

## AMENDMENT NO. 2 TO PADRE ISLAND YACHT CLUB LEASE

Whereas, on August 23, 2011 the Corpus Christi City Council authorized a Lease Agreement with the Padre Island Yacht Club ("PIYC") regarding the use of city property through July 11, 2025;

Whereas, on December 12, 2017, the Corpus Christi City Council authorized Amendment No. 1 to increase total leased area to 2.89 acres;

Whereas, the Lease Agreement required monthly payment of 10% of all gross income or \$2300 annually, whichever is greater;

Whereas, the PIYC has requested review of the rental payments in the Lease Agreement as the annual payment under the current formula has increased 142% in the prior 7 years;

Whereas, the City has evaluated rental payments and determined that revision is in order;

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1) Section 3 a of the Lease Agreement regarding Rental Payments is hereby amended as follows. The changes are shown in redline format.

"3. Rental Payments.

a. PIYC agrees to pay ten percent (10%) of all gross income or \$2300 annually, whichever is greater, from reoccurring monthly assessments and slip rentals, in advance on or before the tenth (10<sup>th</sup>) of each month.

b. Effective January 1, 2020, the monthly rents are replaced with quarterly rents, to be paid on the following dates:

1<sup>st</sup> quarter (January – March) payment is due April 5

2<sup>nd</sup> quarter (April – June) payment is due July 5

3<sup>rd</sup> quarter (July – September) payment is due October 5

4<sup>th</sup> quarter (October – December) payment is due January 5

Each quarterly rent payment is the greater of either \$2,500.00 or 5% of gross income from slip rentals and membership fees collected during the quarter.

bc. PIYC shall keep records of the monthly dues and slip rent received. PIYC records of monthly dues and rent received must be open to City Manager's designated representative during PIYC's business hours. These records must be retained for five (5) years after expiration or other termination of this lease."

2) Section 12 of the Lease Agreement regarding insurance exhibit is hereby amended to replace the insurance Exhibit B with the attached Exhibit "Insurance Requirements Revised 02-11-2020."

3) All other terms and conditions of the previously executed Agreement, as amended, between the parties which are not inconsistent herewith shall continue in full force and effect.

4) This Amendment becomes effective upon final City Council approval. Lessee shall reimburse City for costs of newspaper publications as required by City Charter.

EXECUTED IN DUPLICATE ORIGINALS this \_\_\_\_ day of \_\_\_\_\_, 2020, by the authorized representative of the parties.

**City of Corpus Christi, Texas**

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

Approved as to legal form:

\_\_\_\_\_  
Lisa Aguilar, Assistant City Attorney  
For the City Attorney

**Padre Island Yacht Club**

**By:** \_\_\_\_\_

Commodore, John Stokes

**Date:** 2/19/2020

## EXHIBIT B

### INSURANCE REQUIREMENTS REVISED 02-11-2020

#### I. CONTRACTOR'S LIABILITY INSURANCE

- A. Contractor must not commence work under this contract until all insurance required has been obtained and such insurance has been approved by the City. Contractor must not allow any subcontractor, to commence work until all similar insurance required of any subcontractor has been obtained.
- B. Contractor must furnish to the City's Risk Manager and Contract Administrator one (1) copy of Certificate 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 **by endorsement**, and a waiver of subrogation **endorsement** is required on GL, AL and WC if applicable. **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
<b>30-day advance written notice of cancellation, non-renewal, material change or termination required on all certificates and policies.</b>	<b>Bodily Injury and Property Damage</b> Per occurrence - aggregate
COMMERCIAL GENERAL LIABILITY including: 1. Comprehensive Broad Form 2. Premises - Operations 3. Products/ Completed Operations 4. Contractual Liability 5. Broad Form Property Damage 6. Independent Contractors 7. Personal Injury 8. Host Liquor Liability 9. Watercraft Liability endorsement—to include: <i>The size of watercraft must be known and no limitation of the endorsement may exclude coverage by virtue of the size of the watercraft</i>	\$500,000 per person/ \$1,000,000 per occurrence Bodily Injury and \$300,000 Property Damage OR \$1,000,000 COMBINED SINGLE LIMIT

- C. In the event of accidents of any kind related to this contract, Contractor 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, Contractor 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 statutory amounts according to the Texas Department of Insurance, Division of Workers' Compensation. An All States Endorsement shall be required if Contractor is not domiciled in the State of Texas.
- B. Contractor shall obtain and maintain in full force and effect for the duration of this Contract, and any extension hereof, at Contractor'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. Contractor shall be required to submit renewal certificates of insurance throughout the term of this contract and any extensions within 10 days of the policy expiration dates. 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. **Contractor 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 insured's 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, Contractor shall provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend Contractor'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 Contractor'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 Contractor to stop work hereunder, and/or withhold any payment(s) which become due to Contractor hereunder until Contractor demonstrates compliance with the requirements hereof.
- G. Nothing herein contained shall be construed as limiting in any way the extent to which Contractor may be held responsible for payments of damages to persons or property resulting from Contractor's or its subcontractor's performance of the work covered under this contract.
- H. It is agreed that Contractor'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.

2020 Insurance Requirements

Ins. Req. Exhibit

Padre Island Yacht Club

02/11/2020 Risk Management – Legal Dept.