

**GULF COAST GEM AND MINERAL SOCIETY
LEASE**

STATE OF TEXAS §

KNOW ALL BY THESE PRESENTS:

COUNTY OF NUECES §

WHEREAS, the City of Corpus Christi ("City") owns the building and facilities located at 3933 Timon; and

WHEREAS, the Gulf Coast Gem and Mineral Society ("Lessee"), a non-profit organization, desires to utilize a part of the building and facilities at 3933 Timon;

NOW, THEREFORE, the parties, in consideration of the mutual promises and covenants herein, agree as follows:

1. **Term.** City grants a lease for a portion of the building and facilities located at 3933 Timon ("Facility") as depicted on the attached Exhibit A subject to all of the terms and conditions of this Lease to the Gulf Coast Gem and Mineral Society. The term of this Lease is for 3 years commencing on day of final Council approval, which is _____, 2012.

2. **Definitions.**

- A. **City** – City of Corpus Christi.
- B. **City Manager** – City Manager of Corpus Christi or designee.
- C. **Council** – City Council.
- D. **Director** – Director of Park and Recreation Department or designee.
- E. **Facility** – Building at 3933 Timon.
- F. **Lessee** – The Gulf Coast Gem and Mineral Society.

3. **Lessee Services and Responsibilities.**

A. **City Use.** If Lessee is not using the Facility, City has the right to use any or all of the Facility for recreational purposes.

B. **Community Programs.** Lessee will provide the public lapidary classes and lapidary workshop programs to promote interest from the general community and Park and Recreation Senior Centers. All revenue generated from said classes will be collected by City with the revenue to be split 65% to Lessee and 35% to City.

C. **Lessee Usage.** Lessee may use the Facility for its meetings and as a workshop, except that Lessee agrees to allow use of the Facility by the Park and recreation Department to support its summer aquatics program on Corpus Christi Beach. Lessee's use of the Facility is also subject to all other restrictions contained herein.

D. Insurance. Lessee must secure and maintain at Lessee's expense during the term of Agreement, a Commercial General Liability insurance policy with the limits and requirements shown on the attached and incorporated Exhibit "A". The Certificate of Insurance must be sent to Director and a copy of City's Risk Manager and must provide 30 days written notice of cancellation, intent to not renew or material change of any coverage required herein. Association will provide copies of all insurance policies to the City Attorney upon City Manager's written request.

Lessee is responsible for providing insurance coverage for any and all equipment stored at the facility, to include any improvements made by Lessee to the Facility. It may, at its discretion, wish to protect its equipment from theft or damage. The City will not be responsible for any damage or loss whatsoever to or of Lessee equipment. Lessee cannot begin operation under this Lease until it provides a certificate(s) of insurance for all required insurance to the Director.

E. Electrical Usage. Lessee agrees to pay City \$45/month toward electrical usage.

F. Voting Accommodations. This facility is a polling location for a variety of public elections. Any and all requirements, schedules, and demands by the relative agency conducting the election must be observed by the Lessee with no exception, at no cost to the agency.

4. City Responsibilities.

A. Capital Improvements. Capital improvements which City determines are needed will be funded by City at its discretion. City has no obligation for repair or maintenance to the facilities.

B. Contract Person. For this Lease, City's contact is the Director of Park and Recreation.

C. Default. The following will constitute events of default:

- (1) Failure to maintain any item set out in Section 3 B & C
- (2) Failure to maintain any insurance required by Section 3 D
- (3) Failure to keep, perform, and observe all other promises, covenants, and conditions contained in this Lease. Lessee will be notified in writing of any default and will have 15 days to cure the default. If said default is not cured within 15 days of receipt of written notice of default, Director may provide Lessee with written notice of termination of this Lease effective upon receipt of said termination notice.

5. Miscellaneous.

(A) Concession. Food/drink concession and retail sales operations by Lessee are strictly prohibited.

(C) **Alterations.** Lessee will not make any additions or alterations to the Facility without Director's prior written consent. Any permanent additions or alterations made by Lessee will become the property of City at the expiration of this Lease.

(D) **Relationship.** This Lease establishes a Landlord/Tenant relationship, and none other. In performing this Lease, both City and Lessee will act in an individual capacity and not as agents, employees, partners, joint venturers, or associates of one another. The employees or agents of either party are not, nor construed to be, the employees or agents of the other party for any purpose whatsoever.

(E) **Indemnity.** To the extent permitted by Texas Law, Lessee, its officers, members, partners, employees, agents, and licensees ("Indemnitors") hereby full indemnify, save and hold harmless the City of Corpus Christi, its officers, employees, agents, licensees, and invitees ("Indemnitees") against any and all liability, damage, loss, claims demands and actions of any nature whatsoever on account of personal injuries (including, without limitation on the foregoing, worker's compensation and death claims), or property loss or damage of any kind whatsoever, which arise out of or are in any manner connected with, or caused by, or are claimed to arise out of or be in any manner connected with, or caused by, either proximately or remotely, wholly or in part, an act or omission, negligence or misconduct by Indemnitors or Indemnitees or any of Indemnitor's or Indemnitee's agents, servants, employees, contractors, patrons, guests, licensees, or invitees entering upon the Premises pursuant to this Lease, or any of the hazards associated with operation of the Gulf Coast Gem and Mineral Society at the Facility; or the violation by Indemnitees, Lessee, or any of its agents, servants, employees, contractors, patrons, guests, licensees, or invitees of any law, ordinance, or governmental order of any kind, or improvements located on the Facility herein or out of the use or occupancy of the improvements to the Facility or the Facility itself by Indemnitees, Lessee, its agents, servants, employees, contractors, patrons, guests, licensees, or invitees.

The terms of indemnification are effective even though said injury or damage may result from the sole negligence, contributory negligence or concurrent negligence of Indemnitees or any of them. Lessee must at its own expense, investigate all those claims and demands, attend to their settlement, or other disposition, defend all actions based thereon with counsel satisfactory to Indemnitees and pay all charges of attorneys and all other costs and expenses of any kind from any of said liability, damage, loss, claims, demands, or actions.

(F) **Assignment.** This Lease may not be assigned nor sublet without the prior written approval of the Director of Parks and Recreation.

(G) **Nondiscrimination.** Lessee covenants that all its members and guests will be treated equally without regard to their race, religion, national origin, sex, age, or

disability and in compliance with all federal and state laws prohibiting discrimination in employment.

(H) **Cancellation.** This Lease may be canceled **without cause** by either party IF the party canceling has given the other party 45 days prior written notice of the date of cancellation.

(I) **Notice.** All notices which may or are required to be sent under this Lease must be sent by certified mail or hand delivered as follows:

If to City:

City of Corpus Christi
Park and Recreation Department
P.O. Box 9277
Corpus Christi, Texas 78469-9277
Attention: Director of Park and Recreation
(361) 826-3464

If to Lessee:

Gulf Coast Gem and Mineral Society
P. O. Box 60781
Corpus Christi, Texas 78466
Attention: Joe Grimes
(361) 767-7045

Either party may change the address to which notice is sent by using a method set out above. Lessee will notify City of any address change within 30 days after the address is changed.

(J) **Waiver.** Any waiver by the Parties of a breach of any covenants, terms, obligations or events of default is not a waiver of any subsequent breach, nor does the failure to require full compliance with the Lease change the terms of the Lease or estop the Parties from enforcing the terms of the Lease.

(K) **Inspection.** Any officer or authorized employee of City may enter upon Facility at any time and for any purpose incidental to City's retained rights of Facility.

(L) **Signs.** Lessee must not post signs or advertising at Facility without the Director's prior written approval.

(M) **Surrender.** Upon expiration or cancellation of this Lease, Lessee must return Facility to City in reasonably good condition, ordinary wear and tear excepted.

(N) **Publication.** Lessee agrees to pay the costs of newspaper publication of this Lease and related Ordinance as required by the City Charter.

SIGNED IN DUPLICATE THIS _____ day of _____, 2012.

ATTEST:

CITY OF CORPUS CHRISTI

Armando Chapa, City Secretary

Ronald L. Olson, City Manager

Legal form approved on March 19, 2012

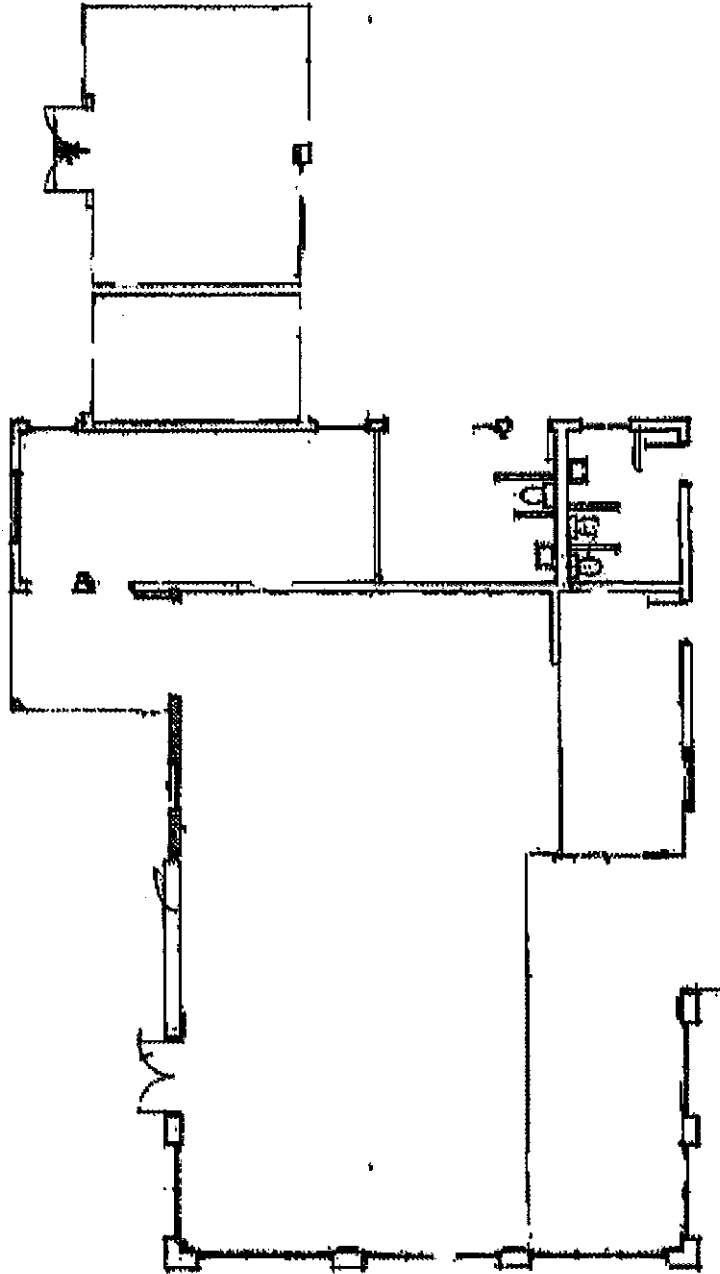
By: Lisa Aguilar
Lisa Aguilar, Assistant City Attorney
For City Attorney

GULF COAST GEM AND MINERAL SOCIETY

Joe Grimes
Joe Grimes, President

Exhibit A – Kiwanis Recreation Center

Seagull Blvd



Timon Blvd

I. LESSEE'S LIABILITY INSURANCE

A. Lessee must not commence work under this agreement until all insurance required has been obtained and such insurance has been approved by the City. Lessee must not allow any subcontractor to commence work until all similar insurance required of any subcontractor has been obtained.

B. Lessee must furnish to the City's Risk Manager, 2 copies of Certificates of Insurance with applicable policy endorsements showing the following minimum coverage by an insurance company(s) acceptable to the City's Risk Manager. The City must be named as an additional insured on the General liability policy, and a blanket waiver of subrogation is required on all applicable policies.

TYPE OF INSURANCE	MINIMUM INSURANCE COVERAGE
30-written day notice of cancellation, required on all certificates or by applicable policy endorsements	Bodily Injury and Property Damage Per occurrence - aggregate
Commercial General Liability including: 1. Commercial Broad Form 2. Premises – Operations 3. Products/ Completed Operations 4. Contractual Liability 5. Independent Contractors 6. Personal Injury- Advertising Injury	\$500,000 COMBINED SINGLE LIMIT
(When applicable) LIQUOR LIABILITY COVERAGE If liquor being served	\$1,000,000 COMBINED SINGLE LIMIT
Property Coverage	Lessee will be responsible for any and all damage to equipment used regardless if owned, rented, leased or borrowed.
WORKERS' COMPENSATION	Applicable when employs paid employees, WHICH COMPLIES WITH THE TEXAS WORKERS' COMPENSATION ACT AND SECTION II OF THIS EXHIBIT
EMPLOYERS' LIABILITY	\$500,000 /\$500,000 /\$500,000

C. In the event of accidents of any kind related to this lease agreement, Lessee must furnish the Risk Manager with copies of all reports of any accidents within 10 days of the accident.

II. ADDITIONAL REQUIREMENTS

A. Applicable when employing paid employees, Lessee must obtain workers' compensation coverage through a licensed insurance company. The coverage must be written on a policy and endorsements approved by the Texas Department of Insurance. The workers' compensation coverage provided must be in an amount sufficient to assure that all workers' compensation obligations incurred by the Lessee will be promptly met.

B. Lessee's financial integrity is of interest to the City; therefore, subject to Lessee's right to maintain reasonable deductibles in such amounts as are approved by the City, Lessee shall obtain and maintain in full force and effect for the duration of this Contract, and any extension hereof, at Lessee's sole expense, insurance coverage written on an occurrence basis, by companies authorized and admitted to do business in the State of Texas and with an A.M. Best's rating of no less than A- VII.

C. The City shall be entitled, upon request and without expense, to receive copies of the policies, declarations page and all endorsements thereto as they apply to the limits required by the City, and may require the deletion, revision, or modification of particular policy terms, conditions, limitations or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies). Lessee shall be required to comply with any such requests and shall submit a copy of the replacement certificate of insurance to City at the address provided below within 10 days of the requested change. Lessee shall pay any costs incurred resulting from said changes. All notices under this Article shall be given to City at the following address:

City of Corpus Christi
Attn: Risk Management and
Director of Parks and Recreation
P.O. Box 9277
Corpus Christi, TX 78469-9277

D. **Lessee agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following required provisions:**

- Name the City and its officers, officials, employees, volunteers, and elected representatives as additional insured by endorsement, as respects operations and activities of, or on behalf of, the named insured performed under contract

with the City, with the exception of the workers' compensation and professional liability policies;

- Provide for an endorsement that the "other insurance" clause shall not apply to the City of Corpus Christi where the City is an additional insured shown on the policy;
- Workers' compensation and employers' liability policies will provide a waiver of subrogation in favor of the City; and
- Provide thirty (30) calendar days advance written notice directly to City of any suspension, cancellation, non-renewal or material change in coverage, and not less than ten (10) calendar days advance written notice for nonpayment of premium.

E. Within five (5) calendar days of a suspension, cancellation, or non-renewal of coverage, Lessee shall provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend Lessee's performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this contract.

F. In addition to any other remedies the City may have upon Lessee's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order Lessee to stop work hereunder, and/or withhold any payment(s) which become due to Lessee hereunder until Lessee demonstrates compliance with the requirements hereof.

G. Nothing herein contained shall be construed as limiting in any way the extent to which Lessee may be held responsible for payments of damages to persons or property resulting from Lessee's or its subcontractor's performance of the work covered under this agreement.

H. It is agreed that Lessee's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of Corpus Christi for liability arising out of operations under this agreement.

I. It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this agreement.