retention as may be acceptable to the City Manager or designee. In the event
19 such insurance does provide for deductibles or self-insured retention, Permittee
20 agrees that it shall fully protect City, its officials, and employees in the same
21 manner as these interests would have been protected had the policy or policies
22 not contained a deductible or retention provisions. With respect to damage to
23 property, City and Permittee hereby waive all rights of subrogation, one against
24 the other, but only to the extent that collectible commercial insurance is available
25 for said damage.

26 (g) The procuring of said insurance shall not be construed as a
27 limitation on Permittee's or as full performance on Permittee's part of the
28 indemnification provisions of this Permit and Permittee understands and agrees

1 that, notwithstanding any insurance, Permittee's obligation to defend, protect,
2 indemnify and hold harmless the City, its officials, employees and agents
3 hereunder is for the full amount of any claim, damage, cause of action, loss,
4 demand, liability, expense, or cost caused by the condition of the permit areas or
5 in any manner connected with or attributed to the acts of omissions of Permittee,
6 its officers, employees, agents, or invitees, or the operations conducted by
7 Permittee of the Permittee's use, misuse, or neglect of the permit areas
8 surrounding Permittee's items.

9 (h) Any modification or waiver of these insurance requirements herein
10 shall only be made with the written consent of the City Risk Manager.

11 13. LICENSES, PERMITS AND TAXES. Permittee shall obtain and
12 pay for all licenses and permits required for its operations at the permit areas, including
13 but not limited to necessary Coastal Commission approvals. In addition, Permittee shall
14 pay all taxes levied, including any possessory interest taxes.

15 14. TRANSFER OR ASSIGNMENT. This Permit only grants Permittee
16 the privilege to perform the operations permitted hereunder on the permit areas, and
17 Permittee by this Permit acquires hereunder no right, title, or interest of any kind in the
18 permit areas. Permittee shall not sublet the permit areas or any part thereof or allow
19 the same to be used by any other person or for any other purpose, nor assign this
20 Permit or in any manner convey or transfer any privilege herein granted nor delegate
21 any duties hereunder without the prior approval of the City. This Permit shall not be
22 transferred by attachment, execution, proceedings in insolvency or bankruptcy, either
23 voluntary or involuntary, or receivership proceedings (collectively "transfer"). Any
24 attempted subletting, assignment, delegation, conveyance, or transfer shall be null and
25 void and have no force or effect and the City may immediately revoke this Permit.

26 15. STANDARDS OF SERVICE. Permittee shall conduct business in a
27 manner acceptable to the City. A response time of no more than twenty-four (24) hours
28 shall be required for each call for service.

1 The City shall have the right to approve the level of service rendered and
2 to order such service improved, discontinued or remedied. If the quality of service or
3 product supplied or the cleanliness of the operations are not at a level satisfactory to
4 the City or do not adequately meet the needs of the public, or if Permittee violates any
5 of the terms or conditions of this Permit, then the City shall have the right to revoke this
6 Permit by giving prior notice of revocation to Permittee. However, Permittee may
7 request in writing within three (3) days after receipt of said notice a hearing before the
8 Director of City's Department of Parks, Recreation and Marine if the City notifies
9 Permittee that this Permit will be revoked due to Permittee's failure to operate at a
10 satisfactory level.

11 16. CONTROL OF PERMIT AREAS. The City shall have and retain
12 absolute control of the permit areas. If necessary for the health, welfare or safety of the
13 public, or as a result of revocation of this Permit, the City shall have the right to enter
14 the permit areas and immediately take possession of them, and remove, relocate or
15 use the items described in Section 4 hereof at Permittee's full cost and expense until
16 arrangements can be made by the City for other items to replace those of Permittee.

17 17. LAWS. Permittee shall comply with all applicable municipal, state
18 and federal laws, rules, regulations, and ordinances and the directives or instructions of
19 the City relating to the operations permitted hereunder. Failure to do so may result in
20 the immediate revocation fo this Permit. Permittee shall obtain and display, as
21 required, all other permits or licenses, including but not limited to those from the City's
22 Department of Health and Human Services and business licenses.

23 18. CONDUCT. Permittee shall at all times conduct the operations
24 permitted hereunder in an orderly manner to the satisfaction of the City, and in a
25 manner that will not create a nuisance.

26 19. BURGLARY. The City shall not be liable for any damage or loss to
27 any of Permittee's items or Permittee's receipts, including but not limited to damage or
28 loss resulting from burglary, theft, vandalism, fire, or natural disaster.

1 20. PRICES. All prices charged for the operations permitted hereunder
2 by Permittee shall be subject to the prior approval of the City. The standards used to
3 approve or disapprove prices shall be the prevailing market price for the same service
4 or grade of operations permitted hereunder.

5 The City may require Permittee to provide written justification of price
6 increases, including but not limited to a listing of similar operations charging
7 comparable prices or notification from suppliers or operators regarding price increases.
8 Before January 1 each year Permittee shall submit in writing to the City a list of all
9 prices and the prices of any other items, services and operations to be sold. The City
10 shall notify Permittee of the approval or disapproval of the items, services, and
11 operations listed and Permittee shall not alter the list of approved prices without the
12 prior approval of the City. The City reserves the right to revoke its approval of any listed
13 price when it appears that the price is above the prevailing market price for the same
14 grade or quality of operations permitted hereunder or merchandise.

15 21. INSPECTION. The City, through its employees or independent
16 contractors, shall have the right to inspect and observe Permittee's operations. During
17 these inspections, the City shall have the right to use photographic devices and other
18 instruments for recoding conditions and activities at the permit areas.

19 22. CLEANLINESS. Permittee shall keep the area surrounding the
20 operations permitted hereunder in a neat, clean, safe, sanitary condition satisfactory to
21 the City. Permittee shall not allow any offensive or refuse matter, any substance
22 constituting a fire hazard, any material detrimental to the public health, or any
23 hazardous material on the permit areas.

24 23. ALTERATIONS TO THE PERMIT AREAS. Permittee shall not
25 make any alterations, additions, or other improvements of any character to the permit
26 areas without the prior approval of the City. Any approved alterations changes,
27 additions or other improvements shall be at the sole cost and expense of Permittee.
28 Any alterations, changes, additions, or other improvements may, at the option of the

1 City, become the property of the City. The facilities connected with the operations
2 permitted hereunder shall be compatible with planned or existing improvements and
3 facilities in, on, or near the permit areas.

4 Permittee shall confine the operations permitted hereunder to that area
5 set aside for its operations.

6 24. NONDISCRIMINATION. In the performance of this Lease, Lessee
7 agrees not to discriminate against any employee or applicant for employment or service
8 on the basis of race, color, religion, ancestry, sex, sexual orientation, AIDS, AIDS
9 related condition, national origin, age, marital status, disability, handicap or veteran
10 status. Lessee shall at all times comply with the Americans With Disabilities Act
11 ("ADA") and shall have sole responsibility for providing access at and on the Premises
12 as required by the ADA.

13 25. HEALTH AND SAFETY. Permittee shall correct safety deficiencies
14 and violation of safety practices immediately and shall cooperate fully with the City in
15 the investigation of accidents occurring on the permit areas or in connection with the
16 operations permitted hereunder. If Permittee fails to correct dangerous conditions
17 which have led or, in the opinion of the City could lead to injury, the City may
18 immediately revoke this Permit notwithstanding anything to the contrary herein.

19 26. USE OF AREA. Permittee, in the conduct of the operations
20 permitted hereunder, shall not in any manner whatsoever interfere with regular use of
21 any facilities, park areas or the permit areas for their intended purpose, i.e., the
22 enjoyment by the public.

23 27. APPROVAL. Any approval, consent or permission to be obtained
24 by Permittee from the City shall be in writing and Permittee's failure to obtain same
25 shall not relive Permittee of Permittee's obligations to faithfully perform the provisions of
26 this Permit. Permittee shall immediately comply with any written request or order
27 submitted to Permittee by the City.

28

1 28. OTHER PERMITS. Permittee may use the permit areas solely for
2 the purposes stated in this Permit. The City shall have the right to grant permits for
3 different purposes or similar purposes in different locations and Permittee shall
4 cooperate fully with any other Permittees in the vicinity.

5 29. REVOCAION. If Permittee fails, neglects or refuses to improve or
6 change the operations permitted hereunder or to conform to the rules, regulations,
7 directions or instructions from the City or fails, neglects or refuses to pay the monthly
8 Permit fees or any part thereof after the same shall become due, or fails to perform any
9 of the provision herein, and said failure, neglect, or refusal continues for a period of
10 thirty (30) days after notice thereof to Permittee, then the City may immediately revoke
11 this Permit. Revocation of this Permit shall not impair any other right or remedy of the
12 City hereunder.

13 Notwithstanding anything herein to the contrary and except for provisions
14 allowing immediate revocation, this Permit may be revoked by the City for any reason
15 whatsoever on thirty (30) days' prior notice of such revocation to Permittee

16 30. NO WAIVER. The acceptance of all or part of any Permit fees by
17 the City after the failure, neglect, or refusal of Permittee shall not be deemed a waiver
18 of any provision of this Permit or of any right to indemnity or to any right to revoke this
19 Permit. Any waiver by the City of the failure, neglect, or refusal of Permittee shall be in
20 writing and shall not constitute a waiver of any other or subsequent failure, neglect, or
21 refusal.

22 31. RESTORATION OF PERMIT AREAS. Upon the expiration or
23 sooner revocation of this Permit, Permittee shall remove the items described in Section
24 4 hereof from the permit areas within thirty (30) days from notice from the City to make
25 such removal and to restore the permit areas to the condition existing at the time
26 Permittee's use commenced, to the satisfaction of the City. If said items are not
27 removed within that period, they shall become the property of the City or, at the option
28 of the City, they may be removed and the restoration performed and Permittee charged

Robert E. Shannon
City Attorney of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802-4664
Telephone (562) 570-2200

1 for the labor and materials required to perform the work plus any overhead costs.

2 32. NOTICES. All Notices shall be in writing and personally delivered
3 or deposited in the U. S. Postal Service, first class, postage prepaid to Permittee at the
4 address shown above, and to the City at 2760 Studebaker Road, Long Beach,
5 California 90815-1697, Attn: Director. Notice of change of address shall be given in the
6 same manner as stated for other notices. Notice shall be deemed given on the date
7 deposited in the mail or on the date personal service is obtained, whichever first occurs.

8 33. AMERICANS WITH DISABILITIES ACT. Permittee shall have and
9 be allocated the sole responsibility to comply with the Americans with Disabilities Act
10 ("ADA") with respect to the operation of the clothing washers and dryers and shall
11 defend, indemnify and hold City harmless from and against all claims of failure to
12 comply with or violation of the ADA.

13 DATED this 20 day of October, 2005/6


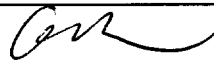
14 CITY OF LONG BEACH, a municipal
15 corporation

16 By: 
17 City Manager
18 "CITY"

19
20 Permittee agrees to and shall perform the terms, covenants, and
21 conditions imposed upon Permittee under this Permit.

22 DATED this 23rd day of April, 2006

23 DADSON WASHER SERVICE, INC., a
24 California corporation

25 By: 
26 Title: 

27 By: 
28 Title: 

"PERMITTEE"

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2005.

This Permit is approved as to form this 26 day of September,

ROBERT E. SHANNON, City Attorney

By Charles Parkin
Deputy

JCP:st 09-22-05 05-04435
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Robert E. Shannon
City Attorney of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802-4664
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Exhibit "A"

Washer and Dryer Locations

- **SHORELINE MARINA**
250 East Shoreline Drive
Boat owner restroom D2
Adjacent to gangway J

- **SHORELINE MARINA**
400 East Shoreline Drive
Boat owner restroom D5
Adjacent to gangway Y

- **ALAMITOS BAY MARINA**
6200 Costa Del Sol, Basin 8
Boat owner restroom

Other locations may be added subject to the prior written approval of the Director of Parks, Recreation and Marine.