

PURCHASING & LICENSING COMMITTEE

12-0189R

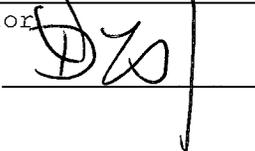
REPLACEMENT

RESOLUTION AUTHORIZING A FIVE-YEAR JOINT CITY OF DULUTH AND DULUTH ECONOMIC DEVELOPMENT AUTHORITY AGREEMENT WITH INTERSTATE PARKING COMPANY OF MINNESOTA LLC FOR PARKING LOT MANAGEMENT SERVICES IN THE AMOUNT OF \$42,714 PER CONTRACT YEAR, FOR A TOTAL CONTRACT AMOUNT OF \$213,570.

CITY PROPOSAL:

RESOLVED, the proper city officials are hereby authorized to enter into a potential five-year agreement with Interstate Parking Company of Minnesota LLC, and Duluth economic development authority (DEDA), substantially the same as that on file in the office of the city clerk as Public Document No. \_\_\_\_\_, for parking lot management services at an annual fee not to exceed \$42,714 per contract year, payable from the following accounts: Parking Fund 505, Administrative Services Department 015, Parking Ramps Organization 1480, and Meters and Municipal Lots Organization 1481.

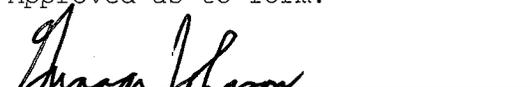
Approved:

  
Department Director  
  
Purchasing Agent

Approved for presentation to council:

  
Chief Administrative Officer

Approved as to form:

  
Attorney

Approved:

  
Auditor

PUB ADMIN/PRCH DS:SW:le 04/03/2012

STATEMENT OF PURPOSE: This resolution authorizes an agreement with Interstate Parking Company of Minnesota LLC for parking lot management services for an annual fee of \$42,714, payable from the parking fund.

The city desires a contract with a professional parking management service to oversee DEDA (Duluth Economic Development Authority) and city parking facilities

and coordinate parking with adjacent businesses - all while producing adequate revenues for the city and enhancing customer service, public communications, branding, and maintenance of the parking facilities. The contract commences in 2012 and continues for a period of five years. Beginning in the third year, either party shall have the right to terminate the agreement with or without cause upon 180 days written notice.

The purchasing division posted a request for proposals (RFP) November 30, 2011, on the city's website, and received five proposals by the January 11, 2012, closing date. A committee consisting of city staff and a Greater Downtown Council representative reviewed and scored the responses against the RFP requirements and eliminated two of the respondents. The three finalists gave in-person presentations to the committee and provided additional information as requested. Committee members scored the three finalists against selection criteria and chose Interstate Parking Company, based on their scores.

Parking Lot Management Services RFP No. 11-26DS RFP Closing January 11, 2012		
Vendor	City	State
Impark	Minneapolis	Minnesota
Interstate Parking Company of Minnesota LLC	Milwaukee	Wisconsin
Oneida Realty Company	Duluth	Minnesota
Republic Parking System	Denver	Colorado
Standard Parking Corporation	Chicago	Illinois

Requisition No. pending

## PARKING MANAGEMENT AGREEMENT

This PARKING MANAGEMENT AGREEMENT ("Agreement") effective as of \_\_\_\_\_, 2012 ("Commencement Date") is by and among the City of Duluth (the "City"), the Duluth Economic Development Authority ("DEDA"), ~~the City and DEDA hereinafter jointly referred to as "City"~~, and Interstate Parking Company of Minnesota LLC ("Operator").

### RECITALS:

- A. The City of Duluth owns certain parking facilities set forth on Exhibit A and shown in Exhibit B.
- B. DEDA owns or is responsible for the management of certain parking facilities set forth in Exhibit C and shown on Exhibit D.
- C. There are nineteen (19) City parking facilities and seven (7) DEDA parking facilities, for a total of twenty six (26) separate parking facilities subject to this Agreement.
- D. The Northwest Iron Lot, as shown on Exhibits C and D, is subject to an Agreement between DEDA and ETOR Properties Limited Liability Company ("ETOR") dated March 14, 2011 (the "ETOR Agreement"). The ETOR Agreement continues through December 31, 2013 unless terminated sooner as provided for therein.
- E. The Lake City Lot, as shown on Exhibits A and B, is subject to a Ground Lease Agreement between DEDA and St. Croix, Inc. ("St. Croix") dated December 31, 1991 (the "St. Croix Agreement"). The St. Croix Agreement is perpetual subject to St. Croix's option to terminate as set forth in said agreement.
- F. City and DEDA desires to contract for parking management services in order to provide maintenance oversight, operational control, enhance customer service, convenience and, cleanliness of these parking facilities and provide coordination of parking with adjacent businesses while producing adequate revenues for City and DEDA.
- G. Operator is an experienced operator and manager of parking facilities for motor vehicles throughout Minnesota and Wisconsin and is able and willing to provide such management services.
- H. The parties desire to enter into this Agreement whereby Operator will operate and manage parking of motor vehicles at the parking facilities set forth in Exhibits A and C and shown on Exhibits B and D pursuant to the terms and conditions herein set forth.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, the receipt and sufficiency of which is hereby acknowledged, it is mutually agreed between the parties hereto as follows:

1. DEFINITIONS: The following terms, as used in this Agreement, shall have the meanings ascribed to them hereunder:

A. Agreement shall mean this Parking Management Agreement.

~~B. City shall mean the City of Duluth, Minnesota.~~

BC. City Manager shall mean the City's Manager of Parking or his/her designee.

CD. Consent or Approval of City shall mean the consent or approval of the City's Chief Administrative Officer.

- DE. Consent of City Manager shall mean a written document signed by the City Manager.
- EF. ETOR shall mean ETOR Properties Limited Liability Company.
- EG. Facilities shall mean the parking facilities located in the City set forth in Exhibits A and C and shown on Exhibits B and D attached hereto and incorporated herein. Facilities shall include any additional Parking Areas added by the City pursuant to Section \_\_\_\_, and shall also reflect the withdrawal of any parking areas by City pursuant to Section \_\_\_\_.
- GH. Improvements shall mean all items owned by the City or DEDA and located on or within the Facilities or affixed thereto, provided, purchased or used by Operator, including, but not limited to, revenue control equipment and structures, wiring and signs, and excluding Operator's personal property.
- HI. Operations Manual shall mean a written document describing specific procedures to be used to manage and operate the Facilities including, at a minimum: facility staffing plan; accounting procedures; operation of parking equipment; annual budget procedures; customer relations including customer complaint procedures, public education regarding the Facilities, annual customer survey, and mystery parker program; employment procedures including employee rules, policies, job descriptions; snow removal policies, hours of operation; returned check policy; emergency response procedures; abandoned vehicle procedures; cash and ticket handling policies; internal control and auditing procedures; monthly/validation billing and collections procedures; and cashier and event attendant standard operating procedures.
- IJ. Parking Manager shall mean the employee of Operator charged with managing the Facilities. The Parking Manager shall reside in the greater Duluth metro area.

2. OPERATION OF THE FACILITIES IN GENERAL: Operator agrees to manage and operate the Facilities and the Improvements located thereon as public parking, as directed by City at City's cost and expense, and in a professional, economical and businesslike manner satisfactory at all times to City. The Operator agrees to perform the following, unless otherwise directed by City, all in accordance with and as set forth in the approved Operations Manual:

- A. Provide management of the day-to-day operation of the Facilities. Such management requires a full-time Parking Manager.
- B. Provide day-to-day staffing of the Facilities (excluding the Parking Manager) which may include:
  - i. Cashiers (full and part-time) to cover the hours of operation;
  - ii. Maintenance/janitorial positions;
  - iii. Supervisory/administrative positions.
- C. Follow parking management best practices in the operation of public parking facilities
- D. Implement parking rate, invoicing and operational policy changes as approved and directed by City.
- E. Collect and account to the City Manager for revenues derived from the operation of each Facility.
- F. Provide for each Facility a monthly operating statement of total expenses, revenues and a summary of public usage.
- G. Provide bookkeeping and accounting functions in conformity with generally accepted accounting principles for each Facility.
- H. Provide necessary routine maintenance of each Facility.
- I. Arrange for telephone service provided at each Facility as applicable.
- J. Time stamp all ticket parking in Facilities so equipped.
- K. Maintain Facility signage and promotional/informational materials.
- L. Create and maintain a City of Duluth parking website.

- M. Administer a validation system for hotels and local businesses to validate customer/guest parking.
- N. Offer members of the public the option of contracting for parking on a monthly basis. The number of contract parkers per Facility shall be subject to the approval of the City Manager.
- O. Contract with nearby hotels and other businesses and collect revenue in accordance with such contracts. All contract forms, and the execution of non-individual contracts, are subject to prior written approval by City.
- P. Meet and confer with the City Manager on a monthly basis to review the monthly report and on an as-needed basis in between to confer on operational issues as they arise, and perform quarterly operational reviews to include recommendations pertaining to Section 6, Hours of Operation; Section 7, Rates; Section 8, Repair and Maintenance; Section 9, Maintenance Obligations of City, and Section 11, Advertising/Marketing of Facilities.
- Q. Maintain a business office at no cost to Operator in the Tech Village Ramp or such other mutually agreeable location within the Facilities.
- RS. Arrange for subcontracted third party security patrols as requested by City.
- ST. Ticket vehicles which are illegally parked or for which the parking time has expired.

Within ninety (90) days of commencement of this Agreement, Operator shall prepare for approval by the City Manager, an Operations Manual describing specific procedures to be used to manage and operate the Facilities. Operator may make reasonable amendments to the Operations Manual during the term of the Agreement as may be requested by the City Manager, provided such amendments clarify a provision or provisions set forth therein, and do not materially alter Operator's scope of duties.

Provided that Operator abides by all the terms and conditions hereof, neither the City nor DEDA shall ~~not~~ during the term of this Agreement permit the operation of the Facilities by any other party other the Operator except as set forth herein.

3. USE OF FACILITIES FOR SPECIAL EVENTS: Both parties agree to recognize that certain Facilities have been utilized as long standing venues for special events and activities such as the use of the Northwest Iron Lot and the Museum Lot for entertainment and race functions in connection with Grandma's Marathon held in June of each year and the use of the Library/Depot Lot for staging for the Christmas City of the North parade in November of each year. Such special event use closes the Facilities to general parking. Operator agrees to continue to honor all established special event uses. City will provide at least thirty (30) days' written notice to Operator of such use of the Facilities. In addition, Operator agrees to allow the use of the Facilities for any new or added specials events for a period not to exceed one (1) week in duration per event. City will provide Operator with forty-five (45) days' written notice of any such new special event.

4. LIMITED USE OF CERTAIN FACILITIES: Operator acknowledges that the City allows the North Shore Scenic Railroad exclusive use of Municipal Lot D during the months of June, July, August and September each year. Operator also acknowledges that DEDA allows twelve (12) parking spaces in the Lake City Lot to be used for overnight parking exclusively for patrons of Comfort Suites. Operator specifically agrees that such uses may continue during the term of this Agreement.

5. TERM AND TERMINATION: Notwithstanding the date of execution of this Agreement, this Agreement shall be deemed to commence on April ~~126~~, 2012 and continue for a period of five (5) years through April ~~125~~, 2017 (the "Term"), unless terminated earlier as set forth herein. Notwithstanding the above, the term of this Agreement with respect to the Northwest Iron Lot and Lake City Lot shall be coterminous with the term of the ETOR Agreement and the St. Croix Agreement respectively, but in no event shall the term be for a period longer than the term of this Agreement. Additionally, the Term of this Agreement with respect to the Old Town Ramp shall commence on June 1, 2012.

Notwithstanding the foregoing, beginning at the third (3<sup>rd</sup>) year of the Agreement, either party hereto City or Operator shall have the right to terminate this Agreement with or without cause upon one hundred and eighty (180) days written notice. Notice shall be provided in accordance with the terms of this Agreement. In the event of early termination, City will pay to Operator, the applicable portion of its Management Fee prorated up to and including the date of termination,

unless the Operator is in material breach or default under this Agreement. After notice of termination and at the City's request, Operator shall use its best efforts to assist in the smooth transition to another service provider.

This Agreement shall continue on a month-to-month basis in the event that a succeeding agreement shall not be in place as of the termination date of this Agreement, with such continuation to be in accordance with the terms and conditions in effect immediately prior to the expiration of the term of this Agreement. During the month-to-month continuation, the Agreement may be terminated at any time by either party upon giving not less than sixty (60) days' prior written notice of such termination.

6. HOURS OF OPERATION: Operator will make recommendations as to the days and hours of operation of the Facilities and agrees to operate the Facilities on the days and during the hours established by City. City may change such operating hours at ~~their~~its discretion. Current hours of operation will be set forth in the Operations Manual.

7. RATES: Operator agrees to charge and collect the parking rates as approved by City. Such rates may be adjusted by City during the term of this Agreement. Operator acknowledges and agrees that from time to time, City may change parking rates at ~~their~~its discretion and may further participate in free or reduced price parking for special or other events or programs. Operator will review and recommend to City rate changes no less than every year. Rate changes shall go into effect only when approved by City.

8. REPAIR AND MAINTENANCE: All repair and maintenance of the Facilities as set forth herein and in the Operations Manual, shall be at City's sole cost and expense, and at City's direction and discretion, pursuant to which Operator will maintain the Improvements and all operating equipment at the Facilities in good working order. Operator will consult with the City Manager on maintenance obligations in a timely and economical manner. Operator will maintain the Facilities in a clean, neat, orderly and sanitary condition, including the removal of dirt, garbage, rubbish, snow, ice (including snow and ice removal on sidewalks within and adjacent to the Facilities), and free of other refuse and objectionable odors, all in a manner comparable to other first class parking facilities. As more specifically set forth in the Operations Manual, Operator shall perform:

- A. Manual litter/debris removal and sweeping of Facility floors, driveways, and sidewalks;
- B. Maintenance of ticket and revenue/access control equipment;
- C. Routine sign maintenance;
- D. Cashier booth cleaning;
- E. Graffiti removal;
- F. Sweeper/scrubber pavement cleaning to include sidewalks and driveways;
- G. Pressure washer pavement cleaning to include sidewalks and driveways;
- H. Pothole repair;
- I. Wheel stop maintenance;
- J. Snow plowing, removal, and ice control. Snow must be moved away from all parking meters and pay stations and piled in far corners of the Facilities or other locations as designated by City. Operator may utilize the City's snow disposal site. Other snow and ice control protocols will be set forth in the Operations Manual;
- K. Annual floor striping and curb painting;
- L. Replacement of lights and ballasts with light bulbs to be provided by City;
- M. Replacement of broken glass window panels;
- N. Periodic cleaning (flushing and snaking) of water drains, sump tanks and flammable traps;
- O. Repainting of cashier booths and bollards as needed;
- P. General facility painting and glass repair as needed, and
- Q. Other maintenance services requested by City.

The subcontracting of any of the items above is subject to the approval of the City Manager if the item exceeds budget by both \$1,000 or more and by 10% or more.

On the first anniversary of the commencement of this Agreement, or any time thereafter, City may, at their sole option, remove any of the repair and maintenance services to be provided by Operator as set forth in subparagraphs A - Q.

9. MAINTENANCE OBLIGATIONS OF CITY: City agrees to maintain and pay for all maintenance and all repairs of any nature at the Facilities, including, but not limited to: electrical, plumbing, repairs to the walls and floors of the Facilities, sinkholes, maintenance of ventilation system and elevators, and any structural, mechanical, electrical or other installations or any alterations required by statutes or regulations pertaining to air quality, environmental protection, provisions for persons with disabilities or other similar governmental requirements. City shall be responsible for the payment for and repair of all utilities unless otherwise provided for herein. Operator will promptly report and recommend to City any maintenance and/or unsafe conditions requiring repair, and Operator will review and recommend to City any major maintenance that otherwise may enhance the Facilities.

10. OPERATOR STAFF: Operator shall provide a sufficient number of competent staff to operate and manage the Facilities in accordance with the terms and conditions of this Agreement such that the Facilities will be operated in a first class manner similar to other first class parking facilities of similar type in Minnesota and Wisconsin. Operator will provide all necessary executive and supervisory personnel who are not stationed at the Facilities but are required for the proper management of the Facilities.

City shall approve the level of staffing at the Facilities. Operator agrees to increase or decrease staffing levels according to City's directive.

Operator shall employ, train, assign, motivate and manage staff to operate the Facilities. The Operator shall perform background checks of new hires in all positions including a criminal background check and a motor vehicle records check. The Operator shall also have a drug and alcohol testing program that at a minimum will require a negative drug test as a condition of employment including management level and hourly positions. In addition, the testing program at a minimum will include a "Drug Free Policy" and require testing for reasonable suspicion and post accident testing for accidents involving fatality, injury or equipment being disabled. Such program will be carried out in compliance with applicable federal and state laws. Personnel will be employed, disciplined, discharged, promoted and directed in the performance of their duties by Operator.

Employees shall be clean and neatly dressed in uniforms provided by Operator at all times in order to reflect the professional levels of service expected by City. Employees shall be polite and courteous at all times. Employees shall be trained to be customer service oriented and ambassadors for City. Operator shall be obligated to control the actions of its employees and to dispense with the services of any employee whose conduct City determines to be detrimental to the best interests of City. Upon receipt from City of any complaint concerning conduct, demeanor or appearance of any employee, Operator shall promptly investigate and correct, where warranted, the condition(s) which gives rise to the complaint.

11. ADVERTISING/MARKETING OF FACILITIES: Operator shall be diligent in the marketing and advertising of the Facilities at City's expense. Operator will utilize appropriate marketing and advertising outlets such as electronic/web based media, magazine advertising, yellow page listing, brochure printing, etc. to maximize the Facilities' exposure and parking rental potential. Upon commencement of this Agreement, Operator shall provide the City Manager with a 2012 marketing plan and budget for review and approval. On or before January 1 of each subsequent year of this Agreement, Operator shall provide the City Manager with an annual marketing plan and budget for review and approval. Notwithstanding that all advertising and marketing shall otherwise be at City's expense, the startup costs for the creation of a basic static html-only website (without data base development or flash modules) at a cost not to exceed Three Thousand Five Hundred and 00/100 Dollars (\$3,500.00) shall be at Operator's expense and shall not be included among the Operating Expenses reimbursed by City. Operator shall maintain communications with business groups such as the Greater Downtown Council and the Canal Park Business Association to identify possible marketing opportunities.

12. INTELLECTUAL PROPERTY: City and DEDA hereby grants to Operator, during the term of this Agreement only, a limited, non-assignable, non-exclusive right and license to use City's the intellectual property of City and DEDA, including but not limited to its trade names and trademarks relating to the Facilities (the "City/DEDA Intellectual Property") to the extent related to Operator's administration, management and operation of the Facilities.

Operator agrees that all work created by Operator or its subcontractors for City and/or DEDA is a "work made for hire" and that the City and/or DEDA shall own all right, title, and interest in and to the work, including the entire copyright in the work, and the work shall be considered City/DEDA Intellectual Property. Operator further agrees that to the extent the work is not a "work made for hire" Operator will assign to City and/or DEDA ownership of all right, title and interest in and to the work, including ownership of the entire copyright in the work. Operator agrees to execute, at no cost to City or DEDA, all documents necessary for City or DEDA to perfect its ownership of the entire copyright in the work. Operator represents and warrants that the work created or prepared by Operator will be original and will not infringe upon the rights of any third party, and Operator further represents that the work will not have been previously assigned, licensed or otherwise encumbered. Notwithstanding the foregoing, City's and/or DEDA's ownership of by the City or DEDA of City/DEDA Intellectual Property shall not include any, and Operator shall retain all right, title, and interest (including any and all intellectual property) it has in trademarks, know-how, technique, software (source code), and practice tools that Operator has developed, or will develop, wholly independent of any services required by or performed under and without breach of this Agreement ("Operator Property").

Upon termination of this Agreement for any reason, City and/or DEDA shall have the right, at their sole cost and expense to remove the Intellectual Property from the Facilities, and Operator shall refrain from all further use of the Intellectual Property.

13. SOFTWARE: During the term of the Agreement, Operator shall implement and coordinate the installation at the Facilities of all software upgrades necessary for the proper and compliant operation of the Facilities for public parking (the "Software") at City's cost. The Software shall remain the property of the City upon termination of this Agreement. The software and services used for processing transactions shall be compliant with standards established by the PCI Security Standards Council (<https://www.pcisecuritystandards.org/index.shtml>).

14. MANAGEMENT FEE: As compensation for the professional management services rendered by Operator, City will pay Operator a monthly management fee of Three Thousand Five Hundred Fifty Nine and 50/100 Dollars (\$3,559.50). This management fee is part of the Operating Expenses as defined below and is itemized on Schedule A shown on Exhibit E.

A. Operator will deposit the Gross Revenue into its bank account daily and will pay all Operating Expenses out of its bank account.

B. On or before the 15th day of each month, Operator will provide City a statement for the preceding calendar month setting out the Gross Revenue and Operating Expenses for such month, together with:

- i. Payment to the City equaling Gross Revenue minus Operating Expenses for all Facilities; or
- ii. Invoices for any shortfall in Gross Revenue to pay Operating Expenses, for the Facilities (in the event that Operating Expenses exceed Gross Revenue). City will pay said shortfall invoices within thirty (30) days of receipt and any failure by City to pay such invoices as set forth herein shall be deemed a default of this Agreement.
- iii. "Gross Revenue" means all revenue, whether hourly, daily, monthly, special event, violator, or miscellaneous (including income from website advertising, billboards, wall advertising, vending machines, pay telephones, and any other income approved by City) collected by Operator in connection with the operation of the Facilities, along with any such revenue collected by City and provided to Operator. Excluded from Gross Revenue is the value of all discounted, validated, and free parking granted by City for the parking of vehicles in the Facilities.

iv. "Operating Expenses" means those expenses reasonably necessary to operate the Facilities including, but not limited to, the management fee, taxes, credit card fees, credit card charge backs, refunds and all expenses set out in Schedule A shown on Exhibit E and as budgeted for in an amount reasonably agreed to by the Operator and City Manager. The 2012 approved Operating Budget is attached hereto as Exhibit \_\_\_. The parties agree that the Operating Budget will be subject to change during the term of this Agreement. Certain costs, as set forth in Schedule B shown on Exhibit E, are specifically excluded from the definition of Operating Expenses for the purpose of this Agreement and will be borne directly by the City.

(a) As part of the Operating Expenses, Operator will receive the following monthly payment for recoverable expenses during the term of this Agreement;

Data Processing*	\$472.50
Payroll processing*	\$350.00
Accounting/and audit*	\$829.17
Payroll taxes, employee insurance, and benefits	32% of actual direct payroll (except that Parking Manager's payroll expense shall be fixed at \$4,966.00 per month, which shall include all payroll taxes, employee insurance, and benefits)
Insurance rate*	\$2,383.00

\*to increase 1% at the beginning of year 4 of this Agreement.

(b) The Management Fee set forth herein is for the management by Operator of the specific Facilities set forth on the attached Exhibits A-D inclusive. In the event City desires that any additional parking lots be made subject to this Agreement, such additional parking lots may be added only upon the consent of Operator and upon a mutually agreeable increase in the Management Fee. In the event City desires to remove any of the parking lots from Operator's management under this Agreement, the Management Fee shall be reduced in an amount mutually agreed upon between Operator and City.

C. It is the intent of the parties that the Management Fee shall compensate Operator for:

- i. Corporate travel, lodging and meals;
- ii. Business association memberships and sponsorships;
- iii. Salaries of Operator's employees not directly involved in the management of the Facilities,
- iv. Website startup pursuant to Section 11.

All other costs directly related to or incurred in the operation of the Facilities shall be passed on to and paid for by City.

D. Sales Taxes will be collected by Operator from customers and will be transmitted by Operator to the taxing authorities as required. Use Tax and all other applicable taxes and licenses will be paid by Operator as Operating Expenses.

E. If this Agreement commences on any date other than the first of the month, then the parties will adjust all revenues, expenses, deposits, and accounts receivable as of midnight the evening before the commencement date. Operator's first twelve (12) month cumulative management fee total is refundable in whole to City if, in City's sole discretion, City is dissatisfied by the services rendered by Operator during the preceding twelve (12) months. City shall have two (2) weeks from the one-year anniversary of the commencement of this Agreement to notify Operator in writing of said dissatisfaction, and Operator then shall provide City the full refund payment within fifteen (15) days of receipt of said notice.

15. REPORTS AND RECORDS: Operator shall provide a detailed monthly statement of Gross Revenues derived for the preceding month for operation and management of each Facility, said statement to be in a form acceptable to City and minimally including reporting of revenue and expenses to budget with explanation of variances to budget of 10% or more. Operator agrees that during the term of this Agreement it will maintain, under and in accordance with generally accepted accounting principles, a complete and accurate set of books, records, and dates of its parking receipts including daily revenue and shift reports, bank deposit slips, tickets, accounts and cash register tapes showing all Gross Revenues collected by Operator under this Agreement and all taxes affecting said Gross Revenue. The Operator shall submit to City monthly activity reports which shall include the number of parking tickets collected, the dollar value of all revenue collected, and the number of non paying exits. All such books, records, accounts and tapes shall be kept in conformity with the practices and procedures set forth in the Operations Manual approved by the City's Chief Financial Officer. Operator shall retain all such books, records, accounts and tapes for a period of six (6) years after the termination of this Agreement.

Operator agrees that, as provided in Minnesota Statutes 16C.05, Subd. 5, all Operator's books, records, documents, and accounting procedures and practices related to the operation of the Facilities are subject to examination by the City, DEDA and/or the State Auditor for six (6) years from the date of termination of this Agreement. Upon five (5) days prior written notice by the City Manager, Operator shall provide all requested financial information specifically regarding Operator's management of the Facilities.

16. INCIDENT REPORTS: Operator shall notify the City's Claims Investigator and Adjuster in writing of any incident of injury or loss or damage to the property of City, DEDA or ETOR or any employees or patrons occurring within the Facilities. Written notice shall be provided within twenty-four (24) hours of Operator's actual knowledge of any such incident on a form acceptable to the City's Claims Investigator and Adjuster. Said written notice shall be mailed or faxed to the City's Claim Investigator and Adjuster, City Attorney's Office, 411 West First Street, Room 410, Duluth, MN 55802, 218-730-5918 (fax).

17. LOSS OR DAMAGE TO THE FACILITIES: In the case of any substantial loss or damage to any of the Facilities as a result of taking under the power of eminent domain, or by fire, storm or other casualty, City may (i) repair or restore the Facility at City's expense, or (ii) abandon the operation and terminate this Agreement as it relates the damaged Facility by giving at least ten (10) days' prior written notice to Operator. If City so terminates, City shall not be liable to Operator for the portion of the Management Fee for the damaged Facility arising after the date of taking or casualty; provided however, if any portion of the Facility remains suitable for parking and Operator, with City's prior written approval, continues its operation, Operator shall be entitled to receive its Management Fee for the period during which such operations are continued. If City repairs and restores the Facility, no Management Fee shall be due for the period the Facility is unsuitable for the ordinary conduct of parking business, and Operator shall not be required to provide services hereunder, but this Agreement shall continue in effect.

18. CONDITION AND USE OF THE FACILITIES: Neither City nor DEDA makes ~~no~~ any representation that the Facilities are suitable for specific uses and Operator accepts the Facilities in an "as is" condition without representations or warranties of any kind. Except as provided for herein, neither City nor DEDA is ~~not~~ obligated to make any alterations or improvements on or to the Facilities.

19. CUSTOMER RELATIONS: At City's expense, Operator shall conduct an annual customer satisfaction survey of the Facilities in a form acceptable to the City Manager, the results of which shall be provided to City. At City's expense, Operator will initiate and utilize its standard mystery parking program on a recurring basis with forms developed in consultation with the City Manager. Operator shall provide the results of all mystery parking forms to City. Accessible customer service and assistance/troubleshooting will be provided 24 hours per day for customers of the Facilities through the

use of technology and networked on-call telephone system. At City's expense, Operator shall educate the public regarding the Facilities and shall implement a customer reward program.

20. PARKING TICKET VALIDATION: Operator and City shall arrive at a mutually agreeable method for and number of parking ticket validations for use by City, DEDA or Operator.

21. SIGNS: Prior to the erection or installation of any sign or advertising, Operator shall provide City with a sample of the proposed sign or advertising, proposed location, and proposed method of installation. City shall promptly review and approve all such use or shall, within five (5) business days, provide Operator with objections to the sign or advertising with recommended changes. Failure to approve or disapprove the items within such five (5) day period shall be deemed an approval of the sign or advertising. Any material change in the approved items shall additionally require City's written approval of the items. A sign or advertising approved by City in connection with one Facility which has not been materially altered shall not require an additional City approval for use in connection with another Facility. Operator shall design and install all signs and advertising in compliance with all applicable ordinances and code.

22. INDEMNIFICATION: Operator shall indemnify, save, hold harmless, and defend the City and DEDA, their officials, agents and employees, successors and assigns, individually or collectively, from and against any claim including a claim for contribution or indemnity, action, loss, damage, injury, liability, and the cost and expense of whatsoever kind or nature including, but not limited to, fines, reasonable attorneys' fees, disbursements, court costs, and expert fees based upon injury to persons, including death, or damage to property or any other cause of action or the violation of any federal, state, or municipal laws, statutes, resolutions, or regulations now in effect or hereafter promulgated in any way attributable to Operator's failure to perform its obligations under this Agreement.

City and/or DEDA will, at ~~its-their~~ own cost and expense, defend and hold Operator harmless from and against any and all actions, costs, losses, expenses, and/or damages sustained by Operator by reason of claims of third-parties which are attributable to the negligence or willful misconduct of City or DEDA, respectively, or to the improper design or construction of the Facilities. The provisions of this Section shall survive the expiration, termination or early cancellation of this Agreement.

23. INSURANCE:

A. Insurance Requirements-Operator. Operator shall, at its expense, maintain insurance in full force and effect during the term of this Agreement in such amounts as to meet the minimum limits of liability specified below:

- i. Comprehensive General Liability with limits no less than \$2,000,000 combined single limit per occurrence, including but not limited to, bodily injury and property damage, Facilities and products/completed operations liability, contractual liability, and independent contractors liability.
- ii. Business Automobile Liability with limits no less than \$1,500,000 each occurrence including leased automobile liability and non-owned and hired automobile liability.
- iii. Workers' Compensation Coverage in statutory amounts with "all states" endorsement including Employees Liability Insurance in limits of \$100,000 per employee.
- iv. Employee dishonesty insurance on all of its employees in an amount of not less than \$250,000 for each occurrence.

B. ~~The City~~ The City and DEDA represents that ~~it-is-they are~~ self-insured with regard to comprehensive liability and property damage claims with a combined single limit of \$1,500,000 which are set forth within Minnesota Statute 466. The City and DEDA also represents that ~~it~~ isthey are self-insured with regard to Workers' Compensation claims. There are no certificates that are issued for self-insured Workers' Compensation and General Liability insurance.

- C. Requirements for All Insurance. All insurance required in this Section \_\_\_ shall be taken out and maintained in responsible insurance companies organized under the laws of the states of the United States and licensed to do business in the State of Minnesota and with companies or underwriters satisfactory to the City Attorney.
- D. Additional Insureds. The City and DEDA shall be named as additional insureds on each of the Operator's policies above except the Workers' Compensation policy.
- E. Insurance Primary. All insurance policies required above shall be primary and shall not require contribution from any coverage maintained by City or DEDA.
- F. Insurance Certificate. Certificates showing that Operator is carrying the above-described insurance in the specified amounts shall be furnished to City prior to the execution of this Agreement, and a certificate showing continued maintenance of such insurance shall be filed with City during the term of this Agreement. Failure of Operator to provide the required certificates of insurance does not invalidate or eliminate any of the insurance requirements contained herein or relieve Operator from any responsibility to carry the required types and amounts of insurance.
- G. Notice of Change or Cancellation. The certificates shall provide that the policies shall not be changed or canceled during the life of this Agreement without at least thirty (30) days' advanced notice being given to City. Failure to give such notice to City shall render any such change or changes in said policy or coverages ineffective as against City and DEDA.
- H. ACORD Form. The use of an "ACORD" form as a certificate of insurance shall be accompanied by two forms - 1) ISO Additional Insured Endorsement (CG-2010 pre-2004) and 2) Notice of Cancellation Endorsement (IL 7002) - or equivalent, as approved by City Attorney's Office.
- I. Disclaimer. ~~Neither City nor DEDA does not~~ represents or guarantees that these types or limits of coverage are adequate to protect the Operator's -interests and liabilities. It shall be the obligation and responsibility of Operator to insure, as it deems prudent, its own personal property, against damage. ~~Neither the City nor DEDA does not have~~has insurance coverage for Operator's property and City and DEDA expressly disclaims any and all liability for any and all losses, damage and/or claims to personal possessions of Operator.

24. NON-DISCRIMINATION: Operator, for itself and its officers, agents, servants and employees as part of this consideration of this Agreement, does hereby covenant and agree that:

- A. No person on the grounds of race, color, creed, religion, national origin, ancestry, age, sex, pregnancy, veteran status, marital status, status with respect to public assistance, sexual orientation and/or disability shall be excluded from any participation in, denied any benefits of or otherwise subjected to discrimination with regard to the services provided pursuant to this Agreement.
- B. That all activities to be conducted pursuant to this Agreement shall be conducted in accordance with the Minnesota Human Rights Act of 1974, as amended (Chapter 363), Title 7 of the U.S. Code and any regulations and executive orders which may be affected with regard thereto.

25. RELATIONSHIP OF THE PARTIES: It is agreed that nothing herein contained is intended or shall be construed in any manner as creating or establishing a relationship of co-partners, joint venture or joint enterprise between the parties hereto or of constituting Operator as an agent, representative or employee of the City or DEDA for any purpose or in any manner whatsoever and any such claimed status is expressly waived by Operator. Operator's employees shall not be considered employees of the City or DEDA, and any and all claims that may or might arise under the Workers' Compensation Act of the State of Minnesota on behalf of Operator while so engaged and any and all claims whatsoever on

behalf of Operator arising out of employment or alleged employment, including without limitation, claims of discrimination against the City or DEDA, or ~~its~~ their officers, agents, contractors or employees shall in no way be the responsibility of the City or DEDA. Operator and its officers and employees shall not be entitled to any compensation or rights or benefits of any hospital care, sick leave and vacation pay, Workers' Compensation, Unemployment Insurance, disability pay or severance pay.

26. DEFAULT:

A. Default Defined. "Default" shall be defined when any of the following circumstances exist:

- i. If ~~either party~~ City or Operator has failed to make the payment set forth in Section 14. or any other fee, charge, or tax when due hereunder and such failure to pay shall continue for ten (10) days after written notice to the non-paying party in the manner hereinafter provided.
- ii. Failure to provide and/or maintain the insurance coverages required herein.
- iii. If ~~either party~~ City or Operator fails to comply with any term or condition of this Agreement and such failure is not cured within thirty (30) days after written notice thereof or if a cure cannot be completed within said 30 day period through no fault of the non-complying party, if the non-complying party shall have failed to commence such cure within said 30 day period or shall fail to thereafter complete such cure as expeditiously as possible.
- iv. If ~~either party~~ City or Operator: (a) files a petition in bankruptcy or other insolvency proceeding is filed, without dismissal within thirty (30) days of filing; or (b) makes any general assignment for the benefit of creditors or composition; or (c) if a petition or other proceeding is instituted for the appointment of a trustee, receiver, or liquidator of a party pursuant to laws for the benefit of creditors; or (d) if a proceeding is instituted by any governmental authority for dissolution or liquidation of either party.
- v. If all of the interest of the Operator in its property shall be taken by garnishment, attachment, execution or other process of law.
- vi. If any interest of the Operator under this Agreement shall, without the approvals required in Sections \_\_\_ be transferred or assigned.
- vii. If any lien shall be filed against the Facilities because of an action or omission of Operator and shall not be discharged or contested by Operator in good faith by proper legal proceedings within twenty (20) days after receipt of notice thereof by Operator.

B. Rights Upon Default. If at any time ~~either party~~ City or Operator shall be in default, as defined in this Section, with regard to the requirements of this Agreement, the non-defaulting party may at any time thereafter:

- i. In the event of Operator default, (a) immediately, or at any time thereafter without further notice to Operator, re-enter into or upon the Facilities under this Agreement or any part thereof and take possession of the same fully and absolutely with or without cancellation of this Agreement and without such re-entry representing a forfeiture of the fees and charges to be paid and of the covenants, terms and conditions to be performed by Operator for the full term of this Agreement, and in the event of such re-entry, City may collect and retain all parking revenues or City may contract with another operator for an equivalent or greater or lesser management fee and City to recover properly measured damages; or (b) City may at ~~their~~ its election terminate this Agreement upon

written notice in the manner hereinafter provided and re-enter upon the Facilities, and the Operator covenants in case of such termination to indemnify the City and DEDA against all loss of fees, and charges which City and/or DEDA have suffered or paid up to the date of such termination.

- ii. In the event of City default, Operator may at their election terminate this Agreement upon written notice to City and immediately cease all management activities and responsibilities for the Facilities and the City covenants in the case of such termination to promptly pay all outstanding Management Fees and Operating Expenses.
- iii. Both parties City and Operator shall further have all other rights and remedies at law or in equity including injunctive relief, or summary proceedings for unlawful detainer, and any or all legal remedies, actions and proceedings shall be deemed cumulative.
- iv. In the event of a declaration of default by only either the City or DEDA, this Agreement shall continue between the Operator and the other non-defaulting owner with respect to that non-defaulting owner's Facilities under the terms and conditions set forth in this Agreement as they relate to that owner's Facilities.

C. Non-waiver. Any waiver by a non-breaching party of any breach of covenants herein contained to be kept and performed by the other party shall not be deemed or considered as a continuing waiver and shall not operate to bar or prevent the waiving party from declaring a forfeiture for any succeeding breach, either of the same covenant or otherwise.

27. NOTICES: Any notices or communications required to be given to or by or served upon the respective parties hereto City or Operator may be so given or served by mailing the same, properly addressed and stamped, to such party or parties by United States regular mail, registered mail, certified mail or by reputable overnight courier service. Until new addresses shall be given, the addresses of the respective parties for the purpose of such notices or communications or for any other purposes shall be:

As to City:  
City of Duluth  
402 City Hall  
411 West First Street  
Duluth, MN 55802  
Attention: Chief Administrative Officer

with a copy to:  
City of Duluth  
\_\_\_ City Hall  
411 West First Street  
Duluth, MN 55802  
Attention: Parking Manager

As to Operator:  
Interstate Parking Company of Minnesota LLC  
609 South 10th Street, Suite 104  
Minneapolis, MN 55404  
Attention: Tony Janowiec

With a copy to:

Interstate Parking Company of Minnesota LLC  
Attn: Thomas G. Bernacchi

710 North Plankinton Avenue , Suite 1100  
Milwaukee, WI 53203

And a copy to:

General Counsel:  
Young and Madigan S.C.  
710 North Plankinton Avenue, Suite 1200  
Milwaukee, WI 53203  
Attention: Sandra J. DeLisle

28. SECURITY: City expressly acknowledges that Operator's obligations in connection with the management, operation and promotion of the Facilities and employment of persons in connection therewith, do not include the rendition of service, supervision, or furnishing of personnel in connection with the personal safety and security of employees, tenants, customers, or other persons within and about the Facilities. Operator does not have knowledge or expertise as a guard or security service, and does not employ personnel for that purpose, nor do Operator's employees undertake the obligation to guard or protect customers against the intentional acts of third parties. City will determine, at City's discretion, whether and to what extent any precautionary warnings, security devices, or security services may be required to protect patrons in and about the Facilities. City and DEDA further agrees to indemnify and to hold harmless Operator from and against any claims, demands, suits, liabilities, or judgments arising from Operator's alleged failure to warn, to guard, or to protect persons in or about the Facilities from and against intentional threats, harm, or injury, except for such threats, harm or injury intentionally committed by Operator or Operator's employees, such indemnity to survive the expiration or earlier termination of this Agreement.

29. ASSIGNMENT: Except for the subcontracting of work as set forth elsewhere herein, Operator shall not assign or transfer this Agreement, in whole or in part, in any manner, nor any interest therein, nor permit the foregoing Agreement to become transferred by operation of law or otherwise, nor do or suffer any acts to be done whereby the same may be or become assigned in whole or in part, unless the written consent of City shall first be obtained in each and every case of assignment or transfer. It is expressly agreed by the Operator that in the event permission be granted by City as herein provided, the assignee shall be required to assume and agree to perform the covenants of this Agreement and that notwithstanding any such assignment, the Operator shall be and remain liable for the performance of all covenants and conditions for the full term of this Agreement.

30. SUCCESSORS AND ASSIGNS: This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective successors and assigns.

31. RULES AND REGULATIONS: City shall have the right to and shall adopt and enforce reasonable rules and regulations with respect to the use of the Facilities, which Operator agrees to observe and obey.

32. NONWAIVER OF LIABILITY: Nothing in this Agreement constitutes a waiver by City, DEDA or Operators of any statutory or common law defenses, immunities, or limits on liability. The liability of City and DEDA shall be governed by the provisions of the Minnesota Municipal Liability Tort Act, Minn. Stat. 466.04.

33. LAWS, RULES AND REGULATIONS: Operator agrees to observe and comply with all laws, ordinances, rules and regulations of the United States of America, the State of Minnesota and the City with respect to their respective agencies which are applicable to its activities under this Agreement.

34. SEVERABILITY: In the event any provision herein shall be deemed invalid or unenforceable, the remaining provisions shall continue in full force and effect and shall be binding upon the parties to this Agreement.

35. AMENDMENT: Any of the terms of this Agreement may be changed upon the mutual consent of City and Operator, but to be valid any such changes must be in writing, dated, and must be executed with the same formalities as this Agreement.

36. HEADINGS: The article and section headings contained herein are for convenience in reference and are not intended to define or limit the scope of any provision of this Agreement.

37. GOVERNING LAW: This Agreement shall be governed by and in accordance with the laws of the State of Minnesota, and all claims, disputes and other matters in question between the parties arising out of or relating to this Agreement shall be venued in state or federal courts located in Duluth, Minnesota.

38. NEITHER PARTY DEEMED A DRAFTER: The parties to this Agreement have had sufficient time to consult legal counsel and negotiate changes regarding the terms hereof. Therefore, neither party shall be deemed the drafter of this Agreement and as such, this Agreement shall not be construed against either party due to the drafting hereof.

39. COUNTERPARTS: This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute the binding and enforceable agreement of the parties hereto. This Agreement may be executed and delivered by a party by facsimile or PDF transmission, which transmission copy shall be considered an original and shall be binding and enforceable against such party.

40. ENTIRE AGREEMENT: This Agreement, including Exhibits A, B, C, D, E and F , is the entire agreement between the parties. Any and all prior or contemporaneous statements and understandings not contained herein shall be of no further force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their authorized officers or representatives on the day and year first below written.

CITY OF DULUTH

DULUTH ECONOMIC DEVELOPMENT  
AUTHORITY

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
Its: President

Attest: \_\_\_\_\_  
City Clerk

By: \_\_\_\_\_  
Its: Secretary

Countersigned:

INTERSTATE PARKING COMPANY OF  
MINNESOTA, LLC

\_\_\_\_\_  
City Auditor  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_

Approved as to form:

By: \_\_\_\_\_  
Its: \_\_\_\_\_

\_\_\_\_\_  
City Attorney

RAMP/PLOT NAME	RAMP/LOT LOCATION	NUMBER OF SPACES	NUMBER OF METERS	NUMBER OF RAMP LEVELS	EQUIPMENT
<b>City Lots</b>					
Tech Village Parking Facility	14 East First Street	595		6	Amano McGann Pay-go kiosks
Medical District Parking Facility	302 East First Street	599		5 EAST/4 WEST	Amano McGann Pay-go kiosks
Sculptured Wall Lot	300 Block Canal Park	21	21		Meters
Lake Place Lot	Lower Railroad St/Lake Ave	60 +	60 +	(will have new layout)	Meters
Library Ramp (contract)	6th Ave W & Michigan Street	44			Garage Door
Library Ramp	West side of Depot	126	126		Meters
Coney Island Ramp	112 West First St.	50	26	2	Meters above/garage door underneath
Pickwick Lot	508 East Superior St.	30	30		Meters
Hartley Lot	9th Ave East/Superior ST	10	10		Meters
Rose Garden Lot	13th Ave East/London Road	44			no equipment
Library/Depot Open Lot	506 W. Michigan St	50			no equipment
Viaduct	5th Ave W	8			no equipment
Gov't Service Center	320 W. 1st Street	4			no equipment
Lake Avenue Alley	Lake Ave Alley W 2nd/3rd St	5			no equipment
Municipal Lot A	Under 4th Avenue Auto Park	104	104		
Municipal Lot B	Between 3rd & 4th Ave W below Michigan St.	30	30		
Municipal Lot C	Between 2nd & 3rd Ave W below Michigan St.	67	67		
Municipal Lot D	Between 4th & 5th Ave W below Michigan St.	47			no equipment
Old Town Ramp	115 E Superior St	317			staffed booth

Totals -----> 2,151 414

**Exhibit A**



LAKE AVE ALLEY

GOVT SERVICE CENTER

TECH VILLAGE

CONEY ISLAND

CLTD TOWN RAMP

MUNICIPAL LOT "C"

MUNICIPAL LOT "B"

MUNICIPAL LOT "D"

MUNICIPAL LOT "A" (BELOW)

LIBRARY RAMP (UPPER)

VIADUCT (BELOW 5TH W)

LIBRARY RAMP (CONTRACT LOWER)

LIBRARY DEPOT OPEN LOT

CITY LOTS EXHIBIT B

LAKE PLACE PARK

SCULPTURED WALL LOT





# CITY LOTS EXHIBIT B

RAMP/LOT NAME	RAMP/LOT LOCATION	NUMBER OF SPACES	NUMBER OF METERS	NUMBER OF RAMP LEVELS	EQUIPMENT	COMMENTS
<b>DEDA Lots</b>						
Northwest Iron Lot	400 Block Canal Park	195			Entrance ticket splitter gate arm-Exit booth attendant and gate arm/Amano	Contract ETOR
Marine Museum Lot	500 Block Canal Park	87			Entrance is coin & bill operated with a gate arm-Exit is a gate arm/Amano	
Lake City Lot	300 Block Canal Park	85			Entrance is coin & bill operated with a gate arm-Exit is a gate arm/Amano	
Lincoln Lot	300 Block on Upper Second	45			no equipment	
Irvin Lot	In front of Irving (Harbor Dr.)	34	34		Meters	12 Hotel Parking spaces
Steam Plant Lot	Lower Railroad St/Steam Plant	50	50		Meters	
Phoenix Ramp	4th Ave West below First	39	39		Meters	
<b>Totals ----- &gt;</b>		<b>535</b>	<b>123</b>			

Exhibit C



# DEDA LOTS EXHIBIT D

LINCOLN LOT

PHOENIX LOT

IRVIN LOT

STEAM PLANT LOT

LAKE CITY LOT

NORTHWEST IRON LOT

MARINE MUSEUM LOT

N 8th Ave W  
W 2nd St  
W 3rd St  
W 4th Ave W  
W 1st St  
W 2nd Alley  
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## EXHIBIT E – EXPENSES

Expenses managed by Operator within the scope of this Agreement are listed below in Schedule A. Expenses excluded from the scope of this Agreement and directly paid by City are listed below in Schedule B.

### Schedule A: Operating Expenses

Sales Taxes  
Management Fee (Corporate Overhead and Profit)  
Accounting and Auditing  
Telephone / Internet  
Supplies – Office  
Supplies – Parking  
Supplies – R&M / Janitorial  
Uniforms  
Payroll and Payroll Taxes  
Payroll Processing  
Employee Development  
Data Processing  
Credit Card Fees  
Banking Fees  
Advertising / Marketing  
Equipment Repair & Maintenance  
Facilities Repair & Maintenance  
Landscaping & Grounds  
Striping and Painting  
Sweeping / Powerwashing  
Rubbish Removal  
Snow Removal  
Contract for Security  
Armored Car Service  
Automobile  
Equipment Rental  
Amortization  
Liability Insurance  
Performance Bond  
Other Expenses as Reasonably Directed by City

*All supplies and equipment purchased by Operator under this Agreement are property of City and must be returned to City upon termination of Agreement.*

### Schedule B: City Expenses

Utilities  
Property Taxes  
Light Bulbs (City provides bulbs; installation cost is an Operating Expense)  
Elevator R&M  
HVAC R&M  
Engineering Studies  
Capital / Major Structural Repairs  
City's Internal Accounting & Auditing

**EXHIBIT F**  
**2012 Operating Budget**

# City of Duluth

## 2012 Budget

	Total City of Duluth & DEDA Budget	City of Duluth Properties Sub-Total	DEDA Properties Sub- Total
<b>Revenue</b>			
Gross Revenue	\$ 2,000,000	\$ 1,730,346	\$ 269,653.96
Sales Tax	\$ (154,703)	\$ (136,265)	\$ (18,438.18)
<b>Net Revenue</b>	<b>\$ 1,845,297</b>	<b>\$ 1,594,081</b>	<b>\$ 251,215.78</b>
<i>Stall Count</i>	<i>2,708</i>	<i>2,173</i>	<i>535</i>
<b>Expenses</b>			
Accounting and Audit	\$ 9,951	\$ 9,132	\$ 818.10
Advertising	\$ 4,800	\$ 3,805	\$ 995.00
Automobile	\$ 2,850	\$ 2,100	\$ 750.00
Data Processing	\$ 5,670	\$ 4,795	\$ 875.00
Equipment Rental	\$ 5,000	\$ 3,950	\$ 1,050.00
Liability Insurance	\$ 28,600	\$ 24,744	\$ 3,856.05
Amortization	\$ 3,503	\$ 3,503	\$ -
Performance Bond	\$ 6,000	\$ 6,000	\$ -
Attendant	\$ 222,479	\$ 222,479	\$ -
Maintenance	\$ 65,532	\$ 65,532	\$ -
Summer Staff	\$ 39,812	\$ 6,795	\$ 33,016.90
Manager	\$ 59,571	\$ 59,571	\$ -
Payroll Processing	\$ 5,635	\$ 5,157	\$ 478.00
Marketing & Public Relations	\$ 4,250	\$ 3,750	\$ 500.00
R&M Supplies	\$ 10,800	\$ 10,465	\$ 335.00
R&M Equipment	\$ 2,500	\$ 1,650	\$ 850.00
Security	\$ 1,200	\$ 1,200	\$ -
Supplies - Parking	\$ 9,969	\$ 9,644	\$ 325.00
Supplies - Office	\$ 5,200	\$ 5,100	\$ 100.00
Sweeper/Powerwash Ramps	\$ 4,900	\$ 4,900	\$ -
Telephone/Data	\$ 4,500	\$ 4,020	\$ 480.00
Rubbish	\$ 4,800	\$ 4,150	\$ 650.00
Armored Service	\$ 4,560	\$ 4,560	\$ -
Uniforms	\$ 3,750	\$ 3,420	\$ 330.00
Pavement Maintenance	\$ 10,000	\$ 5,500	\$ 4,500.00
Snow Removal	\$ 51,500	\$ 33,950	\$ 17,550.00
Striping and Painting	\$ 6,300	\$ 5,400	\$ 900.00
Light Bulb Replacement	\$ 4,200	\$ 3,390	\$ 810.00
Wheel Stops	\$ 1,400	\$ 1,130	\$ 270.00
Security	\$ 16,170	\$ 14,989	\$ 1,181.25
Corporate Overhead and Profit	\$ 42,714	\$ 39,932	\$ 2,782.00
<b>Total Expenses</b>	<b>\$ 648,116</b>	<b>\$ 574,714</b>	<b>\$ 73,402.30</b>
<b>Net Operating Income</b>	<b>\$ 1,197,181</b>	<b>\$ 1,019,367</b>	<b>\$ 177,813</b>