John R. Calhoun City Attorney of Long Beach 333 West Ocean Boulevard ing Beach, California 90802-4664 (310) 570-2200

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PERMIT TO OPERATE CLOTHING WASHERS AND DRYERS

34556

Pursuant to a minute order adopted by the City Council of the City of Long Beach ("City") at its meeting on October 18, 1994, the City hereby grants permission to DADSON WASHER SERVICE, INC., a California corporation, whose address is 5511 West Adams Boulevard, Los Angeles, California 90016 ("Permittee") as follows:

- 1. <u>PERMISSION</u>. Permittee is hereby granted exclusive permission to install, maintain and operate at Permittee's sole cost and expense coin-operated washers and dryers for clothing at the various locations listed in Exhibit "A" attached hereto and incorporated herein by this reference ("permit areas").
- 2. TERM. The term of this Permit shall commence at 12:01 a.m. on October 1, 1994, and shall terminate at midnight on September 30, 1997, unless revoked prior to said termination as provided herein.
- 3. <u>FACILITIES PROVIDED BY CITY</u>. Permittee takes the permit areas "as is", with no additional improvements or items to be furnished by the City.
- ITEMS FURNISHED BY PERMITTEE. Permittee shall supply machinery, materials, supplies, all and operating equipment ("items") necessary to conduct the operations permitted hereunder at Permittee's sole cost and expense. Permittee shall furnish a General Electric commercial washer, model number WWC 9000P, or better and a Speed Queen commercial dryer, model number EG 1120, or better at each permit area. These items shall be clearly labeled with Permittee's name, address and telephone number and the process for obtaining a refund.

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5. MAINTENANCE BY CITY. The City shall not be liable for any loss suffered by Permittee as a result of the malfunctioning or defect of any equipment or facility or services provided by the The City reserves the right to do any and all work of any nature necessary for preservation, maintenance, and operation of the excluding Permittee's permit areas, items described above. Permittee shall be given reasonable notice when such work may become necessary and shall adjust operations so that the City may proceed expeditiously.

- 6. MAINTENANCE BY PERMITTEE. Permittee shall, at its sole cost and expense, maintain, repair and replace its items in a clean and sanitary condition acceptable to the City, and in good operating condition and repair at all time. Permittee's items and the permit areas surrounding these items shall be kept free of rubbish, litter and debris by Permittee. Failure to maintain as required herein shall be grounds for revocation of this Permit.
- 7. <u>UTILITIES</u>. The City shall pay the monthly charges for water, gas, electricity and sewer for one washer and one dryer at each location. Permittee shall pay all charges for all costs related to installation of any connections to any utility.
- 8. PERMIT FEE. Permittee shall on or before the 10th day of the calendar month next following the month during which the term hereof begins and on or before the 10th day of each succeeding calendar month thereafter during the term of this Permit, pay to the City at 2760 Studebaker Road, Long Beach, California 90815, a Permit fee, without set off, deduction or demand, equal to fifty percent (50%) of gross receipts derived by Permittee from the operations permitted hereunder for the immediately preceding

calendar month. "Gross receipts" shall mean the total of (a) all revenues made in, on, through or from the permit areas relating to Permittee's items, whether for cash or credit and whether payment is actually made or not.

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

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

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

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

Such method shall include but not be limited to

keeping the following documents: regular books of accounting such as general ledgers, journals including any supporting and underlying documents such as vouchers, checks, tickets, bank statements, State and Federal income tax returns and sales tax returns, checks and other documents proving payment of sums shown.

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

In addition to the right of inspection, the City shall have the right from time to time to conduct an audit and reaudit of the books and operations permitted hereunder and Permittee shall cooperate fully. If the report of gross receipts made by Permittee to the City is found to be less than the amount of gross receipts disclosed by such audit and observation, Permittee shall within ten (10) days after billing therefor by the City pay any amount due the City as disclosed by said audit, any late charges that are due, and the costs of such audit if the deficiency in payment exceeds five percent (5%) of the Permit fees actually paid by Permittee. The City shall refund any overpayment of Permit fees discovered by an audit.

10. BOND FOR FAITHFUL PERFORMANCE. Prior to the execution of this Permit by the City, Permittee shall provide a faithful

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

- 11. <u>INDEMNITY</u>. Permittee shall defend, protect, indemnify, and hold harmless the City, its officials, employees and agents from and against any and all claims, demands, loss, damage, causes of action, liability, cost or expense (including reasonable attorney's fees) arising from or connected with the alleged acts or omissions of Permittee, its employees, agents, or invitees in connection with the operations permitted hereunder or the condition of the permit areas surrounding Permittee's items.
- 12. <u>INSURANCE</u>. Concurrent with the execution of this Permit, Permittee shall procure and maintain, at Permittee's expense, during the term of this Permit and any renewal hereof, from an insurer admitted in California or having a minimum rating of or equivalent to A:VIII in <u>Best's Insurance Guide</u>:
- a. Comprehensive general liability insurance, including fire legal liability and products, with a combined single limit of at least One Million Dollars (\$1,000,000) for each occurrence or Two Million Dollars (\$2,000,000) general aggregate.

The City, its officials, employees, and agents shall be covered as additional insureds with respect to liability arising from activities performed by or on behalf of Permittee, or the use of the permit areas. Said insurance shall be primary insurance with respect to City and shall contain a cross liability endorsement.

- b. Workers' Compensation insurance as required by the California Labor Code.
- c. "All Risk" property insurance in an amount sufficient to cover the full replacement value of Permittee's personal property, improvements and items at the permit areas.
- d. Upon the execution of this Permit, Permittee shall deliver to City certificates of insurance with original endorsements evidencing the coverage herein. The certificates and endorsements shall be signed by a person authorized by the insurer to bind coverage on its behalf. City reserves the right to require complete certified copies of all policies at any time.
- e. Said insurance shall contain an endorsement requiring thirty (30) days' prior written notice from insurers to City before cancellation or change of coverage.
- f. Said insurance may provide for such deductibles or self insured retention as may be acceptable to the City Manager or designee. In the event such insurance does provide for deductibles or self-insured retention, Permittee agrees that it shall fully protect City, its officials, and employees in the same manner as these interests would have been protected had the policy or policies not contained a deductible or retention provisions. With respect to damage to property, City and Permittee hereby waive all rights of subrogation, one against the other, but only to the

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extent that collectible commercial insurance is available for said damage.

The procuring of said insurance shall not be construed as a limitation on Permittee's liability or as full performance on Permittee's part of the indemnification provisions of this Permit and Permittee understands and agrees that, notwithstanding any insurance, Permittee's obligation to defend, indemnify and hold harmless the City, its officials, employees and agents hereunder is for the full amount of any claim, damage, cause of action, loss, demand, liability, expense, or cost caused by the condition of the permit areas or in any manner connected with or attributed to the acts of omissions of Permittee, its officers, employees, agents, or invitees, or the operations conducted by Permittee or the Permittee's use, misuse, or neglect of the permit areas surrounding Permittee's items.

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

- 13. <u>LICENSES</u>, <u>PERMITS AND TAXES</u>. Permittee shall obtain and pay for all licenses and permits required for its operations at the permit areas, including but not limited to necessary Coastal Commission approvals. In addition, Permittee shall pay all taxes levied, including any possessory interest taxes.
- 14. TRANSFER OR ASSIGNMENT. This Permit only grants
 Permittee the privilege to perform the operations permitted
 hereunder on the permit areas, and Permittee by this Permit acquires
 hereunder no right, title, or interest of any kind in the permit
 areas. Permittee shall not sublet the permit areas or any part

thereof or allow the same to be used by any other person or for any other purpose, nor assign this Permit or in any manner convey or transfer any privilege herein granted nor delegate any duties hereunder without the prior approval of the City. This Permit shall not be transferred by attachment, execution, proceedings in insolvency or bankruptcy, either voluntary or involuntary, or receivership proceedings (collectively "transfer"). Any attempted subletting, assignment, delegation, conveyance, or transfer shall be null and void and have no force or effect and the City may immediately revoke this Permit.

15. <u>STANDARDS OF SERVICE</u>. Permittee shall conduct business in a manner acceptable to the City.

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

16. <u>CONTROL OF PERMIT AREAS</u>. The City shall have and retain absolute control of the permit areas. If necessary for the health, welfare or safety of the public, or as a result of

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revocation of this Permit, the City shall have the right to enter the permit areas and immediately take possession of them, and remove, relocate or use the items described in Section 4 hereof at Permittee's full cost and expense until arrangements can be made by the City for other items to replace those of Permittee.

- 17. LAWS. Permittee shall comply with all applicable municipal, state and federal laws, rules, regulations. ordinances and the directives or instructions of the City relating to the operations permitted hereunder. Failure to do so may result in the immediate revocation of this Permit. Permittee shall obtain and display, as required, all other permits or licenses, including but not limited to those from the City's Department of Health and Human Services and business licenses.
- 18. <u>CONDUCT</u>. Permittee shall at all times conduct the operations permitted hereunder in an orderly manner to the satisfaction of the City, and in a manner that will not create a nuisance.
- 19. <u>BURGLARY</u>. The City shall not be liable for any damage or loss to any of Permittee's items or Permittee's receipts, including but not limited to damage or loss resulting from burglary, theft, vandalism, fire, or natural disaster.
- 20. PRICES. All prices charged for the operations permitted hereunder by Permittee shall be subject to the prior approval of the City. The standards used to approve or disapprove prices shall be the prevailing market price for the same service or grade of operations permitted hereunder.

The City may require Permittee to provide written justification of price increases, including but not limited to a

listing of similar operations charging comparable prices or notification from suppliers or operators regarding price increases. Before January 1 each year Permittee shall submit in writing to the City a list of all prices and the prices of any other items, services and operations to be sold. The City shall notify Permittee of the approval or disapproval of the items, services, and operations listed and Permittee shall not alter the list of approved prices without the prior approval of the City. The City reserves the right to revoke its approval of any listed price when it appears that the price is above the prevailing market price for the same grade or quality of operations permitted hereunder or merchandise.

- 21. <u>INSPECTION</u>. The City, through its employees or independent contractors, shall have the right to inspect and observe Permittee's operations. During these inspections, the City shall have the right to use photographic devices and other instruments for recording conditions and activities at the permit areas.
- 22. <u>CLEANLINESS</u>. Permittee shall keep the area surrounding the operations permitted hereunder in a neat, clean, safe, sanitary condition satisfactory to the City. Permittee shall not allow any offensive or refuse matter, any substance constituting a fire hazard, any material detrimental to the public health, or any hazardous material on the permit areas.
- 23. <u>ALTERATIONS TO THE PERMIT AREAS</u>. Permittee shall not make any alterations, changes, additions, or other improvements of any character to the permit areas without the prior approval of the City. Any approved alterations, changes, additions or other improvements shall be at the sole cost and expense of Permittee. Any alterations, changes, additions, or other improvements may, at

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

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

24. NONDISCRIMINATION. Subject to applicable laws and regulations, Permittee and Permittee's employees shall not discriminate on the basis of race, religion, color, ancestry, sex, sexual orientation, AIDS, AIDS related condition, age, national handicap, disability or Vietnam Era veteran status. Permittee or Permittee's employees shall not publicize operations permitted hereunder in any manner that would reflect upon or question the acceptability of the patronage of any person on any bases stated above.

In the performance of this Permit, Permittee shall not discriminate against any employee or applicant for employment on any basis stated above and Permittee shall take affirmative action to ensure that applicants are employed and that employees are treated without regard to said basis. Such action shall include but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

25. <u>HEALTH AND SAFETY</u>. Permittee shall correct safety deficiencies and violations of safety practices immediately and shall cooperate fully with the City in the investigation of accidents occurring on the permit areas or in connection with the

operations permitted hereunder. If Permittee fails to correct dangerous conditions which have led or, in the opinion of the City could lead to injury, the City may immediately revoke this Permit notwithstanding anything to the contrary herein.

- 26. <u>USE OF AREA</u>. Permittee, in the conduct of the operations permitted hereunder, shall not in any manner whatsoever interfere with regular use of any facilities, park areas or the permit areas for their intended purpose, i.e., the enjoyment by the public.
- 27. APPROVAL. Any approval, consent or permission to be obtained by Permittee from the City shall be in writing and Permittee's failure to obtain same shall not relieve Permittee of Permittee's obligations to faithfully perform the provisions of this Permit. Permittee shall immediately comply with any written request or order submitted to Permittee by the City.
- 28. OTHER PERMITS. Permittee may use the permit areas solely for the purposes stated in this Permit. The City shall have the right to grant permits for different purposes or similar purposes in different locations and Permittee shall cooperate fully with any other permittee in the vicinity.
- 29. REVOCATION. If Permittee fails, neglects or refuses to improve or change the operations permitted hereunder or to conform to the rules, regulations, directions or instructions from the City or fails, neglects or refuses to pay the monthly Permit fees or any part thereof after the same shall become due, or fails to perform any other provision herein, and said failure, neglect, or refusal continues for a period of thirty (30) days after notice thereof to Permittee, then the City may immediately revoke this

Permit. Revocation of this Permit shall not impair any other right or remedy of the City hereunder.

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

- Permit fees by the City after the failure, neglect, or refusal of Permittee shall not be deemed a waiver of any provision of this Permit or any right to indemnity or to any right to revoke this Permit. Any waiver by the City of the failure, neglect, or refusal of Permittee shall be in writing and shall not constitute a waiver of any other or subsequent failure, neglect, or refusal.
- 31. RESTORATION OF PERMIT AREAS. Upon the expiration or sooner revocation of this Permit, Permittee shall remove the items described in Section 4 hereof from the permit areas within thirty (30) days from notice from the City to make such removal and to restore the permit areas to the condition existing at the time Permittee's use commenced, to the satisfaction of the City. If said items are not removed within that period, they shall become the property of the City or, at the option of the City, they may be removed and the restoration performed and Permittee charged for the labor and materials required to perform the work plus any overhead costs.
- 32. <u>NOTICES</u>. All notices shall be in writing and personally delivered or deposited in the U.S. Postal Service, first class, postage prepaid, to Permittee at the address shown above, and to the City at 2760 Studebaker Road, Long Beach, California 90815-

1697 Attn: Director. Notice of change of address shall be given in the same manner as stated for other notices. Notice shall be deemed given on the date deposited in the mail or on the date personal service is obtained, whichever first occurs.

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

DATED this 27 day of October, 1994.

CITY OF LONG BEACH, a municipal corporation

ASSISTANT City Manager

"CITY"

EXECUTED PURSUANT TO SECTION 301 OF THE CITY CHARTER.

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

DATED this 27 day of October, 1994.

DADSON WASHER SERVICE, INC., a California corporation

By /C

Title ____

"PERMITTEE"

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	1	This Permit is hereby approved as to form this Arth day
John R. Calhoun City Attorney of Long Beach 333 West Ocean Boulevard Long Beach, California 90802-4664 (310) 570-2200	2	of, 1994.
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County of 105 Augoles	_
On 10-27-94 before me, personally appeared RAY Gold Gaz	Micholds of MARC ST. NAME TITLE OF OFFICER - E.G. "JANE DOE NOTARY PUBLIC"
personally appeared RAY Gold Gen	eg & Dedry Gold Beach, NAME(S) OF SIGNER(S)
OFFICIAL SEAL NICHOLAS A, YAGAR JR Notary Public-California LOS ANGELES COUNTY My Commission Expires March 24, 1995	ved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. WITNESS my hand and official seal. SIGNATURE OF NOTARY PTIONAL We valuable to persons relying on the document and could prevent
fraudulent reattachment of this form. CAPACITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT
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NAME OF PERSON(S) OR ENTITY(IES)	SIGNER(S) OTHER THAN NAMED ABOVE

EXHIBIT "A"

CLOTHING WASHER AND DRYER MACHINE LOCATIONS

Downtown Marina - Boatowners Restroom 350 E. Shoreline Drive

Downtown Marina - Boatowners Restroom 400 E. Shoreline Drive

Other locations within selected areas and approved in writing by the Director of Parks, Recreation and Marine.