

**LEASE AGREEMENT
BETWEEN
BIG JOHNSON FUEL AND LUBRICANTS, LLC
AND THE CITY OF CORPUS CHRISTI**

THE STATE OF TEXAS §

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF NUECES §

This lease ("**Lease**") is entered into between the City of Corpus Christi ("**City**"), a Texas municipal home-rule corporation, acting through its duly authorized City Manager ("**City Manager**"), and Big Johnson Fuel and Lubricants, LLC, a Texas limited liability company ("**Lessee**");

The City, in consideration of Lessee's faithful performance of the conditions and covenants contained in this Lease, leases to Lessee space in the Corpus Christi Marina ("**Marina**"), as follows:

Section 1. Preamble Language. The preamble language included above this initial numerated section incorporated into this Lease by reference and made a part of this Lease for all intents and purposes.

Section 2. Premises. City does hereby grant to Lessee the use of a concrete pad and a section of the parking lot on the northeast side of the Coopers Alley L-Head, (see **Exhibit A**) to accommodate a marine fuel station, and three Conex boxes or similar removable structure designed and outfitted in the appearance of permanent structures to be used as an office and ships store, and any related site improvements (all areas collectively referred to as the "**Premises**"), which is incorporated in this Lease by reference.

Section 3. Permitted Uses.

- (A) Lessee must use the Premises primarily as a marine fuel station so long as Lessee has complied, and remains in compliance, with all Federal, State, and local laws, rules, regulations, and ordinances.
- (B) Additionally, the space may be used by Lessee for outside dining, which may include a food truck/bar, to sell and serve food or alcoholic beverages, and the sale of souvenirs or other merchandise secondary to and as appropriate to complement tourism at the marina and the primary business of a marine fuel station.
- (C) The business operation must be confined to the area within the Premises as noted in the attached **Exhibit A**.

Section 4. Term.

- (A) The term of this Lease shall begin on April 1, 2026, and will be for five years, with two five-year options to renew upon written consent of both City and Lessee, unless terminated earlier as provided herein. Thereafter, this agreement shall become month-to-month until a new lease has been renegotiated.
- (B) The Lessee must obtain all permits for the operation of the marine fuel station and install the fuel system and tanks within 60 days of the effective date. If the Lessee fails to obtain the permits required or complete the installation of the tanks within the 60 days, the lease will terminate, and no further rent payments will be due from the Lessee.
- (C) The Lessee must have an operational marine fuel station for all boaters to utilize within 90 days of the effective date. If the Lessee is unable to sell fuel to the public within 90 days, the lease will terminate.

Section 5. Lease Rate and Payments.

- (D) From April 1, 2026 through April 1, 2027, the Lessee shall pay the City a base lease rate of \$500 per month.
- (E) From April 1, 2027, through April 1, 2031, the Lessee shall pay the City a base lease rate \$500 per month and \$0.05 per gallon of all fuel sold.
- (F) The monthly base lease rate shall increase by 10% after the first lease term and increase 3% annually thereafter.
- (G) Payments must be made to the order of the City of Corpus Christi and mailed to the City Collections Department, PO Box 9277, Corpus Christi, TX, 78469; delivered to City Hall at 1201 Leopard Street, Corpus Christi, TX, 78401; or by electronic funds transfer.

Section 6. Lease Payment Abatement.

- (A) The monthly Lease Payment shall be abated during the time Lessee ceases business operations as set forth hereinafter:
 - (1) in preparation for closure due to the implementation by a legally authorized official of the City of Corpus Christi or Nueces County of a declaration that requires the cessation of all normal operations of the business in accordance with Lessee Hurricane Preparedness Plan ("**Hurricane Plan**"), a copy of which is attached as

Exhibit C and incorporated in this Lease by reference, or any other condition declared by a legally authorized official of the City of Corpus Christi or Nueces County that requires the cessation of all normal operations of the business;

- (2) whenever the fuel station is rendered substantially unusable because of damage resulting from fire, water, wind, or force majeure; or
 - (3) in the event major repair, renovation, or construction prohibits access to and through the Coopers Alley L-Head.
- (B) In the event that a condition in subsection (A) of this section occurs and Lessee desires to claim a Lease Payment abatement, Lessee must notify the City's Marina Manager, City Manager, or the Marina Manager's designee ("**Marina Manager**") in writing within three business days following the occurrence of a condition stated in subsection (A) of this section or as soon as practical under the circumstances, providing the date, time, and reason for cessation of business operations and the expected date of resumption of business operations.
- (C) Lessee must resume its business operations as soon as practical after a condition that caused the cessation of business operations no longer exists. Lessee must provide the Marina Manager with written notice within 24 hours after resuming business operations.
- (D) The Lease Payment abatement amount will be a pro-rata share of the minimum monthly Lease Payment due for each day of cessation of business as provided herein.

Section 7. Monthly Financial Statements; Audit of Records.

- (A) Lessee must keep strict and accurate books of account and records of Gross Sales and of all receipts collected.
- (B) Lessee must furnish monthly statements of Gross Sales, certified by an authorized officer of Lessee, in accordance with generally accepted accounting principles and procedures and in a form approved by the City's Director of Finance.
- (C) Lessee's books and records must be open for inspection by the City Manager at all reasonable times.
- (D) All underlying documentation for Lessee's certified monthly statements, including, but not limited to, cash register and computer terminal tapes, must be preserved by Lessee for at least three years. The City Manager may terminate this Lease for failure to preserve such records or provide them to the City upon the City Manager's request.
- (E) The City Manager or designee may audit Lessee's books and records at any time

to verify Gross Sales for any period within three years prior to an audit.

(1) "Books and records" includes, but is not limited to, all documents related to the conduct of the business such as: general ledgers, accounts receivables and payables, sales journals, inventory records, daily and periodic summary re-ports, cash register and computer terminal tapes, bank deposit slips, bank statements, tax reports to State and Federal agencies, and discount and rebate records.

(2) Any additional payments due the City, as may be determined by an audit, must be paid by Lessee to the City, with annual interest of 10% from the date the payment became due, within 30 days of such determination and notice to Lessee.

(3) Audits will be conducted at the administrative offices of the City's Park & Recreation Department, 1201 Leopard Street, Corpus Christi, Nueces County, Texas, 78401, and Lessee must make its books and records available at such time as required by the City's Auditor. If first agreed to in writing by the City's Marina Manager, the audit can be conducted at another site, provided Lessee's reimburses the City for the travel, food, and lodging expenses of City staff necessary to conduct the audit.

(4) If the audit shows that Lessee has understated Gross Receipts by 3% or more, the entire expense of the audit must be paid by Lessee's.

Section 8. Delinquency and Default Regarding Lease Payments.

- (A) Lessee is "delinquent" if the City has not received Lessee's monthly Lease Payment and certified financial statement on or before 5:00 p.m. on the 10th day of the month in which the payment and certified financial statement are due. If the 10th day on the month falls on a weekend or holiday, the Lease Payment and certified financial statement must be tendered on the first business day thereafter.
- (B) Lessee is "in default" if Lessee fails to pay the amount due or provide the certified financial statement within ten business days after the City Manager has sent a written notice of delinquency requesting the payment, certified financial statement, or both. A default for failure to pay the amount due or provide the certified financial statement constitutes grounds to terminate this Lease.

Section 9. Lessee Responsibilities. Lessee, shall:

- (A) Pay for the installation, maintenance, and use of all of its utilities including, but not limited to, water, sewer, sanitation, electricity, natural gas, and telephone;
- (B) Comply with all Federal, State, and local laws, rules, regulations, and ordinances, as each may be amended, including, but not limited to, Chapter 12 of the City's Code of Ordinances and the Marina Rules and Regulations, and ensure that its employees, agents, and representatives comply as well;

- (C) Maintain the Premises and all improvements in a good and safe condition during the Lease term;
- (D) Renew and refresh landscaping at the Premises as needed or per request of Marina Manager;
- (E) Maintain structures, fuel system, mooring points, and bulkhead fendering at all times in a satisfactory state of repair, as specified by the Marina Manager; All Conex boxes will be maintained to appear as permanent structures and be aesthetically pleasing to the overall appearance of the marina. **The final exterior design of the Conex boxes and any other structure on the premises must be submitted for approval by the Marina Manager prior to placing them on site.**
- (F) Perform grounds maintenance for the Premises, as shown on the attached **Exhibit B**, which is incorporated in this Lease by reference, to include, without limitation, litter control of all landscaped areas and the parking lots utilized by the fuel station customers.
- (G) Ensure that no pollutant, effluent, liquid or solid waste material, bilge water, litter, trash, or garbage issued from the Premises is allowed to collect in the waters of the Marina or in the vicinity of the fuel station or parking areas utilized by fuel station customers. Lessee must regularly inspect and police the vicinity of the Premises for such materials and promptly clean up and remove such materials in order to maintain the cleanliness and attractiveness of the Marina;
- (H) Ensure that the noise level issuing from the Premises is reasonable and not discernibly audible to a person of normal hearing sensitivity standing by the Coopers Alley L Head Boater Facility;
- (I) Regularly inspect and maintain firefighting systems and equipment in the highest degree of readiness and regularly conduct training for employees in fire prevention and emergency procedures;
- (J) Pay all operating expenses incurred by Lessee in connection with its fuel station business operations;
- (K) Pay all ad valorem taxes which may be assessed against the Premises, that are associated with Lessee use of the Premises, prior to their past due date;
- (L) Properly maintain and clean grease traps, trash dumpsters, trash dumpster area and sewage pumps, in accordance with applicable local ordinances and State health regulations, at least once every month or more frequently as needed; and
- (M) Remove all equipment from the Marina at termination or expiration of the lease.

Section 10. Repairs and Maintenance to Fuel Station.

- (A) Lessee must obtain all required permits from the City prior to commencing repairs.
- (B) For all repairs, Lessee must provide the Marina Manager with a written description of the type of maintenance requested and the estimated time frame to start and complete the maintenance requested, at least one week prior to the requested start date.
- (C) Lessee agrees to provide Marina Manager with copy of records regarding maintenance to the fuel system (including regular maintenance) within one week of maintenance.
- (D) Lessee may not make any major repairs or perform any major maintenance to the structures or fuel system during such times that a City approved special event is open to the public on the Coopers Alley L Head.

Section 11. Improvements/Additions/Alterations.

- (A) Lessee may not make any improvements, additions, or alterations to the Premises, the Marina facilities, the exterior of the Conex boxes, or the bulkhead without the prior written approval of the Marina Manager or the City Manager. Lessee must also obtain approval, in writing, from the City's Risk Manager as required by this Lease.
- (B) If approved, any improvements, additions, or alterations made by Lessee to the Premises must comply with all applicable Federal, State, and City codes, ordinances and regulations.
- (C) Lessee acknowledges and agrees that all improvements, additions, and alterations that may be made to the Premises, including the boardwalk, during the term of this Lease become the property of the City upon the earlier termination or expiration of this Lease. Notwithstanding anything contained herein to the contrary, the Conex boxes and fuel system shall remain the property of the Lessee.
- (D) Prior to any construction, Lessee shall contact City Risk Manager to obtain updated insurance requirements for the construction. Lessee must provide evidence of all required insurance prior to construction.

Section 12. Business Operations. Lessee shall carry out the fuel station operations in a businesslike manner at all times. The hours and days of operation during the term of this Lease must be agreed upon in writing by the Marina Manager and Lessee.

Section 13. Hurricane Preparedness.

- (A) If the City or the surrounding area is threatened by a hurricane or other emergency

weather situation, Lessee shall comply with all orders of the Marina Manager pursuant to the Hurricane Preparedness Plan, as set out in **Exhibit C**.

- (B) Lessee shall remove all tanks, pumps, and Conex boxes offsite to a secure location no later than 12 hours before a storm is forecasted to hit the area.

Section 14. Sanitation. Lessee shall store garbage and trash in a dumpster inside the fence of the Premises or at a location designated by the Marina Manager. All garbage and trash stored in designated areas upon the L-Head must be stored in dumpster-type containers. Such containers must be housed inside a small building, or screened and appropriately landscaped area, and all at Lessee's expense, and as approved by the Marina Manager. The garbage container area must be maintained by Lessee. Lessee shall obtain garbage pickup no less than three days per week. Lessee may not store anything outside either the dumpster itself or the dumpster housing. Lessee shall construct concrete pad in the operational area apron of the dumpster to reduce damage to asphalt caused by dumpster service vehicles. Lessee shall relocate its dumpster at Marina Manager's direction. During days of special events approved by City which occur at the Coopers Alley L-Head, Lessee may be required to alter its daily dumpster pickup, including weekends, at the sole discretion of the Marina Manager and at Lessee's sole cost.

Section 15. Parking. Lessee customers may park on the Coopers Alley L Head, provided, however, that such parking areas may not be utilized by Lessee for the exclusive use of Lessee and its employees and customers. Parking on the Coopers Alley L-Head is subject to the City street closure process. For example, during City-approved street closure or special events of Coopers Alley L-Head, Lessee (and its employees and customers) may not have access to use of parking areas on the Coopers Alley L-Head.

Section 15.1 Special Events.

- (A) Lessee acknowledges that City may authorize special events on the Coopers Alley L-Head, such as a sailing regatta, which may impact vehicular access to the Premises.
- (B) During days of City-approved special events at Coopers Alley L-Head which include street closures on Coopers Alley L-Head, vehicular access to Lessee's premises will be restricted to deliveries made at least one hour prior to opening of special event for the day and deliveries made after the special event has closed for the day.
- (C) Lessee's customers and Lessee's staff access to the Premises during any days of special events approved by the City may be further restricted as follows:
 - (1) Access to Premises when special event is opened to the public:
 - (a) Lessee's customers may be required to pay the price of an admission

ticket in order to enter the Coopers Alley L-Head to access the Premises during such special event(s) as approved by the City that allow for the charge of admission for entry to the Coopers Alley L-Head.

- (D) Access to Premises when special event is closed to the public and during special event setup and takedown.

(1) During times when a special event is closed to public, and during special event setup and takedown times, Lessee's customers and staff will have access to the Premises only via golf cart shuttle service paid for by Lessee, and only under such terms and conditions approved by the City Manager. Such terms and conditions may include but are not limited to the following:

- (a) Lessee must indemnify City, the special event organizer and its sponsors for Lessee's operation of shuttle service in accordance with the indemnity provision below.
- (b) Lessee must obtain the attached insurance for the shuttle service.
- (c) Lessee shall pay for off-duty Corpus Christi police officers to stand guard at restaurant and at each entrance into Coopers Alley L-Head to ensure that Lessee's customers and staff travel via shuttle directly between restaurant and entrances. The off-duty Corpus Christi police officers shall coordinate with the special event security staff.
- (d) Lessee's customers shall not be allowed to walk through special event site unless the special event is open to public and customer has paid admission ticket.
- (e) Lessee's staff shall not be allowed to walk through special event site unless the special event is open to public and staff is reporting to work.
- (f) Marina Manager and special event sponsor shall establish hours for operation of golf cart shuttle.
- (g) Lessee may not operate golf cart shuttle service during times that the special event is opened to the public.

- (E) **Lessee agrees to indemnify and hold harmless the City of the Corpus Christi, any special event organizer and their sponsors, their officers, agents, representatives, and employees (collectively "Indemnitees") for the operations of shuttle service by Lessee at Coopers Alley L-head. Fuel Station covenants to fully indemnify, save, and hold harmless the Indemnitees from and against any and all claims,**

demands, actions, damages, losses, costs, liabilities, expenses, and judgments asserted against or recovered from any of the Indemnitees on account of injury or damage to persons or property (including, without limitation on the foregoing, premises defects, workers' compensation, and death claims), to the extent any injury, damage, or loss may be incident to, arise out of, or be caused by Lessee's operation of a shuttle service. Notwithstanding anything contained herein to the contrary, Lessee shall not indemnify and hold harmless any one or more of the Indemnitees to the extent that any injury, damage or loss is caused by the negligent acts, omissions or willful misconduct of any one of them. Lessee covenants and agrees that, if any of the Indemnitees are made a party to any litigation commenced by any party relating to operation of shuttle service, Lessee shall, upon receipt of reasonable notice regarding commencement of litigation and at its own expense, investigate all claims and demands, attend to their settlement or other disposition, defend the Indemnitees in all actions based thereon with legal counsel satisfactory to the Indemnitees, and pay all charges of attorneys and all other costs and expenses of any kind whatsoever arising from any said claims, demands, actions, damages, losses, costs, liabilities, expenses, or judgments.

- (F) Lessee agrees to provide City Marina Manager with evidence of insurance and must be reviewed and approved by City's Risk Department before operation of golf cart shuttle service if needed to access the Premises due to special events. Lessee must ensure that its shuttle service will be operated in safe manner by responsible drivers at all times. If shuttle service is operated in unsafe manner, then Lessee's authority for shuttle service operation is subject to immediate termination by the City of Corpus Christi Marina Manager without further notice.

Section 16. Sanitary Sewer.

- (A) Lessee shall operate its sanitary sewer facilities in accordance with the City Code of Ordinances, Section 13-201, as amended, and City Code of Ordinances, Chapter 55, Article XI, Commercial and Industrial Waste Disposal and Pretreatment, as amended.

- (B) The City warrants sewer service from the lift station only so long as electrical service to the station is not disrupted by storm, accident or other hazards, or catastrophe. **Standby power to operate the lift station is not available at the beginning of this Lease nor is it planned by the City.**

Section 17. Inspection. Any officer or authorized employee of the City may enter upon the Premises, at all reasonable times and without notice, to determine whether Lessee is providing maintenance required by this Lease, to inspect all operations, to enforce this Lease, for purposes of any fire or police action, or for any other purpose incidental to the City's retained rights of and in the Premises.

Section 18. Signs and Lighting.

- (A) Lessee may not exhibit, inscribe, paint, erect, or affix any signs, advertisements, notices, or other lettering ("**Signs**") at, on, or about the Premises, or any part thereof, without the prior written approval of the Marina Manager.
- (B) The City may require Lessee to replace, repaint, or repair any Signs of Lessee allowed. If Lessee does not remove, repaint, or repair the Signs within 15 business days of the Marina Manager's written demand, the City may do or cause the work to be done, and Lessee shall pay the City's costs within 30 days of receipt of Marina Manager's invoice. Failure to pay the amount due within 30 days from receipt of an invoice constitutes grounds to terminate this Lease.
- (C) Lessee may not erect or affix any new or modified lighting fixtures ("**Lighting**") at, on, or about the Premises, or any part thereof, without the prior written approval of the Marina Manager.
- (D) If approved, the new or altered Signs and Lighting must comply with the City's Code of Ordinances and the City's zoning ordinance, as each may be amended.

Section 19. Assignment or Sublease.

- (A) Lessee may not, without the prior written consent of the City's City Council ("**City Council**"), such consent not to be unreasonably withheld, assign this Lease or sub- lease any portion of the Premises. Any attempted assignment or sublease, without the prior written consent of the City Council may, in the City Manager's sole discretion, render this Lease null and void, provided however, Lessee may sublease individual portions of the aggregate lease to vendors for the provision of food and/or souvenirs only. In the event Lessee subleases any portion of the property as above described, such sublessee shall be subject to all provisions of this master lease.

In the event Lessee subleases to food vendor or souvenir vendor, Lessee shall provide written notice to City within 72 hours. Upon written notice to sublease under this section, the City shall have 72 hours upon receipt of written notice to

accept or deny the sublessor. Should the City decline to provide written notice within 72 hours, the sublessor shall be deemed to have been accepted by the City.

Lessee shall include language in the sublease that sublessee must obtain proper insurance coverage and shall include language that sublessee indemnifies the City.

Written notice under this section includes notices sent by Email to the Email addresses provided in Section 27.

- (B) In the event of the City Council's consent to an assignment or sublease of this Lease, each provision, term, covenant, obligation, and condition required to be performed by Lessee must be binding upon any assignee or sublessee and is partial consideration for the City Council's consent to the assignment or sublease. Any failure of the assignee or sublessee to strictly comply with each provision, term, covenant, obligation, and condition stated in this Lease may, in the City's Manager's sole discretion, render this Lease null and void.

Section 20. Relationship of Parties. This Lease establishes a landlord/tenant relationship, and none other, and this Lease must be construed conclusively in favor of that relationship. In performing this Lease, both the City and Lessee will act in an individual capacity and not as agents, representatives, employees, employers, partners, joint venturers, or associates of one another. The employees or agents of either party may not be, nor be construed to be, the employees or agents of the other party for any purpose whatsoever. Lessee shall employ sufficient employees to operate the restaurant business and such employees must be solely in the employ of Lessee.

Section 21. Termination and Damages Prior To Expiration. If Lessee causes termination of this Lease prior to expiration, Lessee must pay the City, within 30 days of termination, liquidated damages in the amount of \$6000 to offset income the City will lose due to early termination of this Lease. The liquidated damages paid by Lessee will provide revenue to the City while the City attempts to find a new fuel station operator or other revenue source.

Section 22. Termination upon Default. The City may terminate this Lease if Lessee fails to comply with any provision, term, covenant, obligation, or condition of this Lease and fails or refuses to cure the default within ten days after receiving written notice of the default. Notwithstanding the immediately preceding language, default of Section 20 of this Lease will subject this Lease to immediate termination.

Section 23. Removal of Conex Boxes and Fuel System. Lessee must remove the Conex Boxes and Fuel System from the Marina no later than day of termination or expiration of this Lease, at Lessee's cost and without damage to City property. No extensions will be permitted.

Section 24. Indemnification.

- (A) ***Lessee ("Indemnitor") covenants to fully indemnify, save, and hold harmless the City, its officers, agents, representatives, and employees (collectively, "Indemnitees") from and against any and all claims, demands, actions, damages, losses, costs, liabilities, expenses, and judgments asserted against or recovered from the City on account of injury or damage to persons or property (including, without limitation on the foregoing, premises defects, workers' compensation, and death claims), to the extent any injury, damage, or loss may be incident to, arise out of, be caused by, or be in any way connected with, either proximately or remotely, wholly or in part: (1) Lessees' performance pursuant to this Lease; (2) Lessees' use of the Premises and any and all activities associated with the Premises; (3) the violation by Lessee, its officers, employees, agents, or representatives or by Indemnitees of any law, rule, regulation, ordinance, or government order of any kind pertaining directly or indirectly to this Lease; (4) the exercise of rights under this Lease; or (5) an act, omission, or criminal violation on the part of Lessee, its officers, employees, agents, representatives, contractors, patrons, guests, licensees, or invitees entering upon the Premises with or without the express or implied invitation of Lessee, or of Indemnitees, pertaining to this Lease, regardless of whether the injury, damage, loss, violation, exercise of rights, act, omission, or criminal violation is caused or is claimed to be caused by the sole, contributing, or concurrent negligence of Indemnitees, but not if such damage or injury results from the gross negligence or willful misconduct of the Indemnitees.***
- (B) ***Lessee covenants and agrees that, if the City is made a party to any litigation against Lessee or in any litigation commenced by any party, other than Lessee relating to this Lease, Lessee shall, upon receipt of reasonable notice regarding commencement of litigation and at its own expense, investigate all claims and demands, attend to their settlement or other disposition, defend the City in all actions based thereon with legal counsel satisfactory to the City Attorney, and pay all charges of attorneys and all other costs and expenses of any kind whatsoever arising from any said claims, demands, actions, damages, losses, costs, liabilities, expenses, or judgments.***
- (C) ***The provisions of this section survive the earlier termination or expiration of this Lease.***

Section 25. Insurance. Lessee shall comply with the insurance requirements in **Exhibit D**, attached hereto and incorporated herein by reference.

Section 26. Taxes. Lessee shall pay all taxes, license, and permit fees, and other fees required to operate the Premises. Lessee shall also pay all taxes that Lessee use of the Premises causes to be assessed against the Premises, and any Fixed Asset and Personal Property taxes appurtenant to the Premises. Lessee shall pay all taxes prior to the due date.

Section 27. Notice.

- (A) All notices, demands, requests, or replies provided for or permitted by this Lease must be in writing and may be delivered by any one of the following methods: (1) by personal delivery; (2) by deposit with the United States Postal Service as certified mail, return receipt requested, postage prepaid, to the addresses stated below; (3) by deposit with an overnight express delivery service; or (4) by Email.
- (B) Notice deposited with the United States Postal Service in the manner described above will be deemed effective two business days after deposit with the United States Postal Service. Notice by email will be deemed effective upon transmission with notice of read receipt.
- (C) All such communications must be made only to the following:

IF TO THE CITY :

City of Corpus Christi

Attn: Marina Manager
P.O. Box 9277
Corpus Christi, TX 78469-9277
Phone :(361) 826-3983
Email: marina@cctexas.com

IF TO LESSEE:

Big Johnson Fuel and Lubricants

Attn: John Murray
220 Purl Place
Corpus Christi, Texas 78412
Phone: (407) 341-1083
Email: john@bigjohnsonfuel.com

- (D) Either party may change the address to which notice is sent by using a method set out above. Lessee shall notify the City of an address change or fax number change within ten days after the address or number is changed.

Section 29. No debts. Lessee shall not incur any debts or obligations on the credit of the City during the term of this Lease and including during any Holdover Period that may occur.

Section 29. Modifications. This Lease may be modified by the parties if the parties enter into a separate development agreement for the City's Marina area during the term of this Lease. No other changes or modifications to this Lease may be made nor any provision waived unless made in writing and signed by persons duly authorized to sign agreements on behalf of each party.

Section 30. Interpretation; Venue. This Lease is to be interpreted according to the Texas laws which govern the interpretation of contracts. Venue lies in Nueces County, Texas, where this Lease was entered into and will be performed.

Section 31. Captions. The headings contained in this Lease are for convenience and

reference only and are not intended to define or limit the scope of any provision.

Section 32. Publication. Lessee agrees to pay the cost of newspaper publication of this Lease and related ordinance, as required by the City Charter, in the legal section of the local newspaper.

Section 33. Waiver.

- (A) The failure of either party to complain of any act or omission on the part of the other party, no matter how long the same may continue, will not be deemed a waiver by said party of any of its rights under this Lease. The waiver of any covenant or condition or of the breach of any covenant or condition of this Lease by either party at any time, express or implied, may not be taken to constitute a waiver of any subsequent breach of the covenant or condition nor justify or authorize the nonobservance on any other occasion of the same or any other covenant or condition of this Lease. If any action by Lessee requires the consent or approval of the City on one occasion, any consent or approval given on said occasion shall not be deemed a consent or approval of the same or any other action at any other occasion.
- (B) Any waiver or indulgence of Lessee default of any provision of this Lease shall not be considered an estoppel against the City. It is expressly understood that, if at any time Lessee is in default in any of its conditions or covenants of this Lease, the failure on the part of the City to promptly avail itself of said rights and remedies which the City may have shall not be considered a waiver on the part of the City, but the City may at any time avail itself of said rights or remedies or elect to terminate this Lease on account of said default. Any waiver by the parties of a breach of any covenants, terms, obligations, or events of default shall not be construed to be a waiver of any subsequent breach nor shall the failure to require full compliance with this Lease be construed as changing the terms of this Lease or estopping the parties from enforcing the terms of this Lease.

Section 34. Force Majeure. No party to this Lease is liable for delays or failures in performance due to any cause beyond their control including, without limitation, any delays or failures in performance caused by strikes, lock outs, fires, acts of God or the public enemy, common carrier, severe inclement weather, or riots or interference by civil or military authorities. Such delays or failures to perform extend the period of performance until these exigencies have been removed. Lessee shall inform the City in writing of proof of such force majeure within three business days or otherwise waive this right as a defense.

Section 35. Surrender. Lessee acknowledges and understands that the City's agreement to lease the Premises to Lessee is expressly conditioned on the understanding that the Premises, must be surrendered upon the expiration, termination, or cancellation of this Lease in as good a condition as received, reasonable use and wear, acts of God, fire, and flood damage or destruction where Lessee is without fault, excepted.

Section 36. Enforcement Costs. In the event any legal action or proceeding is undertaken by the City to repossess the Premises, collect the rent payment(s) due pursuant to this Lease, collect for any damages to the Premises, or to, in any other way, enforce the provisions of this Lease, Lessee agrees to pay all court costs and expenses and such sum as a court of competent jurisdiction may adjudge reasonable as attorneys' fees in said action or proceeding or, in the event of an appeal, as allowed by an appellate court, if a judgment is rendered in favor of the City.

Section 37. Survival of Terms. Termination or expiration of this Lease for any reason does not release either party from any liabilities or obligations set forth in this Lease that (1) the parties have expressly agreed survive any such termination or expiration, including, but not limited to, Section 25; (b) remain to be performed; or (c) by their nature would be intended to be applicable following any such termination or expiration.

Section 38. Acknowledgment and Construction of Ambiguities. The parties expressly acknowledge that they have each independently read and understood this Lease. By Lessee execution of this Lease, Lessee agrees to be bound by the terms, covenants, and conditions contained in this Lease. Furthermore, Lessee acknowledges and understands that this Lease is not binding on the City until properly authorized by the City's City Council and executed by the City Manager. By agreement of the parties, any ambiguities in this Lease are not to be construed against the drafter.

Section 39. Severability.

- (A) If, for any reason, any word, phrase, paragraph, provision, or section of this Lease or the application of such language to any person or circumstance is, to any extent, held illegal, invalid, or unenforceable under present or future law effective during the term of this Lease or by a final judgment of a court of competent jurisdiction, then the remainder of this Lease, or the application of said language to persons or circumstances other than those as to which it is held illegal, invalid, or unenforceable, will not be affected hereby, for it is the definite intent of the parties to this Lease that every word, phrase, paragraph, provision, or section of this Lease be given full force and effect for its purpose.
- (B) To the extent that any word, phrase, paragraph, provision, or section of this Lease is held illegal, invalid, or unenforceable under present or future law effective during the term of this Lease or by a final judgment of a court of competent jurisdiction and in lieu of each such illegal, invalid, or unenforceable language, a word, phrase, paragraph, provision, or section, as similar in terms to such illegal, invalid, or unenforceable language as may be possible and be legal, valid, and enforceable, will be added to this Lease automatically.

SECTION 40. Compliance with State and Federal Laws. The following provisions are in this contract for compliance with state and federal law, and the City does not opine on their validity or enforceability. Lessee shall bear the entire sole burden for complying with

any of these clauses. Prior to the enforcement of any of the following clauses, the City will give at least 30 days notice of alleged violation thereof and an opportunity for the Lessee to be heard concerning the alleged violation, effect thereof on the City, and proposed remedial measures:

- Lessee warrants that it is and will continue to be an equal opportunity employer and hereby covenants that no employee or customer will be discriminated against because of race, religion, sex, age, disability, creed, color, or national origin.
- Lessee shall provide all services and activities required to comply with the Civil Rights Act of 1964, as amended, the Rehabilitation Act of 1973, Public Law 93-1122, Section 504, and with the provisions of the Americans with Disabilities Act of 1990, Public Law 101-336 [S.933].
- Lessee agrees to comply with Tex. Gov't Code § 2252.908 and submit Form 1295 to the City with the signed agreement. The Parties agree that the City is not responsible for the information contained in Form 1295.
- In accordance with Tex. Gov't Code §2252.909, Lessee must include in each contract for the construction, alteration or repair of an improvement to this leased property a condition that the contractor execute a payment bond that conforms to Subchapter I, Chapter 53, Property Code and a performance bond equal to the amount of the contract and conditioned on the faithful performance of the contractor's work in accordance with the plans, specifications and contract documents. Lessee must provide the City with a notice of commencement at least 90 days prior to start of construction, alteration or repair that complies with Texas Gov't Code § 2252.909.

Section 41. Entire Agreement. This Lease document and the incorporated and attached exhibits constitute the entire agreement between the City and Lessee for the purpose granted. All other agreements, promises, representations, and understandings, oral or otherwise, with reference to the subject matter hereof, unless contained in this Lease, are expressly revoked, as it is the intention of the parties to provide for a complete understanding within the provisions of this Lease and its exhibits of the terms, conditions, promises, and covenants relating to Lessee operations and the Premises to be used in the operations. This Agreement takes effect on date of last signature.

Signatures on next page.

CITY OF CORPUS CHRISTI

ATTEST:

Peter Zanoni
City Manager
Date: _____

Rebecca Huerta
City Secretary

APPROVED AS TO LEGAL FORM:

Assistant City Attorney

LESSEE:

By: _____
Name:
Title:
Date: _____

STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of
, 2025, by _____, _____ of
_____, on behalf of _____.

Notary Public, State of Texas

Printed Name
Commission expires:

Incorporated by reference:

Exhibit A: Overview of Leased Premises

Exhibit B: Grounds Maintenance Area

Exhibit C: Hurricane Preparedness

Exhibit D: Insurance Requirements

Exhibit A

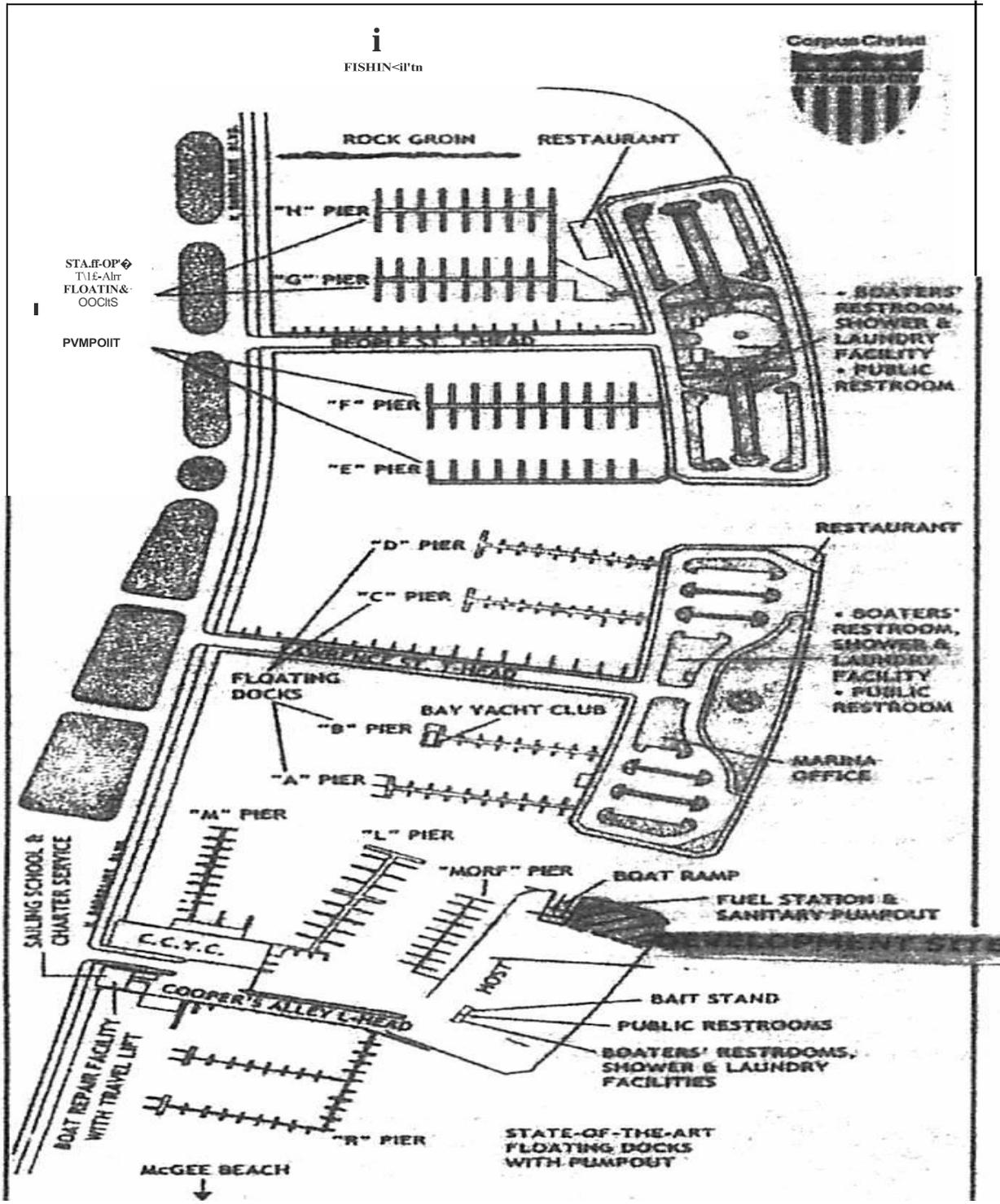


Exhibit B

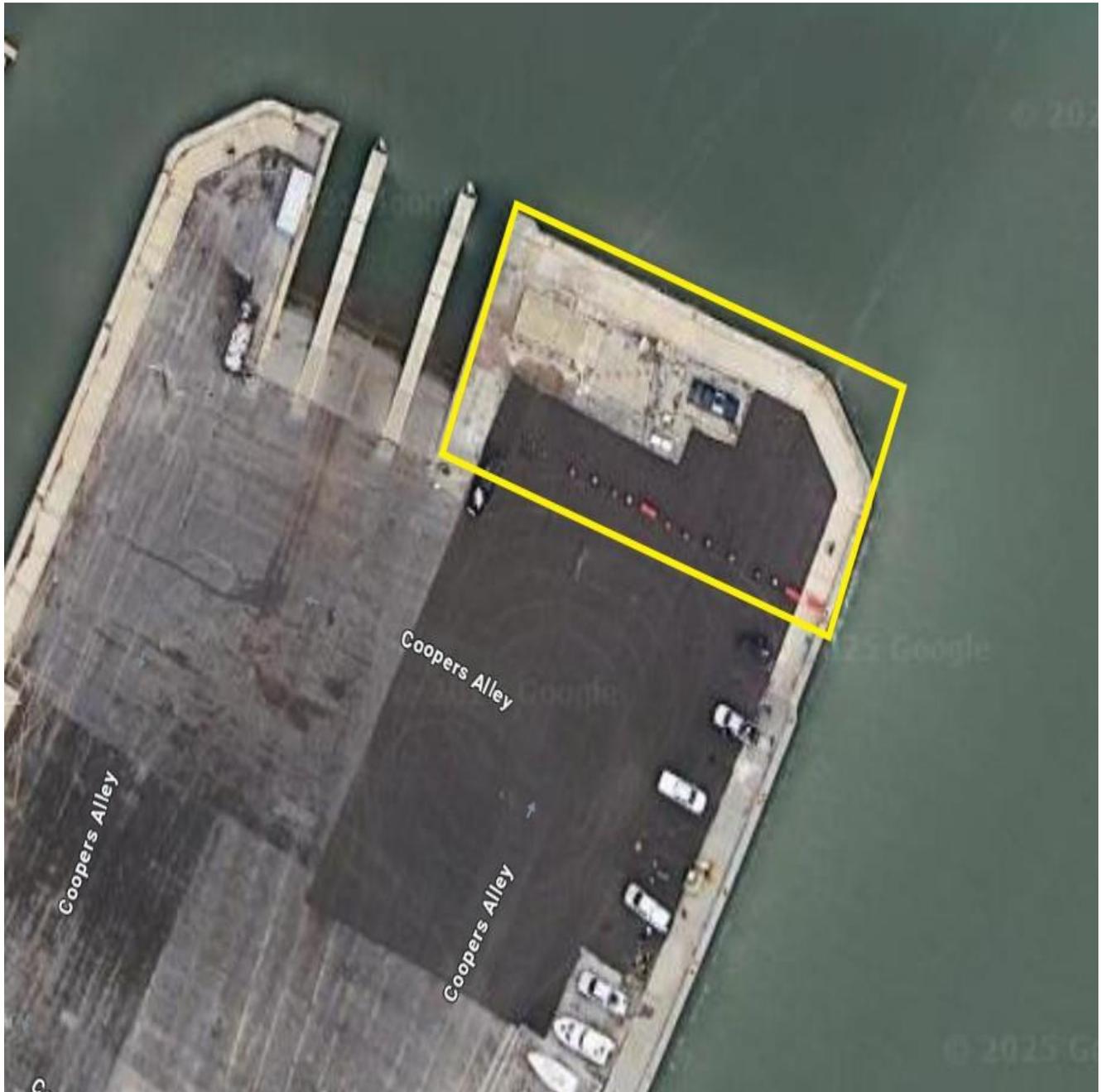


EXHIBIT C
HURRICANE PREPAREDNESS

HURRICANE/EMERGENCY ACTION PLAN

This Hurricane/Emergency Action Plan (hereafter Plan) for (Lessee) property and facilities has been developed with the coordination and approval of the Emergency Management Office, Parks & Recreation and Police Departments of the City of Corpus Christi. It is current for the 2025 hurricane season and thereafter until replaced, rescinded, or amended. This Plan will be reviewed by the Marina Superintendent and Lessee's General Manager on an annual basis prior to June 1st and any updates, corrections and/or revisions will be forwarded to the Emergency Management Office by that date.

LESSEE CONTACT LIST

General Manager: John Murray

CORPUS CHRISTI MARINA KEY PERSONNEL - Office: 361-826-3980

Marina General Manager: Jonathan Atwood

GOVERNMENT OFFICES

Police Department	886-2600	National Weather Service:	
Fire Department	880-3900	Recorded Forecast	289-1861
Emergency Operations Center	826-1100	Office	289-0959
Emergency Management Office ...	826-1100	Parks & Recreation Office ..	880-3461

GENERAL PROVISIONS

1. The order to implement the Plan may be issued by the Mayor, City Manager, Emergency Management Coordinator, Director of the Parks and Recreation or Marina Manager.
2. It shall be the sole responsibility of Lessee owners/operators to remove decks, trailers and all equipment, inventory, furniture, materials and supplies from the premises and to secure the facility.
3. It shall be the sole responsibility of Lessee to insure no pollutants enter the waters of the Marina from any operation owned/operated by Lessee i.e., grease traps, garbage, materials, etc.
4. All owners/operators, managers, employees will be required to evacuate the Marina Complex when conditions threaten human safety as determined by the Police Chief or Marina Superintendent. The Marina Staff will secure the Marina Complex and insure all persons are notified of the danger.
5. The Marina Office has issued Emergency Passes to key employees of Lessee. Access to the Marina Complex will be restricted to persons presenting evidence of tenancy issued by the Corpus Christi Municipal Marina (i.e. a copy of the lease document or a Marina Emergency Pass).

INCREASED READINESS ACTIONS FOR VARIOUS CONDITIONS

This Plan is framed around four “conditions” which represent varying degrees of threatened emergencies and is based on the action to be taken as these conditions are known to develop through information received from the National Weather Service or any other sources. These conditions are as follows:

CONDITION NUMBER 4 (GREEN) - **Beginning of Disaster Vulnerability Season** - This condition will be used by emergency services personnel to refer to a situation which causes a higher degree of disaster possibility than is normally present. This condition will automatically go into effect upon such occurrences as the beginning of **the Hurricane Season (June 1st each year, remaining in effect through November 30th each year)**; or other general conditions; such as fire threat, due to severe drought.

CITY ACTION: The City will initiate general increased readiness activities, submit all updated Plans and utilize the media and other sources to recommend various protective actions to the public.

LESSEE ACTION: Lessee General Manager will review the Plan and provide updated information for the Plan to the Marina Manager no later than June 1st. Lessee will prepare a contingency plan to remove all fuel tanks, pumps, and Conex boxes from the premises; (2) disconnecting power and utility services; (3) having grease traps vacuumed; (4) removing loose objects from around the fuel station; and (4) otherwise securing the premises.

CONDITION NUMBER 3 (YELLOW) - **Situations Exist that Could Develop Into Hazardous Condition** - This condition will be declared by the City Manager or Emergency Management Coordinator to identify a situation which presents a greater potential threat than “CONDITION 4” but no immediate threat to life or property. This condition might be generated by such events as

a hurricane watch, tornado watch, severe thunderstorm watch, or presence of hazardous material in transit through the city by rail, truck, or other means. One such situation when Condition 3 will be declared is when the course of a hurricane has been established and the National Weather Service predicts a likely landfall within **thirty-six hours** and/or within one hundred miles of the City of Corpus Christi.

CITY ACTION: The Marina Manager or his designee will:

- advise Lessee of any changes in Condition as advisories or declarations are received.
- advise Lessee **IF** and **WHEN** information is received on utility shut offs. AEP secures their service when they determine it is in jeopardy without notice to the Marina. The Marina may shut off power if high waters make conditions dangerous.
- initiate/continue removal of watercraft from the Marina Complex until it is determined the operation is unsafe due to weather/road/equipment conditions. Marina rescue boats will be hauled out prior to cessation of haul out operations.
- relocate essential City records, tools, equipment and supplies to a safe location.
- ensure all loose items in Marina are secured.

LESSEE ACTION:

- cease all normal operations of the business and begin preparations for removing any loose items located upon the Premises and otherwise securing the Premises.
- begin removing all refrigerated foods from the premises.
- have all grease traps vacuumed.
- begin moving inside or removing all equipment, decks, trailers, dumpsters, building materials, vending machines, potted plants, street furniture or other objects owned or placed on the property by Lessee which are stored on the premises.

CONDITION NUMBER 2 (ORANGE) - Situations Exist That Have Definite Characteristic of Developing Into A Hazardous Condition - This condition will be declared by the City Manager or Emergency Management Coordinator to identify a hazardous situation which has a significant potential and probability of causing loss of life and/or damage to property. **CONDITION 2** will usually require some degree of warning the public of a potential disaster.

This condition might be generated by such events as a hurricane warning, tornado warning, severe thunderstorm warning, or any other notification of the existence of a direct threat such as a toxic material spill, major fire, growing civil disturbance, etc.

One such situation when this condition will be declared is when the National Weather Service indicates the possibility of a hurricane landfall within **twenty-four hours** or close enough to cause damaging winds or rising tides in the City of Corpus Christi.

CITY ACTION:

- complete any remaining hurricane preparations and begin evacuating all persons from the Marina Complex.

LESSEE ACTION:

- complete any remaining hurricane preparations and evacuate all employees from the Marina Complex.

CONDITION NUMBER 1 (RED) - Hazardous Conditions Are Imminent - This condition will be used to signify occurrence of a major emergency IS imminent. Events such as a hurricane strike, **landfall predicted in 12 hours or less**, tornado strike, large explosion, widespread civil disturbance, damaging tides, or other similar events will constitute a "Condition One" declaration.

CITY ACTION:

- ensure that all hurricane preparations throughout the Marina Complex have been completed and all persons have evacuated the Marina Complex.

LESSEE ACTION:

- Lessee will have completed all preparations prior to this Condition and are required to evacuate all Lessee employees from the Marina Complex.

HURRICANE PASSED:

Marina staff will report to duty, as directed by the City's Bad Weather Policy, for damage assessment and appraisal, facility clean up and repair, launching operations, security, etc. Access to the Marina Complex will be restricted to persons presenting evidence of tenancy issued by the Corpus Christi Municipal Marina (i.e. a copy of the lease document or a Marina Emergency Pass).

APPROVED on the dates written.

Lessee

By: _____ Date: _____

City of Corpus Christi, Parks & Recreation Department

By: _____ Date: _____

City of Corpus Christi, Police Department

By: _____ Date: _____

City of Corpus Christi, Emergency Management Office

By: _____ Date: _____

EXHIBIT D

INSURANCE REQUIREMENTS FOR BUSINESS OPERATION

I. LESSEE’S LIABILITY INSURANCE

- A. Lessee must not commence work under this contract 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 and Director of Parks and Recreation Dept. two (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 listed as an additional insured on the General liability and Auto Liability policies, and a waiver of subrogation is required on all applicable policies. Endorsements must be provided with Certificate of Insurance. Project name and/or number must be listed in Description Box of Certificate of Insurance.**

TYPE OF INSURANCE	MINIMUM INSURANCE COVERAGE
30-day advance written notice of cancellation, non-renewal, material change or termination required on all certificates and policies.	Bodily Injury and Property Damage Per occurrence - aggregate
Commercial General Liability including: 1. NO Waterborne Exclusions 2. Commercial Broad Form 3. Premises – Operations 4. Products/ Completed Operations 5. Contractual Liability 6. Independent Contractors 7. Personal Injury- Advertising Injury	\$2,000,000 Per Occurrence <input checked="" type="checkbox"/> \$10,000,000 Per Occurrence <input type="checkbox"/> Required <input checked="" type="checkbox"/> Not Required <input type="checkbox"/>
AUTO LIABILITY (including) 1. Owned 2. Hired and Non-Owned 3. Rented/Leased	\$1,000,000 Combined Single Limit Required <input checked="" type="checkbox"/> Not Required <input type="checkbox"/>
WORKERS’ COMPENSATION EMPLOYER’S LIABILITY NO Waterborne Exclusions	Statutory \$500,000 /\$500,000 /\$500,000 Required <input checked="" type="checkbox"/> Not Required <input type="checkbox"/>

<p>CRIME/EMPLOYEE DISHONESTY Lessee shall name the City of Corpus Christi, Texas as Loss Payee</p> <p>(Insurance Limit Subject to Change Based on Risk Management Annual Review of Actual Receipts)</p>	<p>\$50,000 Per Occurrence</p> <p>Required <input checked="" type="checkbox"/> Not Required <input type="checkbox"/></p>
<p>POLLUTION LEGAL LIABILITY Including:</p> <ol style="list-style-type: none"> 1. NO Waterborne Exclusions 2. Sudden and Accidental Pollution Coverage 3. Cleanup and Remediation. 4. Fuel Storage Tanks Above Ground and Fueling or Refueling Operations. 	<p>\$2,000,000 Per Claim (Defense costs not included in face value of the policy)</p> <p>If claims made policy, retro date must be prior to inception of agreement, have extended reporting period provisions and identify any limitations regarding who is insured.</p> <p>Required <input checked="" type="checkbox"/> Not Required <input type="checkbox"/></p>
<p>ABOVE GROUND STORAGE TANK POLLUTION LIABILITY Including: NO Waterborne Exclusions Coverage for third-party bodily injury and property damage (on and off-site). The above ground storage tank insurance shall also include clean up, remediation, restoration costs, and other related costs and expenses. If this coverage is claims-made, the policy retro date shall be set and maintained not later than the inception date of this Agreement. This insurance shall be continuously in place during the full term of this Agreement, including any extensions or renewals thereof, and for a period of at least one year after the final termination of this Agreement. Lessee is responsible for maintaining above ground storage tanks.</p>	<p>\$2,000,000 Per Claim (Defense costs not included in face value of the policy)</p> <p>If claims made policy, retro date must be prior to inception of agreement, have extended reporting period provisions and identify any limitations regarding who is insured.</p> <p>Required <input checked="" type="checkbox"/> Not Required <input type="checkbox"/></p>
<p>LIQUOR LIABILITY</p> <p>Required When Selling Liquor/Alcohol</p>	<p>\$1,000,000 Per Occurrence</p> <p>Required <input checked="" type="checkbox"/> Not Required <input type="checkbox"/> If Applicable</p>
<p>PERSONAL PROPERTY INSURANCE</p>	<p>Lessee, at their own expense, shall be responsible for insuring all owned, leased or rented personal property.</p> <p>Required <input checked="" type="checkbox"/> Not Required <input type="checkbox"/></p>

Subcontractors

Lessee shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Lessee shall ensure that City is an additional insured on insurance required from subcontractors. For CGL coverage subcontractors shall provide coverage with a format at least as broad as CG 20 38 04 13.

Required Not Required

Version 1; Exhibit subject to revision by Risk Management upon finalized lease agreement, and any modifications to the original scope of work.

Note: This Exhibit applies to the lease agreement only and does not apply to any construction or project funding. A separate review of insurance requirements and separate Exhibit will be required for construction operations or funding, if applicable.

- C. In the event of accidents of any kind related to this contract, 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 for 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. An All States Endorsement shall be required if Lessee is not domiciled in the State of Texas.
- B. 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. Lessee shall be required to submit a copy of the replacement Certificate of Insurance to City at the address provided below within 10 days of any change made by the Lessee or as requested by the City. Lessee shall pay any costs incurred resulting from said changes. All notices under this Exhibit shall be given to City at the following address:

City of Corpus Christi
Attn: Risk Manager
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:**

- List the City and its officers, officials, employees, and volunteers, as additional insureds by endorsement with regard to operations, completed operations, and activities of or on

behalf of the named insured performed under contract with the City, with the exception of the workers' compensation policy;

- 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, cancellation, non-renewal, material change or termination 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 cancellation, non-renewal, material change or termination 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 contract.
- 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 contract.
- I. It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this contract.