

EXHIBIT NO. 1

8
12-12-00

City of Alexandria, Virginia

MEMORANDUM

DATE: DECEMBER 5, 2000

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: PHILIP SUNDERLAND, CITY MANAGER ^{PS}

SUBJECT: EXECUTION OF A FIVE-YEAR LICENSE AGREEMENT WITH L. A. YACHTS, INC. FOR USE OF COMMERCIAL BERTH 5 AT THE CITY MARINA

ISSUE: Execution of a five-year license agreement (Attachment 1) with L. A. Yachts, Inc. for use of Commercial Berth 5 at the City Marina.

RECOMMENDATION: That City Council approve and authorize the City Manager to execute a five-year license agreement with L.A. Yachts, Inc., in substantially the form presented to Council, allowing it to berth the *Potomac Belle*, a 59-foot coastal cruiser, in Commercial Berth 5 (Attachment 2) at the City Marina, for the purpose of providing charter boat service along the Potomac River. The execution of the license agreement by the City Manager shall constitute conclusive evidence of his approval, and that of the City Attorney, of any and all changes from the license agreement, in the form presented to Council.

DISCUSSION: At its meeting on June 27, 2000, City Council deferred authorizing the City Manager to execute a five-year license agreement with L.A. Yachts until fall (Attachment 3). Staff is now returning to seek authorization for the City Manager to execute a five-year license agreement with L.A. Yachts, Inc. The only differences between the previously considered five-year license agreement (Attachment 4) and the proposed license agreement (Attachment 1) are: (a) a change in the "Commencement Date" to account for the delay in the final execution of the license agreement; and (b) the inclusion of a provision in the license agreement to address the need for noninterference and cooperation between the licensees of Berths 5 and 7 given the proximity of the berths to each other.

FISCAL IMPACT: License revenue over the term of the five-year license would be \$72,000. L.A. Yachts, Inc., estimates that its charter business might result in an additional \$4,140 per year based on sales taxes for catering and collateral business in the City of Alexandria. In addition, a commercial boat that is berthed at the City Marina for more than 181 days per year is subject to the City's personal property tax. The City estimates that the personal property tax on the boat planned to be used by L.A. Yachts, Inc. would be approximately \$1,700 for calendar year 2001.

- ATTACHMENTS:**
1. Proposed license agreement between the City of Alexandria and L.A. Yachts, Inc. with changes made by City Attorney
 2. Location map of Commercial Berth 5
 3. Docket Item #25/6-27-00 to authorize the City Manager to execute a five-year license agreement with L.A. Yachts, Inc., for use of Commercial Berth 5 at the City Marina
 4. Proposed license agreement between the City of Alexandria and L.A. Yachts, Inc. without changes made by City Attorney

STAFF:

Sandra Whitmore, Director
Recreation, Parks and Cultural Activities
Janet Barnett, Deputy Director
Recreation, Parks and Cultural Activities
Leslie Clark, Recreation Supervisor V
Recreation, Parks and Cultural Activities
Jack T. Pitzer, Purchasing Agent

LICENSE AGREEMENT

THIS AGREEMENT ("Agreement") is made this _____ day of _____, 2000, by and between the City of Alexandria, a municipal corporation of Virginia (the "Licensor"), and L.A. Yachts, Incorporated (the "Licensee").

WHEREAS, Licensee is the owner of the "Potomac Belle" and desires to operate a boat service ("Service"), using the "Potomac Belle," from the Alexandria Marina in the City of Alexandria, Virginia; and

WHEREAS, Licensor owns the Alexandria Marina which is suitable for docking boats; and

WHEREAS, Licensor is willing to permit Licensee to use the Alexandria Marina for docking purposes in accordance with the terms and conditions set forth below;

NOW, THEREFORE, it is mutually agreed as follows:

1. Representations. By executing this Agreement, the Licensee warrants that it is the legal owner of the vessel described in paragraph 15 below (the "Vessel") and is authorized to enter into this Agreement.

2. Applicability of City, State and Federal Law. This Agreement is subject to title 6, chapter 3 of the Alexandria city code and all applicable provisions of federal, state and local law. In particular, this Agreement is subject to, and Licensee shall comply with, the criminal, fire, health and safety laws of the City of Alexandria and the Commonwealth of Virginia pertaining to the operation of the Vessel. Licensee shall permit

officers and employees of the City of Alexandria charged with the enforcement of such laws to board and inspect the Vessel for the purpose of enforcing such laws.

3. Rules and Regulations. Licensee shall comply with the Rules and Regulations of the Alexandria Marina, including any amendments which may be adopted during the term of this Agreement. The current Rules and Regulations are set forth in Attachment A to this Agreement and are incorporated by reference into this Agreement as if fully set forth herein.

4. Insurance. Licensee shall provide a certificate of insurance to the Licensors that shows that Licensee and the Vessel, are covered by:

(a) property damage insurance in an amount sufficient to replace the Vessel in case of its total destruction;

(b) liability insurance in an amount not less than \$1,000,000 per person per occurrence and \$3,000,000 in the aggregate per occurrence which insures the Licensee against claims of personal injury and property damage arising from the negligent operation of the Vessel by the Licensee or Licensee's agents and employees;

(c) insurance in the amount of not less than \$1,000,000 per occurrence which insures Licensee, regardless of fault or negligence by Licensee or any agent or employee of Licensee, against claims of damage to property of the City of Alexandria caused by (i) the operation of the Vessel by Licensee

or any agent or employee of Licensee, and (ii) any casualty or event involving Licensee's Service, the Vessel, or any agent, employee, invitee or guest of Licensee; and

(d) wreck removal insurance to cover the cost of removing the Vessel if it should sink or become awash, and the Licenser shall be named beneficiary of such policy.

Licensee agrees to maintain such insurance coverage throughout the term of this Agreement, and to furnish evidence to the Licenser of such coverage prior to the effective date, and throughout the term, of this Agreement. In addition, Licenser shall be named on the liability insurance policy required by subparagraph (b) as an additional insured.

5. Indemnification. Licensee agrees to indemnify and hold harmless the Licenser and all of its officers, employees and agents from and against all suits, actions, causes of action, damages, claims, liability and expenses (including court costs and attorney's fees), and against any losses incurred by Licenser, resulting from or arising out of any act or omission of the Licensee or any of its employees, agents, invitees, licensees or guests in the course of operating, maintaining or using the Vessel while located within or approaching or departing the Alexandria Marina.

6. Waiver of Licenser's Liability. By executing this Agreement, Licensee expressly acknowledges and agrees that the Licenser and its officers and employees shall not be liable to Licensee or to any of its employees, agents, invitees, licensees or guests for any bodily injury or property damage sustained by

any of them while on Licensee's Vessel or while at or on the Alexandria Marina, or for any property damage to Licensee's Vessel sustained while the Vessel is in or is approaching or departing the Marina, except to the extent such injury or damage is caused by the negligence of the Licensor or its officers or employees.

7. Grant and Term of License.

(a) This Agreement grants non-exclusive permission for the Licensee to operate, on a regular basis, a Service using the Vessel from the Berth (as defined below) at the Alexandria Marina for the term of this Agreement.

(b) Licensee shall be permitted to berth at Commercial Berth 5, Torpedo Factory North Pier ("Berth").

(c) The term of this Agreement shall commence on the earlier of (i) the date on which Licensee initially occupies the Berth, or (ii) April 1, 2001 ("Commencement Date"), and shall continue for a period of five (5) years thereafter.

8. Special Conditions of License.

(a) Commuting Restriction. No voyage commencing before 9:30 a.m. on Monday through Friday of any week shall discharge passengers at any place other than the Torpedo Factory North Pier. The parties expressly agree that this condition is intended to prevent use of the Service or the Vessel for commuting purposes.

(b) Embarkation and Disembarkation. Licensee shall not permit passengers to embark between the hours of 12:00 a.m. to 9:00 a.m. The final disembarkation of passengers on each day of operation shall be no later than 12:00 a.m.

(c) Trash Removal and Disposal. Licensee shall provide convenient on-board trash receptacles for use by clients of the Service and shall, at its own expense, regularly remove and dispose of all trash and debris from the operation of the Service. No trash or debris shall be deposited on any part of the Alexandria Marina by Licensee. If Licensee should fail to fulfill its obligations under this section, as determined by Licensor and in its sole discretion, Licensor may arrange and pay for such collection of litter, debris and refuse. Licensee shall, upon demand by Licensor, reimburse Licensor for expenses incurred for such collection of refuse within 30 days of Licensee's receipt of a billing statement issued by Licensor itemizing such expenses.

(d) Navigation Hazard. Whenever Licensor shall reasonably determine that the Vessel or operation of the Service presents a navigational hazard if berthed at the Berth, Licensor

shall use its best efforts to make reasonable arrangements for the Service to continue from another location at the Alexandria Marina.

(e) Refueling. Refueling operations are prohibited from taking place at the Torpedo Factory North Pier.

(f) Signs. Licensee shall not erect or maintain any sign in conjunction with or calling attention to the Service unless the sign complies with applicable provisions of the Alexandria Zoning Ordinance, and approval for such sign has been obtained from Licensor and, if applicable, the Alexandria Board of Architectural Review.

9. Renewal. This Agreement may not be renewed.

10. Annual Fee.

(a) Licensee shall pay to Licensor an annual fee for the license granted under this Agreement. The fee shall be \$14,400.00 per year, payable at the rate of \$1,200.00 per month. The first such installment shall be due on the Commencement Date, and subsequent installments shall be due on the same date of each month thereafter during the term of this Agreement. Licensee shall not be entitled to any reduction in the license fee in the event the Berth is not occupied by the Vessel or Licensee does not conduct the Service from the Berth.

(b) If Licensee fails to pay any installment in full within ten calendar days of the installment's due date, Licensee shall be liable for a penalty, equal to 10 percent of said installment, plus interest, based upon the amount unpaid and a rate of 10 percent per annum (compounded annually), from the due

date. Any such penalty and interest shall be due at the next installment due date.

11. Waterfront Events. Use of the Berth shall be dependent upon the scheduling by Licensor of waterfront upkeep and maintenance activities, dredging activities, pier construction, repair and renovation activities, any other waterfront construction and harbor improvement activities, and any emergency repairs or events that restrict access of the Vessel to the Berth (collectively, "Waterfront Events"). If a Waterfront Event requires the moving of the Vessel, Licensor will attempt to locate another docking location for Licensee but if Licensor fails to do so, then Licensee shall be responsible for finding an alternate docking location. If a Waterfront Event renders Licensee unable to use the Berth for the purpose of embarking or disembarking passengers, Licensor will use its best efforts to locate an alternate docking facility suitable for loading and discharging passengers. For each day in excess of two (2) per calendar month between May 1 and October 1 of any year of the term of this Agreement that Licensee is unable to tie up to the Berth during normal hours of operation because of a Waterfront Event, Licensee shall be entitled to the pro rata reduction of its monthly payment of the license fee.

12. Assignment. This Agreement may not be assigned by the Licensee without the consent of Licensor.

13. Termination.

(a) In the event that Licensee violates any of the terms of this Agreement, Licensee shall be considered in default.

If such default continues for 30 days after Licensee has received written notice of the default, then this Agreement may be terminated, effective immediately, by Licensor. Notwithstanding the above, Licensor shall have the right to terminate this Agreement, effective immediately, in the event Licensee shall be adjudicated a bankrupt, or if a receiver is appointed in a legal proceeding of any kind to take possession of the assets of Licensee, or if any creditor of Licensee shall seize, take possession of or foreclose upon the Vessel.

(b) In addition to the foregoing, Licensor may terminate this Agreement by passage of a resolution by the City Council of the City of Alexandria to that effect, in the exercise of its sole discretion. Upon passage of such a resolution, Licensor shall provide to Licensee written notice of such resolution and termination of this Agreement, at least thirty (30) days before the effective date of such termination.

(c) In the event of termination of this Agreement by Licensor, Licensor shall not be obligated to Licensee for anticipatory profits or any costs incurred by Licensee in vacating the Berth and ground based support facilities used in the performance of this Agreement.

14. Removal. If this Agreement is terminated, the Vessel shall be immediately removed from and cease utilizing the Alexandria Marina and any alternate docking facility owned by Licensor. If it becomes necessary for Licensor to remove or cause the removal of the Vessel through any legal proceeding, or otherwise, then the Licensor shall be entitled to recover all

costs incurred in conjunction with such proceeding, including attorney's fees, from the Licensee and any successor in interest in ownership or possession of the Vessel, and such liability shall be joint and several.

15. Vessel. The Vessel subject to this Agreement is the "Potomac Belle," a costal cruiser vessel built in Minnesota, which is 59 feet long and 14 feet wide, can carry a maximum of 47 passengers and is owned by Licensee. In the event Licensee wishes to replace the "Potomac Belle" with another vessel during the term of this Agreement, it may do so, provided the following conditions are met: (i) the replacement vessel is no larger in size than the "Potomac Belle," (ii) Licensor consents to the replacement, and (iii) Licensor and Licensee agree upon an annual fee, to replace the fee defined in subparagraph 10(a), solely to reflect any increase or decrease in the value of the replacement vessel over the value of the "Potomac Belle." If these conditions are met, the replacement vessel shall, for purposes of this Agreement, be considered the Vessel.

16. Parking. Licensee shall take all reasonable efforts to advise passengers of the Service to avoid on-street parking in the City, including, without limitation, providing passengers and their agents with maps and directions to off-street parking facilities in the City and making such maps and directions available at Licensee's office and on any vessels used under this Agreement. Licensee shall also consider in good faith Licensee's participation in programs that call for retailers in Old Town

Alexandria to provide financial incentives to their customers to use off-street parking facilities.

17. Utility and Service Costs. Licensee shall pay the cost of bringing or otherwise making available any utility service to the Vessel, the cost of submetering any service providing utilities to the Vessel, and the cost of all utilities, with the exception of water, consumed or utilized by the Vessel. Licensor shall provide Licensee with invoices for monthly utility usage, and Licensee shall pay such invoices or reimburse Licensor for such invoices, as the case may be, within 30 days of receipt.

18. Cooperation and Noninterference. Licensee acknowledges that the Berth is located immediately adjacent to Commercial Berth 7, Torpedo Factory North Pier (the "Adjacent Berth"). To facilitate simultaneous use of the Berth and the Adjacent Berth, Licensee agrees that it shall use the Berth, and operate the Service from the Berth, in a manner which will not unreasonably interfere with the use of the Adjacent Berth by any party granted a license or other permission by Licensor to use such Adjacent Berth. Licensee further agrees to cooperate directly with any such party in Licensee's use of the Berth, and operation of the Service from the Berth, consistently with the provisions of this paragraph 18. Such cooperation may include, but need not be limited to, coordination of schedules and prior notice of any extended period during which the Berth or Adjacent Berth, as applicable, will not be used. Licensor agrees to include in any agreement which permits the use of the Adjacent Berth provisions similar to those contained in this paragraph 18, in order to

ensure that the Adjacent Berth will be used in a manner which will not unreasonably interfere with the use of the Berth, and the operation of the Service from the Berth, by Licensee.

19. Notices. All notices, demands, or other communications that may be necessary or proper hereunder shall be deemed duly given if personally delivered upon delivery (or at such time as delivery is not accepted by the intended recipient), when deposited with Federal Express or other reputable overnight delivery service, when deposited in the United States mail, postage prepaid, first class, registered or certified, return receipt requested, or when sent by facsimile with a confirmation of receipt, addressed respectively as follows:

Licensors: City of Alexandria
Department of Recreation, Parks and
Cultural Activities
1108 Jefferson Street
Alexandria, Virginia 22314
Attn: Brian Albright, Division Chief
Fax Number: (703) 838-6344

with a copy to: City of Alexandria
301 King Street
Suite 1300
Alexandria, Virginia 22314
Attn: City Attorney
Fax Number: (703) 838-4810

Licensee: L.A. Yachts, Incorporated
2412 Belle Haven Meadows Court
Alexandria, Virginia 22306
Attn: George Stevens, President
Fax Number: (703) 768-9017

Any party hereto may change its address for notice purposes hereunder by delivering written notice thereof to the other parties in accordance with the foregoing provisions.

20. Entire Agreement. This Agreement (including all attachments hereto), City of Alexandria Request for Proposal No. 0135, Berth License for a Commercial, Passenger Carrying Operation at the City Marina dated March 31, 2000, and Addendum I thereto dated April 26, 2000 (collectively, the "RFP"), and Licensee's response to the RFP dated May 2, 2000, together contain the full and final agreement between the parties hereto with respect to the use of the Berth and the operation of the Service. In the event of any inconsistency between the terms of this Agreement and the terms of the RFP or Licensee's response thereto, the terms of this Agreement shall prevail. Licensors and Licensee shall not be bound by any terms, conditions, statements, warranties, or representations, oral or written, not contained

herein. No change or modification of this Agreement shall be valid unless the same is in writing and is signed by the parties hereto. No waiver of any of the provisions of this Agreement shall be valid unless the same is in writing and is signed by the party against which it is sought to be enforced.

21. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

CITY OF ALEXANDRIA, a municipal
corporation of Virginia

Date: _____

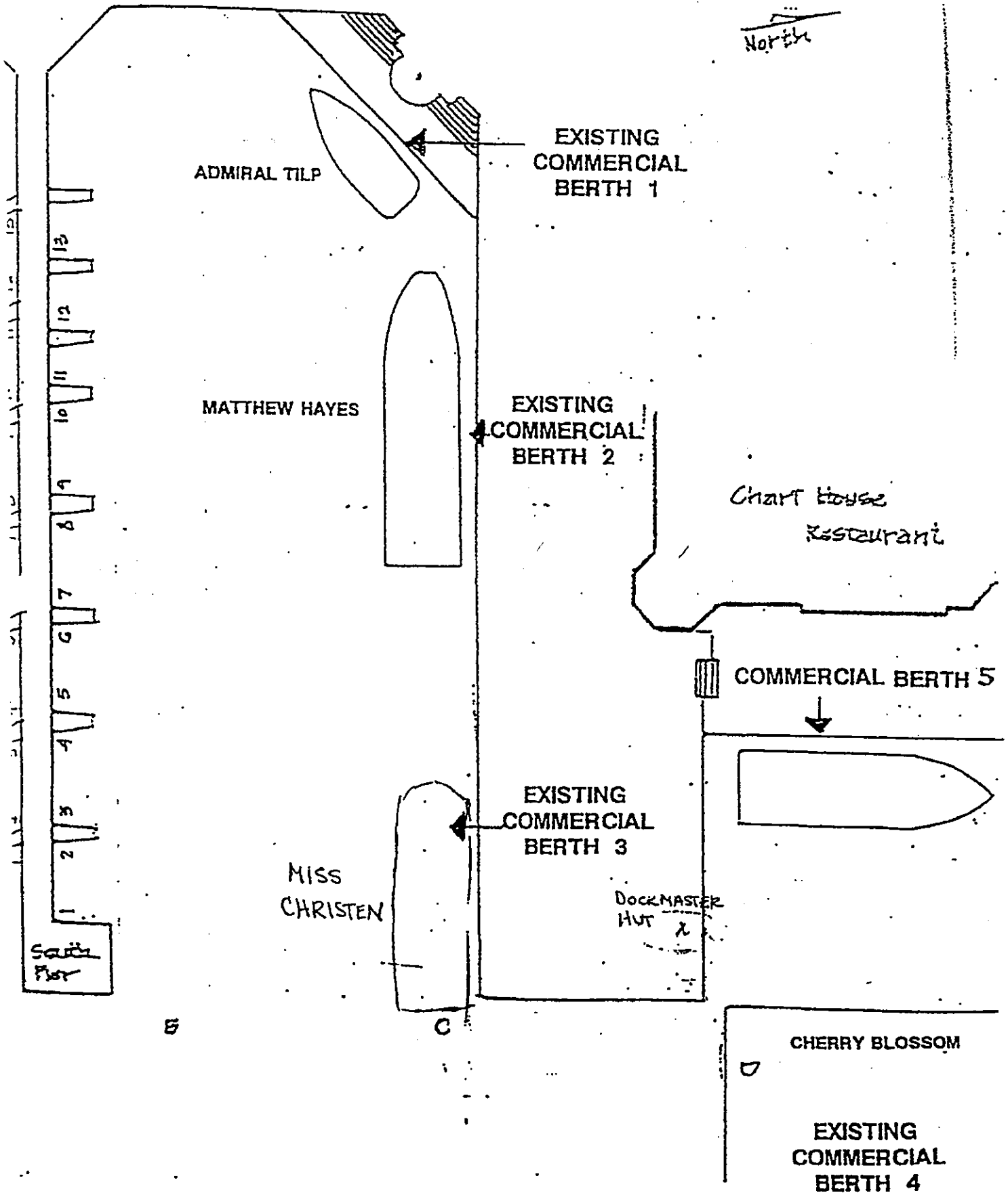
By: _____
Philip Sunderland,
City Manager

L.A. YACHTS, INCORPORATED

Date: _____

By: _____
George Stevens,
President

MARINA NORTH PIER



25
6-27-00*City of Alexandria, Virginia***MEMORANDUM**

DATE: JUNE 23, 2000

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: PHILIP SUNDERLAND, CITY MANAGER *PS*

SUBJECT: AUTHORIZE THE CITY MANAGER TO EXECUTE A FIVE-YEAR LICENSE AGREEMENT WITH L. A. YACHTS, INC., FOR USE OF COMMERCIAL BERTH 5 AT THE CITY MARINA.

ISSUE: Authorize the City Manager to execute a five-year license agreement (Attachment 1) with L. A. Yachts, Inc., for use of Commercial Berth 5 at the City Marina.

RECOMMENDATION: That the City Council authorize the City Manager to execute a five-year license agreement with L. A. Yachts, Inc., in substantially the form presented to Council, allowing it to berth the *Potomac Belle*, a 59-foot coastal cruiser, in Commercial Berth 5 (Attachment 2) at the City Marina's North Pier, for the purpose of providing charter boat service along the Potomac River. The execution of the license agreement by the City Manager shall constitute conclusive evidence of his approval, and that of the City Attorney, of any and all changes from the license agreement, in the form presented to Council.

BACKGROUND: Commercial Berth 5, located at the North Pier at the City Marina, has been vacant since 1997. In 1999, the Department of Recreation, Parks and Cultural Activities received inquiries as to the availability of the vacant berth. The Waterfront Committee passed a motion January 18, 2000, recommending the City of Alexandria proceed with a Request for Proposals (RFP) to allow for the leasing of the available commercial slip at the City Marina (Attachment 3). Although not required by applicable law, the City elected to use a process similar to competitive negotiation in order to select a licensee, and an RFP for a berth license for a commercial, passenger carrying operation was issued March 31, 2000, by the Purchasing Division of the City of Alexandria.

DISCUSSION: In response to the Request for Proposals, the City received two proposals. An evaluation committee composed of members of the Recreation Department staff reviewed both proposals. Based on the criteria contained in the Request for Proposals, the charter service proposed by L.A. Yachts, Inc. was determined by the committee to be a desirable new service for the waterfront and the most advantageous offer to the City. The L.A. Yachts, Inc. proposal offers a charter boat for no more than 50 people for events such as business meetings, weddings, and family reunions. It is planned that the charter boat service season would be from mid-March to the following January 2. Hours of daily operation would be limited to between 9:00 a.m. and midnight.

L.A. Yacht, Inc.'s financial offer was \$1,200 per month, which was \$200 more per month than the second license fee offer. The principals of L.A. Yachts, Inc. have had prior experience as operators of Belle Haven Marina, Inc., and has been a concessionaire for the National Park Service for more than 17 years. Based on the proposals received and the analysis of the evaluation committee, a determination was made to recommend entering into a license agreement with L.A. Yachts, Inc.

FISCAL IMPACT: License revenue over the term of the five-year license would be \$72,000. L.A. Yachts, Inc., estimates that its charter service might result in an additional \$4,140 per year in sales taxes for catering and collateral business in the City of Alexandria. In addition, a commercial boat that is berthed for more than 181 days per year, is subject to the City's personal property tax. For the boat planned to be used by L.A. Yachts, the City estimates that the tax would be approximately \$1,700 for calendar year 2001.

ATTACHMENTS:

- 1) Proposed license agreement between the City of Alexandria and L.A. Yachts, Inc.
- 2) Locational map of Commercial Berth 5
- 3) Waterfront Committee motion dated January 18, 2000

STAFF:

Sandra Whitmore, Director
Recreation, Parks and Cultural Activities

Jack T. Pitzer, Purchasing Agent
Purchasing

LICENSE AGREEMENT

THIS AGREEMENT ("Agreement") is made this _____ day of _____, 2000, by and between the City of Alexandria, a municipal corporation of Virginia (the "Licensor"), and L.A. Yachts, Incorporated (the "Licensee").

WHEREAS, Licensee is the owner of the "Potomac Belle" and desires to operate a boat service ("Service"), using the "Potomac Belle," from the Alexandria Marina in the City of Alexandria, Virginia; and

WHEREAS, Licensor owns the Alexandria Marina which is suitable for docking boats; and

WHEREAS, Licensor is willing to permit Licensee to use the Alexandria Marina for docking purposes in accordance with the terms and conditions set forth below;

NOW, THEREFORE, it is mutually agreed as follows:

1. Representations. By executing this Agreement, the Licensee warrants that it is the legal owner of the vessel described in paragraph 15 below (the "Vessel") and is authorized to enter into this Agreement.

2. Applicability of City, State and Federal Law. This Agreement is subject to title 6, chapter 3 of the Alexandria city code and all applicable provisions of federal, state and local law. In particular, this Agreement is subject to, and Licensee shall comply with, the criminal, fire, health and safety laws of the City of Alexandria and the Commonwealth of Virginia pertaining to the operation of the Vessel. Licensee shall permit officers and

employees of the City of Alexandria charged with the enforcement of such laws to board and inspect the Vessel for the purpose of enforcing such laws.

3. Rules and Regulations. Licensee shall comply with the Rules and Regulations of the Alexandria Marina, including any amendments which may be adopted during the term of this Agreement. The current Rules and Regulations are set forth in Attachment A to this Agreement and are incorporated by reference into this Agreement as if fully set forth herein.

4. Insurance. Licensee shall provide a certificate of insurance to the Licenser that shows that Licensee and the Vessel, are covered by:

(a) property damage insurance in an amount sufficient to replace the Vessel in case of its total destruction;

(b) liability insurance in an amount not less than \$1,000,000 per person per occurrence and \$3,000,000 in the aggregate per occurrence which insures the Licensee against claims of personal injury and property damage arising from the negligent operation of the Vessel by the Licensee or Licensee's agents and employees;

(c) insurance in the amount of not less than \$1,000,000 per occurrence which insures Licensee, regardless of fault or negligence by Licensee or any agent or employee of Licensee, against claims of damage to property of the City of Alexandria caused by (i) the operation of the Vessel by Licensee or any agent

or employee of Licensee, and (ii) any casualty or event involving Licensee's Service, the Vessel, or any agent, employee, invitee or guest of Licensee; and

(d) wreck removal insurance to cover the cost of removing the Vessel if it should sink or become awash, and the Licensor shall be named beneficiary of such policy. Licensee agrees to maintain such insurance coverage throughout the term of this Agreement, and to furnish evidence to the Licensor of such coverage prior to the effective date, and throughout the term, of this Agreement. In addition, Licensor shall be named on the liability insurance policy required by subparagraph (b) as an additional insured.

5. Indemnification. Licensee agrees to indemnify and hold harmless the Licensor and all of its officers, employees and agents from and against all suits, actions, causes of action, damages, claims, liability and expenses (including court costs and attorney's fees), and against any losses incurred by Licensor, resulting from or arising out of any act or omission of the Licensee or any of its employees, agents, invitees, licensees or guests in the course of operating, maintaining or using the Vessel while located within or approaching or departing the Alexandria Marina.

6. Waiver of Licensor's Liability. By executing this Agreement, Licensee expressly acknowledges and agrees that the Licensor and its officers and employees shall not be liable to Licensee or to any of its employees, agents, invitees, licensees or guests for any bodily injury or property damage sustained by any of

them while on Licensee's Vessel or while at or on the Alexandria Marina, or for any property damage to Licensee's Vessel sustained while the Vessel is in or is approaching or departing the Marina, except to the extent such injury or damage is caused by the negligence of the Licensor or its officers or employees.

7. Grant and Term of License.

(a) This Agreement grants non-exclusive permission for the Licensee to operate, on a regular basis, a Service using the Vessel from the Berth (as defined below) at the Alexandria Marina for the term of this Agreement.

(b) Licensee shall be permitted to berth at Commercial Berth 5, Torpedo Factory North Pier ("Berth").

(c) The term of this Agreement shall commence on the earlier of (i) the date on which Licensee initially occupies the Berth, or (ii) August 31, 2000 ("Commencement Date"), and shall continue for a period of five (5) years thereafter.

8. Special Conditions of License.

(a) Commuting Restriction. No voyage commencing before 9:30 a.m. on Monday through Friday of any week shall discharge passengers at any place other than the Torpedo Factory North Pier. The parties expressly agree that this condition is intended to prevent use of the Service or the Vessel for commuting purposes.

(b) Embarkation and Disembarkation. Licensee shall not permit passengers to embark between the hours of 12:00 a.m. to 9:00 a.m. The final disembarkation of passengers on each day of operation shall be no later than 12:00 a.m.

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(d) Navigation Hazard. Whenever Licensor shall reasonably determine that the Vessel or operation of the Service presents a navigational hazard if berthed at the Berth, Licensor shall use its best efforts to make reasonable arrangements for the Service to continue from another location at the Alexandria Marina.

(e) Refueling. Refueling operations are prohibited from taking place at the Torpedo Factory North Pier.

(f) Signs. Licensee shall not erect or maintain any sign in conjunction with or calling attention to the Service unless the sign complies with applicable provisions of the Alexandria Zoning Ordinance, and approval for such sign has been obtained from Licensor and, if applicable, the Alexandria Board of Architectural Review.

9. Renewal. This Agreement may not be renewed.

10. Annual Fee.

(a) Licensee shall pay to Licensor an annual fee for the license granted under this Agreement. The fee shall be \$14,400.00 per year, payable at the rate of \$1,200.00 per month. The first such installment shall be due on the Commencement Date, and subsequent installments shall be due on the same date of each month thereafter during the term of this Agreement. Licensee shall not be entitled to any reduction in the license fee in the event the Berth is not occupied by the Vessel or Licensee does not conduct the Service from the Berth.

(b) If Licensee fails to pay any installment in full within ten calendar days of the installment's due date, Licensee shall be liable for a penalty, equal to 10 percent of said installment, plus interest, based upon the amount unpaid and a rate of 10 percent per annum (compounded annually), from the due date. Any such penalty and interest shall be due at the next installment due date.

11. Waterfront Events. Use of the Berth shall be dependent upon the scheduling by Licensor of waterfront upkeep and maintenance activities, dredging activities, pier construction, repair and renovation activities, any other waterfront construction and harbor improvement activities, and any emergency repairs or events that restrict access of the Vessel to the Berth (collectively, "Waterfront Events"). If a Waterfront Event requires the moving of the Vessel, Licensor will attempt to locate another docking location for Licensee but if Licensor fails to do so, then Licensee shall be responsible for finding an alternate docking location. If a Waterfront Event renders Licensee unable to use the Berth for the purpose of embarking or disembarking passengers, Licensor will use its best efforts to locate an alternate docking facility suitable for loading and discharging passengers. For each day in excess of two (2) per calendar month between May 1 and October 1 of any year of the term of this Agreement that Licensee is unable to tie up to the Berth during normal hours of operation because of a Waterfront Event, Licensee shall be entitled to the pro rata reduction of its monthly payment of the license fee.

12. Assignment. This Agreement may not be assigned by the Licensee without the consent of Licensor.

13. Termination.

(a) In the event that Licensee violates any of the terms of this Agreement, Licensee shall be considered in default. If such default continues for 30 days after Licensee has received written notice of the default, then this Agreement may be terminated, effective immediately, by Licensor. Notwithstanding

the above, Licensor shall have the right to terminate this Agreement, effective immediately, in the event Licensee shall be adjudicated a bankrupt, or if a receiver is appointed in a legal proceeding of any kind to take possession of the assets of Licensee, or if any creditor of Licensee shall seize, take possession of or foreclose upon the Vessel.

(b) In addition to the foregoing, Licensor may terminate this Agreement by passage of a resolution by the City Council of the City of Alexandria to that effect, in the exercise of its sole discretion. Upon passage of such a resolution, Licensor shall provide to Licensee written notice of such resolution and termination of this Agreement, at least thirty (30) days before the effective date of such termination.

(c) In the event of termination of this Agreement by Licensor, Licensor shall not be obligated to Licensee for anticipatory profits or any costs incurred by Licensee in vacating the Berth and ground based support facilities used in the performance of this Agreement.

14. Removal. If this Agreement is terminated, the Vessel shall be immediately removed from and cease utilizing the Alexandria Marina and any alternate docking facility owned by Licensor. If it becomes necessary for Licensor to remove or cause the removal of the Vessel through any legal proceeding, or otherwise, then the Licensor shall be entitled to recover all costs incurred in conjunction with such proceeding, including attorney's fees, from the Licensee and any successor in interest in ownership

or possession of the Vessel, and such liability shall be joint and several.

15. Vessel. The Vessel subject to this Agreement is the "Potomac Belle," a costal cruiser vessel built in Minnesota, which is 59 feet long and 14 feet wide, can carry a maximum of 47 passengers and is owned by Licensee. In the event Licensee wishes to replace the "Potomac Belle" with another vessel during the term of this Agreement, it may do so, provided the following conditions are met: (i) the replacement vessel is no larger in size than the "Potomac Belle," (ii) Licensor consents to the replacement, and (iii) Licensor and Licensee agree upon an annual fee, to replace the fee defined in subparagraph 10(a), solely to reflect any increase or decrease in the value of the replacement vessel over the value of the "Potomac Belle." If these conditions are met, the replacement vessel shall, for purposes of this Agreement, be considered the Vessel.

16. Parking. Licensee shall take all reasonable efforts to advise passengers of the Service to avoid on-street parking in the City, including, without limitation, providing passengers and their agents with maps and directions to off-street parking facilities in the City and making such maps and directions available at Licensee's office and on any vessels used under this Agreement. Licensee shall also consider in good faith Licensee's participation in programs that call for retailers in Old Town Alexandria to provide financial incentives to their customers to use off-street parking facilities.

17. Utility and Service Costs. Licensee shall pay the cost of bringing or otherwise making available any utility service to the Vessel, the cost of submetering any service providing utilities to the Vessel, and the cost of all utilities, with the exception of water, consumed or utilized by the Vessel. Licensor shall provide Licensee with invoices for monthly utility usage, and Licensee shall pay such invoices or reimburse Licensor for such invoices, as the case may be, within 30 days of receipt.

18. Notices. All notices, demands, or other communications that may be necessary or proper hereunder shall be deemed duly given if personally delivered upon delivery (or at such time as delivery is not accepted by the intended recipient), when deposited with Federal Express or other reputable overnight delivery service, when deposited in the United States mail, postage prepaid, first class, registered or certified, return receipt requested, or when sent by facsimile with a confirmation of receipt, addressed respectively as follows:

Licensor: City of Alexandria
Department of Recreation, Parks and
Cultural Activities
1108 Jefferson Street
Alexandria, Virginia 22314
Attn: Brian Albright, Division Chief
Fax Number: (703) 838-6344

with a copy to: City of Alexandria
301 King Street
Suite 1300
Alexandria, Virginia 22314
Attn: City Attorney
Fax Number: (703) 838-4810

Licensee: L.A. Yachts, Incorporated
2412 Belle Haven Meadows Court
Alexandria, Virginia 22306
Attn: George Stevens, President

Fax Number: (703) 768-9017

Any party hereto may change its address for notice purposes hereunder by delivering written notice thereof to the other parties in accordance with the foregoing provisions.

19. Entire Agreement. This Agreement (including all attachments hereto), City of Alexandria Request for Proposal No. 0135, Berth License for a Commercial, Passenger Carrying Operation at the City Marina dated March 31, 2000, and Addendum I thereto dated April 26, 2000 (collectively, the "RFP"), and Licensee's response to the RFP dated May 2, 2000, together contain the full and final agreement between the parties hereto with respect to the use of the Berth and the operation of the Service. In the event of any inconsistency between the terms of this Agreement and the terms of the RFP or Licensee's response thereto, the terms of this Agreement shall prevail. Licensors and Licensee shall not be bound by any terms, conditions, statements, warranties, or representations, oral or written, not contained herein. No change or modification of this Agreement shall be valid unless the same is in writing and is signed by the parties hereto. No waiver of any of the provisions of this Agreement shall be valid unless the same is in writing and is signed by the party against which it is sought to be enforced.

20. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

CITY OF ALEXANDRIA, a municipal
corporation of Virginia

Date: _____

By: _____
Philip Sunderland,
City Manager

L.A. YACHTS, INCORPORATED

Date: _____

By: _____
George Stevens,
President

RFP #0135 - BERTH LICENSE FOR A COMMERCIAL, PASSENGER CARRYING OPERATION AT THE CITY MARINA

EXHIBIT III

**RULES AND REGULATIONS
OF THE CITY OF ALEXANDRIA, MARINA**

The following rules and regulations are applicable to all vessels docking at the City of Alexandria Marina.

Vessels must have operational engine(s) and, except in the case of any emergency, must be under power, not sail, when entering or leaving the marina.

Vessels shall be subject to periodic inspection by the city to ensure the following: conformity with United States Coast Guard rules and regulations; maintenance of proper safety conditions while at the Marina, including such safety concerns as the proper placement of dock lines and properly operating engine(s); and the overall cleanliness, appearance and maintenance of the vessel.

Vessels granted a slip at the Torpedo Factory south pier shall be ones for pleasure only, except by special permit from the City.

Vessels shall be registered, documented, marked and maintained as required by law and safe practice.

If a vessel needs to be moved and the occupants cannot be reached after a reasonable attempt has been made, the city reserves the right to have a vessel moved to another location, but the city shall not be liable for any damages that result from such relocation.

Vessels that are abandoned or whose owners have not paid dockage fees after notice is provided by the city to the vessel by the procedures set forth in section 6-3-7 of the Alexandria City Code may be removed by the city.

The vessel owner shall be responsible for the conduct of his or her guests and for any damage caused by the vessel while located within or approaching the city marina.

Boisterous conduct and loud music are prohibited.

No maintenance, painting or repair of vessels is permitted while a vessel is tied up at the city marina without prior approval of the Dockmaster.

All walkways, pilings, and other marina facilities shall be kept clear of materials such as carpeting, storage boxes, as hoses, dinghies, cushions. Water hoses and power cords to shore must be neatly positioned so as not to impede traffic to and from adjacent vessels.

All refuse and trash must be placed in the receptacles provided on the pier. The off-loading of items such as waste oil and batteries, whose contents could stain the dock are prohibited without the Dockmaster's prior approval.

Laundry is not to be hung from boat rigging, lifelines, pulpits, slips or docks.

All boats shall be equipped with a fully functioning bilge pump. However, the discharge of bilge fluid, raw sewage or other waste into the river is prohibited.

No vessel may dock overnight at the city marina unless equipped with a holding tank.

No swimming, windsurfing, jet skiing, diving, or fishing is permitted at the city marina.

Commercial advertising, including "For Sale" signs, is prohibited.

While at the city marina, no vessel may engage in boat charters or boat rides, nor may merchandise or services be sold from it, nor may any other commercial activity be conducted from it without the prior approval of the Dockmaster.

EXHIBIT III (Continued)

Open fires on docks and boats are prohibited.

Pets must be leashed at all times while traveling on city property.

Boats must be in seaworthy condition and not constitute a fire hazard.

The public consumption of alcoholic beverages at the city marina is prohibited unless in conjunction with a special event authorized by the city.

Violation of any of these rules and regulations and any other improper conduct by a vessel owner or his or her guest may be cause for immediate cancellation of the owner's contract.

The city reserves the right to not be refund any fees for the rental of any slip at Alexandria Marina when the city terminates a slip rental contract pursuant to any violation of these rules and regulations.

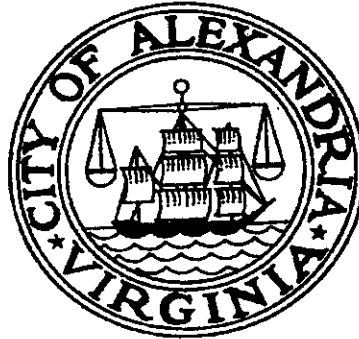
It is agreed that fees do not include charges for work of any kind, including emergency work. The marina shall be paid by the owner for all services performed, or goods or materials used in any work done to safeguard the boat, whether or not the work was successful. Failure to pay such charges when due may, at the city's option, be treated in the same manner as failure to pay slip rent when due.

The city reserves the right to reject this application if the subject vessel's electrical service requirements exceed the marina's capabilities at available dock space.

The city shall have the authority to interpret and enforce these rules and regulations in its best interests.

**REQUEST FOR PROPOSAL NUMBER 0135
for
BERTH LICENSE FOR A COMMERCIAL, PASSENGER
CARRYING OPERATION AT THE CITY MARINA**

Issue Date: March 31, 2000



**MANDATORY PRE-PROPOSAL CONFERENCE:
APRIL 17, 2000 AT 2:00 P.M.
DEPARTMENT OF RECREATION, PARKS
& CULTURAL ACTIVITIES
1108 JEFFERSON STREET, ALEXANDRIA, VA 22314**

CLOSING DATE: MAY 3, 2000

CLOSING TIME: 4:00 P.M.

Issued By: City of Alexandria, Purchasing Division
Contracting Officer: Joseph V. Reca, CPCM, Senior Buyer
Telephone Number: (703) 838-4944

* * * *

**PROPOSALS MUST BE MAILED OR HAND DELIVERED TO THE CITY OF
ALEXANDRIA, FINANCE DEPARTMENT, PURCHASING DIVISION, SUITE 301 -
BANKER'S SQUARE, 100 NORTH PITT STREET, ALEXANDRIA, VIRGINIA 22314 BY
THE ANNOUNCED DATE AND TIME OF CLOSING. PROPOSALS SENT BY
FACSIMILE WILL NOT BE ACCEPTED.**

REQUEST FOR PROPOSAL NUMBER 0135

BERTH LICENSE FOR A COMMERCIAL, PASSENGER CARRYING
OPERATION AT THE CITY MARINA

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PROPOSAL SENT BY FACSIMILE WILL NOT BE ACCEPTED.

FINANCE DEPARTMENT
Purchasing Division
Suite 301 - Banker's Square
100 North Pitt Street
Alexandria, Virginia 22314
(703) 838-4944
FAX (703) 838-6493

**PART ONE
ANNOUNCEMENT**

Sealed proposals, subject to the terms and conditions of this Request for Proposals will be received by the Finance Department, Purchasing Division, Suite 301 - Banker's Square, 100 North Pitt Street, Alexandria, Virginia 22314 until the time and date of closing, which is set forth below:

- A. **REQUEST FOR PROPOSALS NUMBER:** RFP #0135
- B. **ISSUE DATE:** March 31, 2000
- C. **SUBJECT OF REQUEST FOR PROPOSAL:** The purpose of this Request for Proposal is to receive competitive offers to establish a five (5) year contract with a commercial boat operator for the use of commercial berth space adjacent to the Chart House Restaurant at the City of Alexandria's Marina.
- D. **DEPARTMENT REQUESTING PROPOSAL:** DEPARTMENT OF RECREATION
- E. **DATE AND TIME OF CLOSING:** MAY 3, 2000 AT 4:00 P.M.

PROPOSALS MUST BE RECEIVED IN THE PURCHASING DIVISION BEFORE THE ANNOUNCED TIME AND DATE OF CLOSING. PROPOSALS THAT ARE RECEIVED AFTER THE DATE AND TIME OF CLOSING STATED ABOVE, WHETHER BY MAIL OR OTHERWISE, WILL NOT BE CONSIDERED AND WILL BE RETURNED UNOPENED.

F. **MANDATORY PRE-PROPOSAL CONFERENCE**

A mandatory pre-proposal conference will be held on **Monday, April 17, 2000 at 2:00 P.M.** at the Department of Recreation, Parks, and Cultural Activities located at 1108 Jefferson Street, Alexandria, VA 22314.

The purpose of this conference is to give potential offerors an opportunity to obtain clarification and ask questions regarding any aspect of this Request for Proposal.

G. **DISSEMINATION OF INFORMATION DURING THE REQUEST FOR PROPOSAL PROCESS**

Offerors are advised that oral explanations or instructions given by City Personnel during the Request for Proposal process, or at any time before the award of the contract, will not be binding on the City. The only binding information concerning this Request for Proposal will be included in written addenda when additional information is deemed necessary, and when the lack of such information may prove prejudicial to uninformed offerors. All such addenda must be signed by offerors and returned with their proposals on or before the Request for Proposal closing date and time.

H. **QUESTIONS CONCERNING THE REQUEST FOR PROPOSAL**

All questions concerning this Request for Proposal must be referred to the following individual:

Joseph V. Reca, CPCM
Senior Buyer
(703) 838-4944
FAX: (703) 838-6493

Written requests for clarifications of this RFP shall be accepted only until 4 p.m., Wednesday, April 19, 2000. The City shall issue an addendum to clarify any issues raised prior to April 19, 2000.


I. **NUMBER OF COPIES AND MARKING OF PROPOSAL**

Proposals are to be provided in the number of copies and marked as shown below:

NUMBER OF COPIES: Six (6) [one (1) original and Five (5) complete copies]

TO BE MARKED: RFP #0135, Commercial Berth License at City Marina

J. **INDIVIDUAL ISSUING THIS ANNOUNCEMENT**



Jack T. Pitzer, Ph.D., CPPO
Purchasing Agent

4/3/00
Date

FINANCE DEPARTMENT
Purchasing Division
Suite 301 - Banker's Square
100 North Pitt Street
Alexandria, Virginia 22314
(703) 838-4944
FAX (703) 838-6493

PART TWO
GENERAL TERMS AND CONDITIONS
SECTION I
ADMINISTRATIVE REQUIREMENTS

A. TERM OF PROPOSAL

Proposals shall remain binding ninety (90) calendar days after the date of closing.

B. AWARD

The contract will be awarded to the most responsive and responsible offeror whose proposal is deemed most advantageous to the City. The City reserves the right to waive any defect or omission in any proposal that does not materially affect the terms of the response to this Request for Proposal.

The City reserves the right to reject any proposal. In deciding which offeror is the most responsive, responsible and advantageous to the City, the City will consider the factors set forth below.

C. EVALUATION CRITERIA

The City's evaluation criteria of the proposal will include consideration of the following:

Benefits and revenues the Offeror's operation would accrue to the City;

Cost to the consumer/passenger;

Demonstrated capability of the offeror to provide tours, cruises, charters or other operations as evidenced in the proposal;

Range of services and acceptability of the proposed operations from the City Marina; and

Degree of responsiveness to providing the information requested about the proposed vessel and the proposed operations.

The City of Alexandria reserves the right to accept the proposal which, in its judgement, will best serve the interests of the City.

D. LICENSING REQUIREMENTS

All firms doing business in the City of Alexandria must comply with the applicable provisions of Chapter 1, Title 9 of the Code of the City of Alexandria, 1981, as amended. Questions about the licensing requirements should be directed to the City of Alexandria's Finance Department, telephone number (703) 838-4680.

E. REGISTRATION OF FOREIGN CORPORATIONS

Foreign (out-of-state) corporations desiring to transact business in the State of Virginia must register with the State Corporation Commission in accordance with Section 13.1-758 of the Code of Virginia, 1950, as amended. The Commission can be reached at (804) 371-9733. Failure to accomplish the foregoing shall impose limitations set forth in said Article. Failure to register will disqualify a firm from contract award.

F. NONDISCRIMINATION

Firms and subcontractors must comply with the applicable provisions of Section 12-4-6 of the Code of the City of Alexandria, Virginia, 1981, as amended, throughout the duration of this contract. The Equal Employment Opportunity provisions of Section 12-4-6 are incorporated by reference and made a part hereof as if they were fully set out herein.

Each offeror must submit a completed and signed "Blanket Agreement Form" (Part Four - Required Submittals) which includes the "Equal Opportunity Agreement" form.

G. DISCLOSURE RELATING TO CITY OFFICIALS AND EMPLOYEES

The firm shall furnish a statement, under oath, that no member of the City Council, no official or employee of the City, and no member of any commission, committee, board or corporation controlled or appointed by the City Council has already received, in connection with or related in any way to this contract, or has been promised, in the event this contract is awarded to the firm, any commission, finder's fee or other thing of value. In addition, the firm shall furnish a statement that identifies any member of the City Council and any official or employee of the City whom, the firm has reason to believe, would or may be financially affected, whether affirmatively or negatively, and whether personally or through a spouse or other family member, if this contract were awarded to the firm. Upon request by the City Manager or an authorized agent of the manager, the firm shall respond to any questions relating to the subject of this section.

H. WARRANTY AGAINST CONTINGENT FEES

The offeror warrants that no person or selling agency has been employed or retained on its behalf to solicit or secure this contract for a commission, percentage, brokerage, or contingent fee. If an offeror violates this warranty, the City has the right to terminate or to suspend any contract awarded to the offeror without liability to the City. Alternatively, the City may, in its discretion, deduct from the contract price or consideration, the full amount of any such commission, percentage, brokerage, or contingent fee paid by the offeror.

I. CONTRACT PERIOD

The term of this contract shall be for five (5) years from date of contract execution..

Contract renewals shall be authorized by the City's Purchasing Division. **Automatic contract renewals are prohibited.**

J. TERMINATION OF AGREEMENT BY CITY COUNCIL

Any contract awarded pursuant to this Request for Proposal will remain in effect for five (5) years from the date of execution unless otherwise terminated by resolution of the Alexandria City Council. In the event the City Council elects to terminate the agreement, the City will provide the Contractor with a written notice of contract termination at least thirty (30) calendar days before the effective date of the termination. In the event of an action by the City Council to terminate the contract, the City will not be obligated to the Contractor for anticipatory profits, or any costs incurred by the Contractor in vacating the berth and ground based support facilities used in the performance of the agreement.

K. ASSIGNMENT OF CONTRACT OR CONTRACT FUNDS

The successful offeror may not assign, transfer, convey or otherwise dispose of any or all of its right, title or interest in the contract, without the prior written consent of the Purchasing Agent or his authorized designee.

L. CONTRACT ADMINISTRATION

Upon award of the contract, the Purchasing Agent or his designee will administer and have the authority to enforce the terms and conditions of the contract.

M. DESIGNATION AND OBLIGATION

The contract awarded pursuant to this Request for Proposal will designate a firm to provide the items or services described in the Request for Proposal. The contract will be an agreement by the successful offeror to provide the services proposed to and accepted by the City. Therefore, the award will not obligate the City until such time as the contract is signed by both parties.

N. CONTRACT ALTERATIONS

No alterations of variables in the terms of the contract shall be valid or binding upon the City, unless made in writing and signed by the Purchasing Agent or his authorized designee.

O. DEFAULT

Upon an offeror's non-performance or violation of the contract terms, the contract may be canceled or annulled by the Purchasing Agent or his designee in whole or in part by written notice of default to the offeror. Upon default an award may be made to another offeror. In any event, the defaulting offeror (or its surety) may be liable to the City of Alexandria for costs to the City of more than the defaulted contract price.

P. THE CITY OF ALEXANDRIA HUMAN RIGHTS CODE

The City of Alexandria Human Rights Code and relevant federal and state laws and regulations require the City to ensure that its purchasing practices are nondiscriminatory and promote equality of opportunity for minorities and women in businesses. A minority firm as defined herein is one in which at least 51% of the stock is owned by minority group members. This applies also to firms owned by women. Minority group members are Black Americans, Hispanic Americans, American Indians, Alaskan Natives and Asian or Pacific Islanders.

Q. SMALL AND MINORITY BUSINESS OUTREACH PROGRAM

The City of Alexandria is committed to increase the opportunity for utilization of small, minority and women owned businesses in all aspects of procurement and has adopted a policy for increasing that participation. A copy of the City's policy is available for inspection in the Purchasing Division, Suite 301 - Banker's Square, 100 North Pitt Street, Alexandria, Virginia 22314.

R. TRADE SECRETS AND PROPRIETARY INFORMATION

Trade secrets and proprietary information submitted by an offeror will not be subject to public disclosure under the Freedom of Information Act. However, the offeror must invoke the protection of this section before or upon submission of the proprietary data, trade secrets or other protected materials, and must specifically identify the data or other materials that are to be protected and state the reasons why protection from disclosure is necessary.

S. RECEIPT OF PROPOSALS AND DISCUSSION WITH OFFERORS

The City, when conducting any discussions with offerors with respect to their proposals, will not disclose the identity of competing offerors or any information derived from proposals submitted by competing offerors. After the award of the contract, all proposals will be open for public inspection.

T. CONTRACTUAL DISPUTES

Contractual disputes shall be submitted in writing no more than sixty (60) days after final payment in accordance with Section 3-3-107 of the Code of the City of Alexandria, Title 3, Chapter 3. However, written notice of an intention to file such a claim shall have been made at the time of the occurrence upon which the claim is based. The Purchasing Agent shall render a final decision within fifteen days of the date of receipt of the written claim.

U. CHANGES

The City may order changes in the work consisting of additions, deletions, or modifications, the contract sum and contract time being adjusted accordingly. Such changes in the work shall be authorized by written change order signed by the Purchasing Agent. The contract sum and contract time shall be changed only by change order signed by the Purchasing Agent.

PART TWO

GENERAL TERMS AND CONDITIONS SECTION II REQUIRED FORMAT AND CONTENTS OF PROPOSALS

The information set forth in paragraphs A through C below must be included with all proposals. Failure to provide any of the information requested by these paragraphs is grounds for the City to reject a proposal.

A. FIRM INFORMATION

The attached Firm Information Sheet (Part Four - Required Submittal) must be completed and returned with the offeror's proposal. Failure to return a signed Firm Information Sheet are grounds for the City to reject a proposal.

B. REQUIRED REQUEST FOR PROPOSAL RESPONSE FORMAT

In order for the City to conduct a uniform review process of all proposals, proposals must be submitted in the format set forth below. Failure to follow this format may be cause for rejection of a proposal because adherence to this format is critical for the City's evaluation process.

1. Title Page

The title page should reflect the Request for Proposal subject, name of the firm, address, telephone number, contact person and date of proposal preparation.

2. Table of Contents

The Table of Contents must indicate the material included in the proposal by section and page number. A proposal's table of contents should mirror all the items set forth in Items 1 through 8 in this section and the required submittal forms in Part Four.

3. Letter of Transmittal (Please limit to three pages).

A letter of transmittal must be submitted with an offeror's proposal. The letter must include:

- a. The names of the persons who are authorized to make representations on behalf of the offeror (include their titles, addresses and telephone numbers).
- b. A statement that the individual who signs the transmittal letter is authorized to bind the offeror to contract with the City.

4. Profile of the Offeror

- a. Whether the offeror is a local, regional or national firm.
- b. Foreign (out-of-state corporations) desiring to transact business in the State of Virginia must register with the State Corporation Commission in accordance with Section 13.1-48 through 13.1-121 of the Code of the State of Virginia, as amended. Proof of registration, or proof of application for such registration, must be provided with the proposal.
- c. Summarize the organizational history. How long the firm has been in business under the present name and structure. Provide all other names under which the firm has done business and the dates it operated under each name and the locations at which it operated under each name.

- d. Financial: Include copies of the firm's last two independently audited annual financial statements.
 - e. Identify the complete business name, address, and telephone number of marina owners where the Offeror has, or is, performing services similar to those in this Request for Proposal. For each marina describe the type of operation the Offeror has, or is, performing.
5. Required Representations by the Offeror
- a. Provide documentation that the offeror is licensed under the applicable laws of the Commonwealth of Virginia to operate a commercial, passenger carrying boat.

6. Offeror's Response to the Statement of Work

Address the following:

A. Describe the type of cruise, tour, charter or other proposed operation, including the following:

- a. Purpose and length of time of the cruise, tour, charter or other operation;
- b. Itinerary of cruise, tour, charter or other operation;
- c. Cost of the cruise, tour, charter or other operation to the consumer. Each operator must identify the proposed fare or fee, and itemize what is included in each fare, i.e. food or entertainment and the cost of additional amenities offered;
- d. The number of cruises, tours, charters or other operations offered on a daily basis, and the proposed hours of operation for each; and,
- e. The amenities offered during the cruise, tour, charter or other operation. (e.g. food, drink, entertainment, etc.)

B. For each vessel proposed by the Offeror provide the following information:

- a. The kind of hull used by the proposed vessel;
- b. The vessel's length, beam, draft, height from the vessel waterline, and tonnage;
- c. The maximum number of passengers;
- d. The minimum and maximum number of crew members for the vessel, including the number required for shore side support;
- e. The estimated value of the vessel; and,
- f. The berthing requirements for each vessel; i.e., water, electric, etc. Important - All requirements other than electric, sewer, water, and restrooms shall be clearly identified, and shall be at the sole expense of the Offeror in the event of a contract award.

C. State the method of providing adequate parking for customers of the proposed operation.

- D. Provide an estimate of the revenue which the City could potentially realize and the source of that revenue, i.e., rental fees, percentage of gross, percentage of net, docking fees, sales tax, etc. For each source of revenue, identify the type of revenue, the amount, the measurement upon which the amount is based (per year, per month, per week), and the calculations and assumptions used to arrive at the amount (s).
- E. Other benefits the Offeror perceives as to the City's advantage through the Offeror's operation.

7. Alternate Services/Approaches to the Work

Proposals will be evaluated on the requirements of the Request for Proposal. However, offerors are welcome to outline additional services or alternative approaches that they feel are in the City's best interest. Offerors must address alternative approaches and/or additional services in this section of their proposals.

8. Additional Data

Data not specifically requested by the foregoing sections but which is considered essential to the proposal may be presented in this section. If there is no additional information to present, state in this section, "There is no additional information we wish to present." However, suggestions of additional information include, but are not limited to, copies of relevant media reprints and promotional brochures of your firm.

C. BLANKET AGREEMENT

The Blanket Agreement Form which is attached in Part Four, "Required Submittal" must be completed, signed and returned with the Proposal. The Blanket Agreement Form contains:

1. an "Equal Employment Opportunity Agreement" form.
2. a "Certified Statement of Non-Collusion" form.
3. a "Disclosures Relating to City Officials and Employee" form.

Each form must be completed and signed. Failure to complete each form in the Blanket Agreement Form is grounds for the City to reject a proposal.

PART THREE STATEMENT OF WORK

PURPOSE AND BACKGROUND

The commercial boat operation shall utilize commercial dock space adjacent to the Chart House Restaurant at the City of Alexandria's Marina.

Alexandria, a historic seaport, was founded because of its shipping capabilities, and today still maintains a marina. This marina, as well as the City's other historic and tourist attractions, makes Alexandria an exciting place to visit. The City is located in close proximity to Washington, D.C. and is easily accessed by National Airport, AMTRAK Rail Lines, Metro subway and bus, as well as by water by private crafts.

* Acceptable uses of this space include embarkation and disembarkation of passengers for seasonal tours, cruises, shuttles, or charters along the Potomac River.

The Contractor shall sign a license agreement with the City prior to commencement of operations. Refer to Exhibit I for a copy of the license agreement.

DESCRIPTION OF THE AVAILABLE DOCK SPACE

Location of Dock Space

The available dock space, Commercial Berth No. 5, is adjacent to the Chart House Restaurant. Refer to Exhibit II for a diagram of the berth and the location of berths in the nearby vicinity. Offerors may schedule an appointment to view the space by calling the Marina Dockmaster at (703) 838-4265, Monday through Friday, 8:00 a.m. to 5:30 p.m. or Saturday and Sunday, 10:00 a.m. to 5:30 p.m. **IMPORTANT - THE DOCKMASTER IS NOT AUTHORIZED TO ANSWER ANY QUESTIONS AND OFFERORS WHO RELY ON THE DOCKMASTER DO SO AT THEIR OWN DETRIMENT. ALL QUESTIONS MUST BE SUBMITTED IN WRITING TO THE CITY'S PURCHASING DIVISION.**

Size of Dock Space

The dock space adjacent to the Chart House can accommodate a vessel with a maximum length of 100 feet. As there are no pilings dividing the pier there are no restrictions on width of the vessel.

Vessel Height

Height of the vessel from its waterline to the top of its uppermost structure, excluding masts, radio antenna's, and other navigational equipment shall not exceed 25 feet.

Depth of Potomac River at the Docks

The water depth at the Potomac River is 4 ½ feet at mean low tide at the docking location.

Tides at Dock

Normal tide changes on the Potomac River average from 3 to 3.5 feet.

OPERATIONAL ENVIRONMENT

1. Marina Rules & Regulations

The Contractor shall abide by all marina rules and regulations as set forth in Exhibit III to this RFP, and all subsequent amendments to these rules and regulations.

2. Refueling of the Vessel

The Contractor shall not refuel the vessel(s) at the City Marina.

3. Provision of Utilities

Electric Power

One (1) fifty (50) amp outlet will be made available by the City for the sole use by the Contractor. The Contractor shall be responsible for payment of electrical bills submitted to the Contractor by the City. All additional electric requirements that are needed for the vessel(s) shall be at the Contractor's expense.

Sewer and Water

The City will provide water service for the Contractor's vessel at no charge to the Contractor. The City shall make available a pipe for the Contractor to pump all sewage from the vessel into the City's sewage system. The Contractor shall be responsible for the provision of a pump and hose from the vessel to the City pipe.

5. Restrooms and Drinking Fountains

The Contractor shall make arrangements to have drinking and restroom facilities to accommodate all passengers of the vessel.

Gangplanks: The Contractor shall receive prior City approval before installing gangplanks.

PART FOUR
REQUIRED SUBMITTAL (A)
FIRM INFORMATION SHEET
REQUEST FOR PROPOSAL NUMBER 0135
BERTH LICENSE FOR A COMMERCIAL, PASSENGER CARRYING OPERATION
AT THE CITY MARINA
CLOSING DATE AND TIME: xxxxxxxx, 2000, AT 4:00 P.M.

In compliance with the requirements, terms and conditions of the Request for Proposal and Part Three, "Statement of Work" the undersigned offers and agrees, if its proposal is accepted, to furnish the services within the time period specified in the Request for Proposal. If the City accepts a proposal, the City intends to enter into a contract with the offeror to provide the services as set forth in the Request for Proposal and described in Part Three, "Statement of Work." However, after selection of an apparent successful offeror, the City reserves the right to negotiate further with one or more other offerors if the City is unable to conclude a mutually agreeable contract with the highest ranked offeror.

The requirements, terms and conditions of the Request for Proposal, and Part Three, "Statement of Work," and the successful offeror's proposal will become an integral part of the contract. However, an offeror's proposal and the requirements, terms and conditions of the Request for Proposal and Part Three, "Statement of Work" may be modified in the final contract as a result of further negotiations between the City and the Offeror.

Name and Address of Firm: _____

Telephone No: _____

Check One: _____ Individual _____ Partnership _____ Corporation _____

State where Incorporated: _____

Federal Tax Identification Number: _____

State of Virginia Charter Number: _____

Impress Corporate Seal Here

SIGNATURE OF AUTHORIZED REPRESENTATIVE _____
PRINT OR TYPE NAME AND TITLE
OR AUTHORIZED REPRESENTATIVE _____

DATE _____

PART FOUR

REQUIRED SUBMITTAL (B)

**CITY OF ALEXANDRIA
FINANCE DEPARTMENT
PURCHASING DIVISION**

BLANKET AGREEMENT FORM

Each contractor desiring to transact business with the City of Alexandria is required to provide the information requested below and to complete the agreements contained herein. A failure to complete this form and/or to sign the agreements that follow will be cause to declare the bid non-responsive. This agreement contains:

1. **EQUAL OPPORTUNITY AGREEMENT STATEMENT**
2. **CERTIFIED STATEMENT OF NON-COLLUSION**
3. **DISCLOSURES RELATING TO CITY OFFICIALS AND EMPLOYEES**

Please provide the information listed below and sign each of the forms that follow:

NAME OF COMPANY _____

ADDRESS _____

PRINTED NAME _____

TITLE _____

DATE _____

EACH OF THE FOLLOWING AGREEMENTS MUST BE SIGNED INDIVIDUALLY

PART FOUR

REQUIRED SUBMITTAL (C)

EQUAL EMPLOYMENT OPPORTUNITY AGREEMENT

The contractor hereby agrees:

(1) Not to discriminate against any employee or applicant for employment on account of race, color, religion, sex, ancestry, national origin, marital status, age or handicap, except as is otherwise provided by law.

(2) To implement an affirmative action employment program as defined in section 12-4-3 of the Code of the City of Alexandria, Virginia, 1981, as amended, to ensure non-discrimination in employment under guidelines to be developed by the commission and approved by the city council.

(3) To include in all solicitations or advertisements for employees placed by or in behalf of the contractor the words "Equal Opportunity Employer" or a symbol, approved by the Alexandria Human Rights Commission, meaning the same.

(4) To notify each labor organization or representative of employees with which said contractor is bound by a collective bargaining agreement or other contract of the contractor's obligations pursuant to this equal employment opportunity clause.

(5) To submit to the city manager and the city's human rights administrator, upon request, no more frequently than annually, regular equal employment opportunity reports on a form to be prescribed by the city manager.

(6) To make reasonable accommodation to the known physical or mental limitations of an otherwise qualified handicapped applicant or employee unless the contractor can demonstrate that the accommodation would impose an undue hardship on the operation of the contractor's business, factors to be considered include but are not limited to, the following;

- a. the overall size of the contractor's business with respect to the number of employees, the number and type of facilities and size of budget;
- b. the type of the contractor's operation, including the composition and structure of the contractor's work force; and
- c. the nature and cost of the accommodation needed.

Contractor may not deny any employment opportunity to a qualified handicapped employee or applicant if the basis for the denial is the need to make reasonable accommodation to the physical or mental limitations of the employee or applicant.

(7) To include the provisions in paragraphs (1) through (6) hereof in every subcontract so that such provisions will be binding upon each subcontractor.

(8) In the event of the contractor's non-compliance with any provision, upon a finding of such non-compliance by the city's human rights commission and certification of such finding by the city manager, the city council may terminate or suspend or not renew, in whole or in part, this contract.

SIGNATURE _____

PART FOUR

REQUIRED SUBMITTAL (D)

CERTIFIED STATEMENT OF NON-COLLUSION

A. This is to certify that the undersigned is seeking, offering or agreeing to transact business or commerce with the City of Alexandria, a municipal corporation of Virginia, or seeking, offering or agreeing to receive any portion of the public funds or moneys, and that the offer or agreement or any claim resulting therefrom is not the result of, or affected by, any act of collusion with another person engaged in the same line of business or commerce; or any act of fraud punishable under Article 1.1 (Virginia Governmental Frauds Act), Chapter 12 (Miscellaneous), Title 18.2 (Crimes and Offenses Generally) of the Code of Virginia (1950), as amended.

B. This is to further certify that the undersigned has read and understands the following:

(1) The City is authorized by Section 18.2-498.4 of the Code of Virginia (1950) as amended, to require this certified statement. That section also provides that any person required to submit this statement who knowingly makes a false statement shall be guilty of a Class 6 felony.

(2) Section 18.2-498.3 of the Code of Virginia (1950), as amended, provides that any person, in any commercial dealing in any matter within the jurisdiction of any local government or any department or agency thereof, who knowingly falsifies, conceals, misleads, or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be guilty of a Class 6 felony.

(3) Section 59.1-68.7 of the Code of Virginia (1950), as amended, provides that any combination, conspiracy or agreement to intentionally rig, alter or otherwise manipulate, or to cause to be rigged, altered or otherwise manipulated, any bid submitted to any governmental unit for the purpose of allocating purchases or sales to or among persons, raising or otherwise fixing the prices of goods or services, or excluding other persons from dealing with the state or any other governmental unit shall be unlawful. Any person violating the foregoing shall be guilty of a Class 6 felony.

SIGNATURE _____

PART FOUR

REQUIRED SUBMITTAL (E)

DISCLOSURES RELATING TO CITY OFFICIALS AND EMPLOYEES¹

A. I hereby state that, as of this date:

— Our firm has no reason to believe that any member of the City Council, any official or employee of the City, or any member of any commission, committee, board or corporation controlled or appointed by the City Council has already received, in connection with or related in any way to this contract, or has been promised, in the event this contract is awarded to the firm, any commission, finder's fee or other thing of value

— Our firm has reason to believe that the following City Council members, City officials and/or employees, and/or members of a Council-appointed or -controlled commission, committee, board or corporation have already received, in connection with or related in any way to this contract, or have been promised, in the event this contract is awarded to the firm, any commission, finder's fee or other thing of value:

name

title/position

name

title/position

B. I hereby state that, as of this date:

— Our firm has no reason to believe that any member of the City Council or any official or employee of the City would or may be financially affected, whether affirmatively or negatively, and whether personally or through a spouse or other family member, if this contract were awarded to the firm

— Our firm has reason to believe that the following members of the City Council and officials and employees of the City would or may be financially affected, whether affirmatively or negatively, and whether personally or through a spouse or other family member, if this contract were awarded to the firm:

name

title/position

name

title/position

Signature of Certifying Officer

¹ Please attach additional sheets if needed to provide the requested disclosures.

PART FOUR REQUIRED SUBMITTAL (F)

CITY OF ALEXANDRIA, VIRGINIA INSURANCE CHECKLIST

Items marked "X" are required to be provided by bidder if contract award is made to your firm.

Coverages Required

Limits (Figures Denote Minimum Coverage required)

<input checked="" type="checkbox"/>	1.	Workers' Compensation &	Statutory limits of Commonwealth of Virginia
<input checked="" type="checkbox"/>	2.	Employers' Liability	\$100,000 accident, \$100,000 disease, \$500,000 limit disease
<input checked="" type="checkbox"/>	3.	USL&H Endorsement	Statutory
<input checked="" type="checkbox"/>	4.	General Liability	\$1,000,000 General Liability Complete line number 25 of this form Item numbers 4-9, & 11, 12 require
<input checked="" type="checkbox"/>	5.	Premises/Operations	\$1,000,000 combined single limit for bodily injury and property damage for each occurrence
<input checked="" type="checkbox"/>	6.	Independent Contractors	
<input type="checkbox"/>	7.	Products	
<input type="checkbox"/>	8.	Completed Operations	
<input type="checkbox"/>	9.	Contractual Liability	\$1,000,000 general aggregate, if applicable
<input checked="" type="checkbox"/>	10.	Personal Injury Liability	\$1,000,000 each offense/aggregate, personal injury
<input type="checkbox"/>	11.	XCU Coverages	
<input checked="" type="checkbox"/>	12.	Broad Form P.D.	
<input type="checkbox"/>	13.	Automobile Liability	\$1,000,000 Bodily Injury & Property Damage each accident
<input type="checkbox"/>	14.	Owned, Hired & Non-owned	
<input type="checkbox"/>	15.	Motor Carrier Act End.	
<input checked="" type="checkbox"/>	16.	Umbrella Liability	\$3,000,000 Bodily Injury & Property Damage, & Personal Injury
<input type="checkbox"/>	17.	Garage Liability	\$_____ Bodily Injury & Property Damage Each occurrence
<input type="checkbox"/>	18.	Garagekeepers' Legal Liability	Indicate Limit \$_____ - Comprehensive Indicate Limit \$_____ - Collision
<input checked="" type="checkbox"/>	19.	City of Alexandria named as additional insured on other than Worker's Compensation & Auto. This coverage is primary to all other coverages the City may possess.	
<input checked="" type="checkbox"/>	20.	Other Insurance Required: See Forms "A" & "B"	
<input checked="" type="checkbox"/>	21.	Forty five (45) Days Cancellation, non-renewal, material change or coverage reduction notice required. The words "endeavor to" are to be eliminated from the Notice of Cancellation on standard ACORD certificates.	
<input checked="" type="checkbox"/>	22.	Best's Guide Rating: "A-" IV or better, or its Equivalent	
<input checked="" type="checkbox"/>	23.	The Certificate(s) of Insurance Provided Must State Bid Number and Bid Title	

INSURANCE AGENT'S STATEMENT

I have reviewed these requirements with the bidder named below. Additionally:

☐ 24. The above policy(ies) carry the following deductibles: _____

☐ 25. Liability policies are (indicate) Occurrence [] Claims Made []

INSURANCE AGENT

SIGNATURE

DATE

BIDDER STATEMENT

I understand the Insurance Requirements of these specifications and will comply in full if awarded this contract.

BIDDER'S NAME

SIGNATURE

DATE

**PART FOUR
REQUIRED SUBMITTAL (G)
INSURANCE INFORMATION**

FORM "A"

(Review this section carefully with your insurance agent prior to bid submission. See "Insurance Checklist" for specific coverage requirements applicable to this contract).

I. General Insurance Requirements:

1. The successful bidder shall not start work under this contract until the successful bidder has obtained at his/her own expense all of the insurance required under this contract and such insurance has been approved by the City of Alexandria (City); nor shall the successful bidder allow any subcontractor to start work on any subcontract until all insurance required of the subcontractor has been obtained and approved by the successful bidder. Approval of insurance required of the successful bidder and subcontractors for the City will be granted only after submission to the Purchasing Agent of original, signed certificates of insurance or, alternately, at the City's request, certified copies of the required insurance policies.
2. The successful bidder shall require all subcontractors to maintain during the term of this agreement, Comprehensive (or Commercial) General Liability insurance, Business Automobile Liability insurance, and Workers' Compensation and Employers' Liability insurance, in the same manner as specified for the successful bidder. Upon request, the successful bidder shall furnish immediately subcontractors' certificates of insurance to the City.
3. All insurance policies required under this contract shall include the following provision: "It is agreed that this policy is not subject to cancellation, non renewal, material change, or reduction in coverage until 45 days prior written notice has been given to the Purchasing Agent for the City of Alexandria, Virginia." The words "endeavor to" are to be eliminated from the cancellation provision of standard ACORD certificates of insurance.
4. No acceptance and/or approval of any insurance by the City shall be construed as relieving or excusing the successful bidder, or the surety, or its bond, from any liability or obligation imposed upon either or both of them by the provisions of the contract documents.
5. The City of Alexandria (including its officers, agents and employees) is to be named as an additional insured under all coverage except Workers' Compensation and Automobile Liability, and the certificate(s) of insurance, or the certified policy, if requested, shall so state this. Coverage afforded under this paragraph shall be primary with respect to the City, its officers, agents and employees.
6. The successful bidder shall provide insurance as specified in the "City of Alexandria, Virginia Insurance Checklist".
7. The successful bidder covenants to save, defend, keep harmless and indemnify the City and all of its officers, agents and employees (collectively the "City") from and against any and all claims, lawsuits, liabilities, loss, damage, injury, costs (including litigation costs and attorney's fees), charges, liability or exposure, however caused, resulting from or arising out of or in any way connected with the successful bidder's performance or nonperformance of the terms of the contract documents or its obligations under the contract. This indemnification shall continue in full force and effect until the Successful Bidder completes all of the work required under the contract, except that indemnification shall continue for all claims involving products or completed operations after final acceptance of the work by the City for which the City gives notice to the successful bidder after the City's final acceptance of the work.
8. The successful bidder shall be responsible for the work performed under the contract documents and every part thereof, and for all materials, tools, equipment, appliances, and property used in connection with the contract. The Successful Bidder assumes all risks for direct and indirect damage or injury to the property or persons used or employed on or in connection with the work contracted for, and of all damage or injury to any person or property wherever located, resulting from any action, omission, commission or operation under the contract, or in connection in any way whatsoever with the contracted work.
9. Insurance coverage required in these specifications shall be in force throughout the contract term. Should the successful bidder fail to provide acceptable evidence of current insurance within seven days of written notice at any time during the contract term, the City shall have the absolute right to terminate the contract without any further obligation to the successful bidder shall be liable to the City for the entire additional cost of procuring performance and the cost of performance of the uncompleted portion of the contract at the time of termination.
10. Contractual and other liability insurance provided under this contract shall not contain a supervision, inspection or engineering services exclusion that would preclude the City from supervising or inspecting the project. The successful bidder shall assume all on-the-job responsibilities as to the control of persons directly employed by it and of the subcontractors and any persons employed by the subcontractor.
11. Nothing contained in the specifications shall be construed as creating any contractual relationship between any subcontractor and the City. The successful bidder shall be fully responsible to the City for the acts and omissions of the subcontractors and of persons employed by them as it is for the acts, commissions and omissions of persons directly employed by it.
12. Precaution shall be exercised by the successful bidder at all times for the protection of persons, (including employees) and property. All existing structures, utilities, roads, services, trees, and shrubbery shall be protected against damage or interruption of service at all times by the successful bidder and its subcontractors. The successful bidder shall be held responsible for any damage to persons (including employees) and property occurring by reason of its operation on the property.

**PART FOUR
REQUIRED SUBMITTAL (G)**

INSURANCE INFORMATION

**FORM "A"
(CONTINUATION)**

13. If the successful bidder does not meet the insurance requirements of the specifications, alternate insurance coverage, satisfactory to the City's Purchasing Agent, may be considered. Written request for consideration of alternate coverage shall be received by the City's Purchasing Agent at least (10) ten working days prior to the date set for opening the bids. If the City denies the request for alternate coverage, the specified coverage will be required to be submitted. If the City permits alternate coverage, an amendment to the insurance requirements will be prepared and distributed prior to the time and date set for bid openings.

14. All required insurance coverage shall be acquired from insurers authorized to do business in the Commonwealth of Virginia and acceptable to the City. The insurers shall have a policyholders' rating of "A-" or better, and a financial size of "Class IV" or better in the latest edition of Best's Insurance Reports, unless the City grants specific approval for an exemption, in the same manner as described in paragraph 13 above.

15. The City will consider deductible amounts as part of its review of the financial stability of the bidder. Any deductibles shall be disclosed in the proposal and all deductibles will be assumed by the successful bidder.

II. Successful Bidder's Liability Insurance - "Occurrence" Basis:

1. The successful bidder shall purchase and maintain in a company or companies authorized to do business in the Commonwealth of Virginia, and acceptable to the City such insurance as will protect the successful bidder and the City from claims set forth below which may arise out of or result from the Successful Bidder's operations under the contract, whether such operations are by the successful bidder or by any subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable:

- A. Claims under Workers' Compensation, disability benefits and other similar employee benefit acts;
- B. Claims for damages because of bodily injury, occupational sickness or disease, or death of successful bidder's employees.
- C. Claims for damages because of bodily injury, sickness or disease, or death of any person other than successful bidder's employees.
- D. Claims for damages insured by usual Personal Injury Liability coverage which are sustained by any person as a result of an offense directly or indirectly related to the employment of such person by the successful bidder, or by any other person;
- E. Claims for damages, other than to the work itself (but only to the extent of coverage under any Builders' Risk or other property form, if applicable) because of injury to or destruction of tangible property, including loss of use resulting therefrom;
- F. Claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance of use of any owned, hired, or non-owned motor vehicle;

2. The specific insurance policies required to cover the claims listed above in subparagraph II.1 shall include terms and provisions, and be written for not less than the limits of liability, (or greater limits if required by law or contract) as shown on the "City of Alexandria, Virginia Insurance Checklist" contained in the Invitation to Bid documents.

A. Comprehensive (or Commercial) General Liability - Such Comprehensive (or Commercial) General Liability policy shall include any or all of the following as dictated on the "City of Alexandria, Virginia Insurance Checklist":

- i. Premises/Operations;
- ii. Actions of Independent Contractors;
- iii. Products/Completed Operations to be maintained for two years after completion of the work;
- iv. Contractual liability including protection for the successful bidder from claims arising out of liability assumed under this contract, and including Automobile Contractual Liability;
- v. Personal Injury Liability including coverage for offenses related to employment;
- vi. Explosion, Collapse or Underground hazards;
- vii. Broad Form Property Damage Liability including Completed Operations.

3. Commercial Automobile Liability including Uninsured Motorist' coverage.

4. Workers' Compensation - statutory benefits as required by Virginia law or the U.S. Longshoremen's and Harbor Workers' Compensation Act, or other laws as required by labor union agreements, including standard Other States coverage; Employers' Liability coverage.

PART FOUR
REQUIRED SUBMITTAL (G)

INSURANCE INFORMATION

FORM "A"
(CONTINUATION)

III. Comprehensive (or Commercial) General or other required Liability Insurance - "Claims Made" Basis

1. If Comprehensive (Commercial) General or other liability insurance purchased by the successful bidder has been issued on a "claims made" basis, the Successful Bidder shall comply with the following additional conditions. The limits of liability and the extensions to be included as described in the "City of Alexandria, Virginia Insurance Checklist" remain the same. However, the successful bidder shall either:

i. Agree to provide the certificates of insurance evidencing the above coverage for a period of two years after final payment for the contract. This certificate shall evidence a retroactive date, no later than the beginning of the successful bidder's or subcontractor's work under this contract, or

ii. Purchase (an unlimited) extended reporting period endorsement for the policy or policies in force during the term of this contract and evidence the purchase of this extended reporting period endorsement by means of a certificate of insurance or a certified copy of the endorsement itself.

FORM "B"

PROPERTY INSURANCE - BAILEE

I. Property Insurance

All Risk insurance covering property of the City while in the care, custody, or control of the Contractor for the purpose of having operations performed upon it/ Such insurance shall insure the legal liability of the contractor for the replacement cost of such property, and shall be written at a limit satisfactory to the City. Limits should equal at least the maximum value of City property in the possession of the Contractor at any given time.

EXHIBIT I

LICENSE AGREEMENT

THIS AGREEMENT ("Agreement") is made this _____ day of _____, 20__, by and between the City of Alexandria, a municipal corporation of Virginia (the "Licensor"), and _____ (the "Licensee").

WHEREAS, Licensee is the owner of the "_____" and desires to operate a boat service ("Service"), using the "_____" from the Alexandria Marina in the City of Alexandria, Virginia; and

WHEREAS, Licensor owns the Alexandria Marina which is suitable for docking boats; and

WHEREAS, Licensor is willing to permit Licensee to use the Alexandria Marina for docking purposes in accordance with the terms and conditions set forth below;

NOW, THEREFORE, it is mutually agreed as follows:

1. Representations. By executing this Agreement, the Licensee warrants that it is the legal owner of the vessel described in paragraph 15 below (the "Vessel") and is authorized to enter into this Agreement.

2. Applicability of City, State and Federal Law. This Agreement is subject to title 6, chapter 3 of the Alexandria city code and all applicable provisions of federal, state and local law. In particular, this Agreement is subject to, and Licensee

shall comply with, the criminal, fire, health and safety laws of the City of Alexandria and the Commonwealth of Virginia pertaining to the operation of the Vessel. Licensee shall permit officers and employees of the City of Alexandria charged with the enforcement of such laws to board and inspect the Vessel for the purpose of enforcing such laws.

3. Rules and Regulations. Licensee shall comply with the Rules and Regulations of the Alexandria Marina, including any amendments which may be adopted during the term of this Agreement. The current Rules and Regulations are set forth in Attachment A to this Agreement and are incorporated by reference into this Agreement as if fully set forth herein.

4. Insurance. Licensee shall provide a certificate of insurance to the Licensor that shows that Licensee and the Vessel, are covered by:

(a) property damage insurance in an amount sufficient to replace the Vessel in case of its total destruction;

(b) liability insurance in an amount not less than \$1,000,000 per person per occurrence and \$3,000,000 in the aggregate per occurrence which insures the Licensee against claims of personal injury and property damage arising from the negligent operation of the Vessel by the Licensee or Licensee's agents and employees;

(c) insurance in the amount of not less than \$1,000,000 per occurrence which insures Licensee, regardless of fault or negligence by Licensee or any agent or employee of Licensee, against claims of damage to property of the City of Alexandria caused by (i) the operation of the Vessel by Licensee or any agent or employee of Licensee, and (ii) any casualty or event involving Licensee's boat service, the Vessel, or any agent, employee, invitee or guest of Licensee; and

(d) wreck removal insurance to cover the cost of removing the Vessel if it should sink or become awash, and the Licensor shall be named beneficiary of such policy. Licensee agrees to maintain such insurance coverage throughout the term of this Agreement, and to furnish evidence to the Licensor of such coverage prior to the effective date, and throughout the term, of this Agreement. In addition, Licensor shall be named on the liability insurance policy required by subparagraph (b) as an additional insured.

5. Indemnification. Licensee agrees to indemnify and hold harmless the Licensor and all of its officers, employees and agents from and against all suits, actions, causes of action, damages, claims, liability and expenses (including court costs and attorney's fees), and against any losses incurred by Licensor, resulting from or arising out of any act or omission of the Licensee or any of its employees, agents, invitees, licensees or guests in the course of operating, maintaining or using the

Vessel while located within or approaching or departing the Alexandria Marina.

6. Waiver of Licensor's Liability. By executing this Agreement, Licensee expressly acknowledges and agrees that the Licensor and its officers and employees shall not be liable to Licensee or to any of its employees, agents, invitees, licensees or guests for any bodily injury or property damage sustained by any of them while on Licensee's Vessel or while at or on the Alexandria Marina, or for any property damage to Licensee's Vessel sustained while the Vessel is in or is approaching or departing the Marina, except to the extent such injury or damage is caused by the negligence of the Licensor or its officers or employees.

7. Grant and Term of License.

(a) This Agreement grants non-exclusive permission for the Licensee to operate, on a regular basis, a boat service using the Vessel from the Berth (as defined below) at the Alexandria Marina for the term of this Agreement.

(b) Licensee shall be permitted to berth at Commercial Berth 5, Torpedo Factory North Pier ("Berth").

(c) The term of this Agreement shall be from _____, 2000, to and including _____, 2005.

8. Special Conditions of License.

(a) Commuting Restriction. No voyage commencing before 9:30 a.m. on Monday through Friday of any week shall

discharge passengers at any place other than the Torpedo Factory North Pier. The parties expressly agree that this condition is intended to prevent use of the Service or the Vessel for commuting purposes.

(b) Trash Removal and Disposal. Licensee shall provide convenient on-board trash receptacles for use by clients of the Service and shall, at its own expense, regularly remove and dispose of all trash and debris from the operation of the Service. No trash or debris shall be deposited on any part of the Alexandria Marina by Licensee. If Licensee should fail to fulfill its obligations under this section, as determined by Licensor and in its sole discretion, Licensor may arrange and pay for such collection of litter, debris and refuse. Licensee shall, upon demand by Licensor, reimburse Licensor for expenses incurred for such collection of refuse within 30 days of Licensee's receipt of a billing statement issued by Licensor itemizing such expenses.

(c) Navigation Hazard. Whenever Licensor shall reasonably determine that the Vessel or operation of the Service presents a navigational hazard if berthed at the Berth, Licensor shall use its best efforts to make reasonable arrangements for the Service to continue from another location at the Alexandria Marina.

(d) Refueling. Refueling operations are prohibited from taking place at the Torpedo Factory North Pier.

(e) Signs. Licensee shall not erect or maintain any sign in conjunction with or calling attention to the Service unless the sign complies with applicable provisions of the Alexandria Zoning Ordinance, and approval for such sign has been obtained from Licensors and, if applicable, the Alexandria Board of Architectural Review.

9. Renewal. This Agreement may not be renewed.

10. Annual Fee.

(a) Licensee shall pay to Licensors an annual fee for the license granted under this Agreement. The fee shall be _____ per year, payable at the rate of \$_____ per month.

(b) If Licensee fails to pay any installment in full within ten calendar days of the installment's due date, Licensee shall be liable for a penalty, equal to 10 percent of said installment, plus interest, based upon the amount unpaid and a rate of 10 percent per annum (compounded annually), from the due date. Any such penalty and interest shall be due at the next installment due date.

11. Waterfront Events. Use of the Berth shall be dependent upon the scheduling by Licensors of waterfront upkeep and maintenance activities, dredging activities, pier construction, repair and renovation activities, any other waterfront construction and harbor improvement activities, and any emergency repairs or events that restrict access of the Vessel to the Berth (collectively, "Waterfront Events"). If a Waterfront Event

requires the moving of the Vessel, Licensor will attempt to locate another docking location for Licensee but if Licensor fails to do so, then Licensee shall be responsible for finding an alternate docking location. If a Waterfront Event renders Licensee unable to use the Berth for the purpose of embarking or disembarking passengers, Licensor will use its best efforts to locate an alternate docking facility suitable for loading and discharging passengers. For each day in excess of two (2) per calendar month between May 1 and October 1 of any year of the term of this Agreement that Licensee is unable to tie up to the Berth during normal hours of operation because of a Waterfront Event, Licensee shall be entitled to the pro rata reduction of its monthly payment of the license fee.

12. Assignment. This Agreement may not be assigned by the Licensee without the consent of Licensor.

13. Termination. In the event that Licensee violates any of the terms of this Agreement, Licensee shall be considered in default. If such default continues for 30 days after Licensee has received written notice of the default, then this Agreement may be terminated, effective immediately, by Licensor.

Notwithstanding the above, Licensor shall have the right to terminate this Agreement, effective immediately, in the event Licensee shall be adjudicated a bankrupt, or if a receiver is appointed in a legal proceeding of any kind to take possession of

the assets of Licensee, or if any creditor of Licensee shall seize, take possession of or foreclose upon the Vessel.

14. Removal. If this Agreement is terminated, the Vessel shall be immediately removed from and cease utilizing the Alexandria Marina and any alternate docking facility owned by Licensor. If it becomes necessary for Licensor to remove or cause the removal of the Vessel through any legal proceeding, or otherwise, then the Licensor shall be entitled to recover all costs incurred in conjunction with such proceeding, including attorney's fees, from the Licensee and any successor in interest in ownership or possession of the Vessel, and such liability shall be joint and several.

15. Vessel. The Vessel subject to this Agreement is the "_____", a _____ vessel built in _____, which is _____ feet long and _____ feet wide, can carry a maximum of _____ passengers and is owned by Licensee. In the event Licensee wishes to replace the "_____" with another vessel during the term of this Agreement, it may do so, provided the following conditions are met: (i) the replacement vessel is no larger in size than the "_____", (ii) Licensor consents to the replacement, and (iii) Licensor and Licensee agree upon an annual fee, to replace the fee defined in subparagraph 10(a), solely to reflect any increase or decrease in the value of the replacement vessel over the value of the "_____." If these conditions are met, the

replacement vessel shall, for purposes of this Agreement, be considered the Vessel.

16. Parking. Licensee shall take all reasonable efforts to advise passengers of the Service to avoid on-street parking in the City, including, without limitation, providing passengers and their agents with maps and directions to off-street parking facilities in the City and making such maps and directions available at Licensee's office and on any vessels used under this Agreement. Licensee shall also consider in good faith Licensee's participation in programs that call for retailers in Old Town Alexandria to provide financial incentives to their customers to use off-street parking facilities.

17. Utility and Service Costs. Licensee shall pay the cost of bringing or otherwise making available any utility service to the Vessel, the cost of submetering any service providing utilities to the Vessel, and the cost of all utilities, with the exception of water, consumed or utilized by the Vessel. Licensor shall provide Licensee with invoices for monthly utility usage, and Licensee shall pay such invoices or reimburse Licensor for such invoices, as the case may be, within 30 days of receipt.

18. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

CITY OF ALEXANDRIA, a municipal
corporation of Virginia

Date: _____

By: _____
Philip Sunderland,
City Manager

Date: _____

By: _____

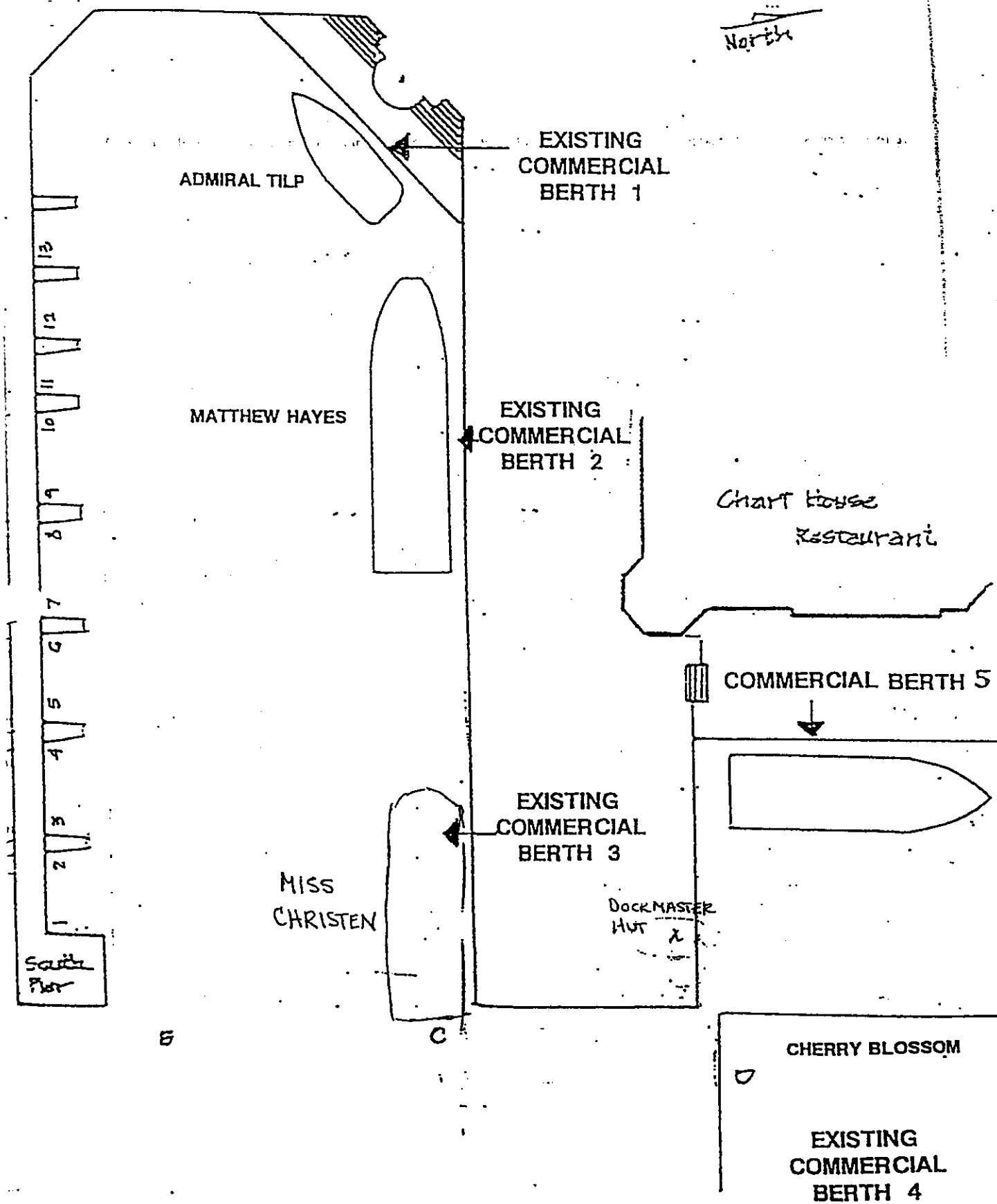
Name: _____

Title: _____

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MARINA NORTH PIER

EXHIBIT II



ALEXANDRIA

WATERFRONT PIERS

SCALE 1" = 40'

EXHIBIT III

**RULES AND REGULATIONS
OF THE CITY OF ALEXANDRIA, MARINA**

The following rules and regulations are applicable to all vessels docking at the City of Alexandria Marina.

Vessels must have operational engine(s) and, except in the case of any emergency, must be under power, not sail, when entering or leaving the marina.

Vessels shall be subject to periodic inspection by the city to ensure the following: conformity with United States Coast Guard rules and regulations; maintenance of proper safety conditions while at the Marina, including such safety concerns as the proper placement of dock lines and properly operating engine(s); and the overall cleanliness, appearance and maintenance of the vessel.

Vessels granted a slip at the Torpedo Factory south pier shall be ones for pleasure only, except by special permit from the City.

Vessels shall be registered, documented, marked and maintained as required by law and safe practice.

If a vessel needs to be moved and the occupants cannot be reached after a reasonable attempt has been made, the city reserves the right to have a vessel moved to another location, but the city shall not be liable for any damages that result from such relocation.

Vessels that are abandoned or whose owners have not paid dockage fees after notice is provided by the city to the vessel by the procedures set forth in section 6-3-7 of the Alexandria City Code may be removed by the city.

The vessel owner shall be responsible for the conduct of his or her guests and for any damage caused by the vessel while located within or approaching the city marina.

Boisterous conduct and loud music are prohibited.

No maintenance, painting or repair of vessels is permitted while a vessel is tied up at the city marina without prior approval of the Dockmaster.

All walkways, pilings, and other marina facilities shall be kept clear of materials such as carpeting, storage boxes, as hoses, dinghies, cushions. Water hoses and power cords to shore must be neatly positioned so as not to impede traffic to and from adjacent vessels.

All refuse and trash must be placed in the receptacles provided on the pier. The off-loading of items such as waste oil and batteries, whose contents could stain the dock are prohibited without the Dockmaster's prior approval.

Laundry is not to be hung from boat rigging, lifelines, pulpits, slips or docks.

All boats shall be equipped with a fully functioning bilge pump. However, the discharge of bilge fluid, raw sewage or other waste into the river is prohibited.

No vessel may dock overnight at the city marina unless equipped with a holding tank.

No swimming, windsurfing, jet skiing, diving, or fishing is permitted at the city marina.

Commercial advertising, including "For Sale" signs, is prohibited.

While at the city marina, no vessel may engage in boat charters or boat rides, nor may merchandise or services be sold from it, nor may any other commercial activity be conducted from it without the prior approval of the Dockmaster.

EXHIBIT III (Continued)

Open fires on docks and boats are prohibited.

Pets must be leashed at all times while traveling on city property.

Boats must be in seaworthy condition and not constitute a fire hazard.

The public consumption of alcoholic beverages at the city marina is prohibited unless in conjunction with a special event authorized by the city.

Violation of any of these rules and regulations and any other improper conduct by a vessel owner or his or her guest may be cause for immediate cancellation of the owner's contract.

The city reserves the right to not be refund any fees for the rental of any slip at Alexandria Marina when the city terminates a slip rental contract pursuant to any violation of these rules and regulations.

It is agreed that fees do not include charges for work of any kind, including emergency work. The marina shall be paid by the owner for all services performed, or goods or materials used in any work done to safeguard the boat, whether or not the work was successful. Failure to pay such charges when due may, at the city's option, be treated in the same manner as failure to pay slip rent when due.

The city reserves the right to reject this application if the subject vessel's electrical service requirements exceed the marina's capabilities at available dock space.

The city shall have the authority to interpret and enforce these rules and regulations in its best interests.



City of Alexandria, Virginia

ATTACHMENT C



FINANCE DEPARTMENT

Purchasing Division

Suite 301 - Banker's Square

100 North Pitt Street

Alexandria, Virginia 22314

(703) 838-4944

FAX (703) 838-6493

April 26, 2000

ADDENDUM I

REQUEST FOR PROPOSALS #0135

**BERTH LICENSE FOR A COMMERCIAL, PASSENGER
CARRYING OPERATION AT THE CITY MARINA**

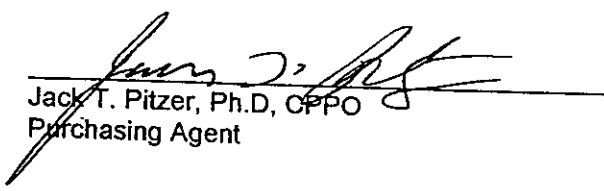
CLOSING DATE & TIME: REMAINS UNCHANGED

This addendum consists of this one (1) page cover sheet with signature acknowledgment, and three (3) pages of questions posed at the pre-proposal conference held on April 17, 2000. Offers must be returned by the Closing Date and Time.

DIRECT ANY QUESTIONS TO THE CONTRACTING OFFICER:

Joseph V. Reca, CPCM, Senior Buyer, Phone: (703) 838-4944, Fax: (703) 838-6493

THE CITY RESERVES THE RIGHT TO REJECT ANY OR ALL OFFERS AND TO ACCEPT THE OFFER WHICH IS IN THE BEST INTERESTS OF THE CITY. ALL OTHER TERMS AND CONDITIONS OF THIS REQUEST FOR PROPOSAL REMAIN IN FULL FORCE AND EFFECT.


Jack T. Pitzer, Ph.D., CPPO
Purchasing Agent

4/24/00
Date

IMPORTANT - This addendum cover page must be signed and included with your offer.

ACKNOWLEDGMENT OF RECEIPT

COMPANY NAME:

AUTHORIZED SIGNATURE:

NAME AND TITLE:

TELEPHONE NUMBER:

Date

ADDENDUM I TO RFP NO. 0135

1. Question: Page 2, Article "T", Contract Period states: "The term of this contract shall be for five (5) years from date of contract execution." If the contract is awarded too late to begin operations this summer season, will the contract be extended to allow the Contractor to recover its fifth (5th) season?

Answer: Yes, the term of the contract, and license, will be such that the Contractor will be able to operate for five (5) summer seasons.

2. Question: Page 5, Item 4c. Is the Offeror required to submit all organizational history, or only that which pertains to its water operations?

Answer: All organizational history is required.

3. Question: Page 6, Item 4e states: "Identify the complete business name, address, and telephone number of marina owners where the Offeror has, or is, performing services similar to those in this Request for Proposal. For each marina describe the type of operation the Offeror has, or is, performing." Does this include operations which are not related to vessel operations?

Answer: Yes.

4. Question: Page 7, Item "E" states: "Other benefits the Offeror perceives as to the City's advantage through the Offeror's operation." What in the past has the City seen as advantageous?

Answer: Tours to destinations such as Washington D.C. and Mt. Vernon, as well as charter vessels have been seen as advantageous. Offerors are strongly cautioned the City will consider all criteria set forth in Page 1, Article "C", Evaluation Criteria.

5. Question: Page 8, Statement of Work, Purpose and Background states: "Acceptable uses of this space include embarkation and disembarkation of passengers for seasonal tours, cruises, shuttles, or charters along the Potomac River." Can the City clarify the term "shuttle"?

Answer: The term "shuttle" is not construed to include transportation for commuter operations. The term "commuter" is defined as passengers who are utilizing the vessel as a means of transportation to and from their workplace. Also, refer to Exhibit I, License Agreement, Page 5, Article 8(a) wherein it states: "The parties expressly agree that this condition is intended to prevent use of the Service or the Vessel for commuting purposes." Services which shuttle for the purpose of dropping off and picking up tourists from various points of interest are not considered "commuter" in nature.

ADDENDUM I TO RFP NO. 0135

6. Question: Page 8, Statement of Work, "Vessel Height". What is the purpose of the height restriction?

Answer: The berth is adjacent to the Chart House Restaurant. The height restriction is so as not to impede the view of the Potomac River for restaurant patrons.

7. Question: Exhibit I, License Agreement, Page 6, Article 11, Waterfront Events. Who is responsible for dredging?

Answer: The City.

8. Question: Will payments be made on a monthly basis?

Answer: Yes.

9. Question: Will payments on the license be required immediately upon execution of the contract, or can they commence at the same time the Contractor occupies the berth?

Answer: The payments, and term of the license agreement, will be amended to commence when the berth is initially occupied. Thereafter, the Contractor shall be obligated to make continual monthly payments regardless of whether the berth is occupied by the Contractor's vessel.

10. Question: Is there a dumpster for trash removal?

Answer: No.

11. Question: Is the Contractor required to purchase provisions from the food court vendors?

Answer: No.

12. Question: What are the alcohol licensing requirements?

Answer: While inside the pier line, the vessel shall be under the Virginia Alcohol Beverage Commission (ABC) regulations. All operations of the vessel beyond the pier head line are subject to the ABC regulations of the District of Columbia and Maryland, depending on which jurisdictions' waters the vessel is upon.

13. Question: Can meals and beverages be served on the vessel?

Answer: Yes, so long as the serving of meals and beverages are offered during the course of providing a tour or charter service and the vessel does not merely operate as a "floating restaurant".

ADDENDUM I TO RFP NO. 0135

14. Question: Are there any conditions which would impose limitations on what services can be provided at the berth?

Answer: Refer to Questions 11, 12 & 13 regarding the serving of food and refreshments. Also, the vessel operator will be required to obtain an Alexandria business license, and would be subject to the City's noise ordinance, dock ordinance, the dockmaster's regulations, the food handling code, and zoning ordinance.

Title Page

REQUEST FOR PROPOSAL NUMBER 0135
FOR
BERTH LICENSE FOR A COMMERCIAL,
PASSENGER CARRYING OPERATION AT
THE CITY MARINA

Submitted By:

L. A. Yachts, Inc
2412 Belle Haven Meadows Court
Alexandria, VA 22306
(703) 768-6113

CEO and Contact: Kathleen Stevens

Prepared: May 2, 2000

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Letter of Transmittal

Attached to this letter of transmittal is L.A. Yachts' bid in response to the City Of Alexandria's request for proposal number 0135, " Berth License for a Commercial, Passenger Carry Operation at the City Marina", dated March 31, 2000.

Kathleen Stevens, Chief Executive Officer / Secretary, L.A. Yachts Inc., and George Stevens, President / Treasurer, L.A. Yachts Inc., are authorized to make representations on behalf of L.A. Yachts, Inc. in conjunction with this bid.

Their mailing address is:

2412 Belle Haven Meadows Court
Alexandria, VA 22306
(703) 768-6113

Kathleen Stevens is authorized to bind L.A. Yachts, Inc. to contract with the City of Alexandria.

A handwritten signature in cursive script, reading "Kathleen Stevens", is written over a horizontal line.

Kathleen Stevens
Chief Executive Officer / Secretary
L.A. Yachts, Inc.

Profile of the Offeror

L. A. Yachts, Inc. is a local corporation headquartered in Alexandria, VA and incorporated in the State of Virginia.

L. A. Yachts, Inc. has been incorporated in the State of Virginia since January 18th, 2000. This is the only name the Corporation has operated under and has operated only in Alexandria, VA.

In addition to operating L. A. Yachts, Inc., both officers of the Corporation have operated Belle Haven Marina, Inc. for seventeen years. Belle Haven Marina, Inc. is a Virginia Corporation that provides marina services and a Sailing School at Belle Haven Marina in Alexandria, Virginia. The marina offers 145 slips for boats ranging from 15 feet length to 59 feet length overall. Belle Haven Marina maintains the largest waiting list of any facility in the metropolitan area. The Mariner Sailing School, Virginia's largest full time sailing operation, teaches basic, advanced and cruising courses to approximately 800 adults and 400 children every year. The School attracts most of its clients from the Alexandria area, but reaches out to the entire Atlantic seaboard as well. For over ten years, Belle Haven Marina offered discounted rates to residents of Alexandria through the City's Recreation Department. Over the past 17 years, there have been no lawsuits or injuries.

As L. A. Yachts, Inc. has been incorporated since January 18th, 2000, there has not been an audited annual financial statement. Attached in Appendix D are independently audited annual financial statements for Belle Haven Marina Inc. demonstrating successful operation by L. A. Yachts, Inc.'s two principal officers.

Required Representations by Offeror

Representations by L. A. Yachts, Inc., a company licensed to operate a commercial passenger carrying vessel.

L. A. Yachts, Inc. is incorporated in the Commonwealth of Virginia. See copy of Letter of Incorporation dated January 18th, 2000 in Appendix A.

L. A. Yachts, Inc. currently operates one vessel that will be used in conjunction with this bid. This vessel, "Potomac Belle" hull # SEIMERS59C090, was last inspected by the United States Coast Guard Office of Small Boat Passengers Inspections on May 3rd, 2000. "Potomac Belle" will be certified to carry 49 passengers and a crew of 2. (See Appendix B.)

Offeror's Response to the Statement of Work

L.A. Yachts, Inc. proposes to operate the "Potomac Belle", a 59' motor vessel built in 1990 by Bluewater Yachts in Mora, MN as a charter vessel serving the residents and businesses of Alexandria, VA.

A) Charter Description

The vessel will be available for social and professional events. These would include business conferences, family re-unions, weddings, birthday parties, etc.

a) The "Potomac Belle" will provide small groups affordable cruises lasting from 3 hours to all day.

b) The "Potomac Belle" will offer a unique opportunity in that the customer will dictate the itinerary, length of time and destination of the charter. The shallow draft of the vessel affords safe operation over virtually all of the Potomac, allowing the Captain to provide the charters a wider range of shoreline vistas.

c) The "Potomac Belle" will charter for \$350.00 per hour with a three hour minimum. This fee includes the vessel and crew. The charterer can arrange for the caterer of their choice independent of the cost of the cruise. A list of Alexandria based catering companies will be provided ahead of time to each charterer.

d) The "Potomac Belle" will offer daily charters, ten months a year, with an off-season between January 2nd and March 15th. The clients will dictate the hours of the charter.

e) As L.A. Yachts will not provide food or beverages, it is anticipated that the "Potomac Belle" will provide increased business to Alexandria caterers.

B) Vessel Description

- a) The "Potomac Belle" is a 59' coastal cruiser manufactured by Bluewater Yachts of Mora, MN in 1990.
- b) "Potomac Belle" has a LOA of 59', 14' beam, 23" draft, 10' height above the waterline and a tonnage of 34.
- c) Potomac Belle is USCG certified for 49 passengers.
- d) The vessel will operate with a minimum of two crew and a maximum of three and one receptionist for shore support.
- e) The estimated value of the Potomac Belle as certified for 49 passengers is approximately \$150,000.00.
- f) Berthing requirements are minimal for this vessel. Water and shore power are all that are required. All other requirements are self contained.

C) Parking

The small passenger load of the vessel will have minimally impact on available public lot parking. All charterers will be notified ahead of time to car pool and the location of public parking lots in the City.

D) Estimate of Revenue

L.A. Yachts estimates that the revenue the City could potentially realize from this bid is \$18,540.00 per year. This figure is based on the following:

Dock fees of \$1200.00 per month	\$14,400 yearly
Sales tax from caterers based upon 160 charter days per year averaging 30 passengers per charter day at \$25.00/person for catering is \$90,000 per annum at 3% Alexandria food tax.	\$2700.00 yearly
Collateral business based upon 160 charter days per year averaging 30 passengers per charter days, 2/3 of whom will spend \$20.00 per person in Alexandria establishments, post or pre cruise.	\$1440.00 yearly

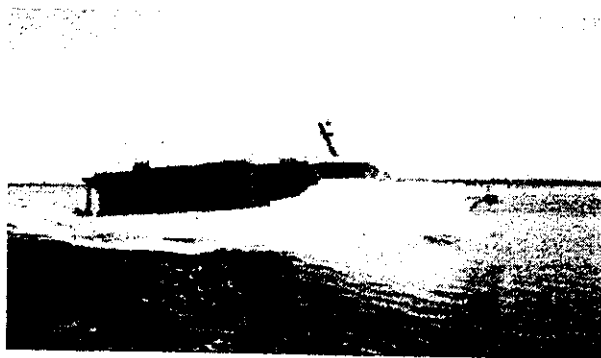
Far greater values may be realized by the City that we are not aware of at this time.

E) Ample tour boat resources are currently available for tourists. Citizens have only the use of large, costly and public tour boats. L.A. Yachts' proposal to berth the "Potomac Belle" at the City dock provides Alexandria residents, businesses and trade associations with an affordable and unique experience to conduct business and social events. The limited number of passengers and flexible hours of operation enhance the unique personal services of a small vessel for the cruise trade.

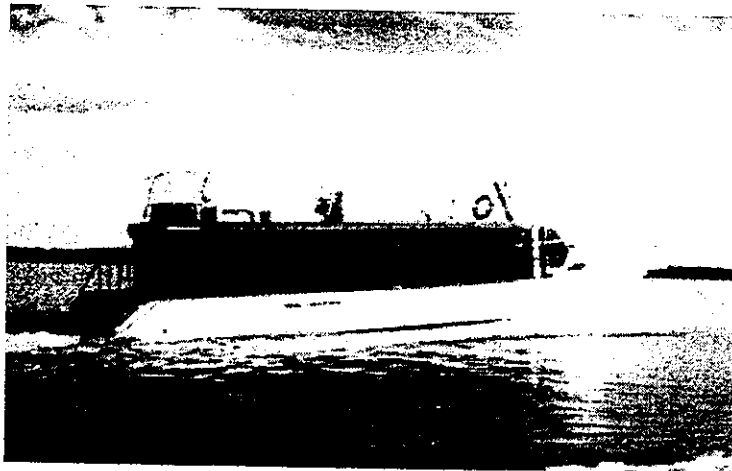
Alternate Service / Approach to the Work

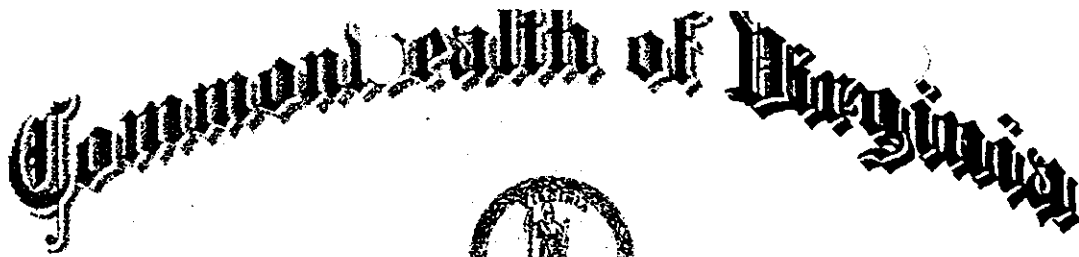
We believe our proposal to base the "Potomac Belle" at the City dock is in the best interest of Alexandria. An alternate approach to provide this unique service to citizens and businesses is through the waiver of pickup / dropoff fees on the transient docks if this bid is not accepted.

Additional Data



Potomac Belle
cruising the Potomac.





STATE CORPORATION COMMISSION

Richmond, January 18, 2000

This is to Certify that the certificate of incorporation of

L.A. Yachts, Inc.

*was this day issued and admitted to record in this office and that
the said corporation is authorized to transact its business subject
to all Virginia laws applicable to the corporation and its business.
Effective date: January 18, 2000*



State Corporation Commission

Attest:

Joel H. Hesk

Clerk of the Commission



UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
UNITED STATES COAST GUARD

TEMPORARY CERTIFICATE OF INSPECTION

This Temporary Certificate of Inspection is issued under the provisions of Title 46 United States Code, Section 3309(b) in lieu of the regular certificate of inspection, and shall be in force only until the receipt on board said vessel of the original certificate of inspection, this certificate in no case to be valid after one year from the date of inspection.

VESSEL POTOMAC M/V HARBOR BELLE		OFFICIAL NUMBER CG 058351
CLASS PASSENGER	GROSS TONS	HOME PORT ALEXANDRIA, VA
OWNER/ADDRESS GEORGE H. STEVENS BELLE HAVEN MARINA PO BOX 7093 ALEXANDRIA, VA 22307		OPERATOR/ADDRESS - SAME -
The following complement of licensed officers and crew is required to be carried, included in which there must be Certificated Lifeboatmen and _____ Certificated Tankermen:		
<u>01</u> Master	Master & 1st Class Pilot	Able Seamen
Chief Mate	Class Pilot	Ordinary Seamen
2nd Mate	Radio Officer	<u>01</u> Deckhands
Mate(s)	Operator(s)	Engineer(s)
Chief Engineer	1st Asst. Engineer	2nd Asst. Engineer
Firemen/Watertenders	Others	
In addition the vessel may carry _____ other persons in the crew, <u>47</u> passengers, _____ persons in addition to the crew, and _____ Total persons allowed <u>49</u>		
Maximum steam pressure allowed <u>N/A</u> p.s.i.		DATE DRYDOCKED 28 MARCH 2000
ROUTE PERMITTED AND CONDITIONS OF OPERATION RIVERS POTOMAC RIVER NORTH OF THE 301 BRIDGE. NO MORE THAN ONE (1) MILE FROM SHORE. IF THE VESSEL IS AWAY FROM THE DOCK, OR PASSENGERS ARE ON BOARD OR HAVE ACCESS TO THE VESSEL FOR A PERIOD EXCEEDING TWELVE (12) HOURS IN A TWENTY-FOUR (24) HOUR PERIOD, AN ALTERNATE CREW SHALL BE PROVIDED. THE MINIMUM NUMBER OF CHILD-SIZE LIFE PRESERVERS REQUIRED IS FIVE (5). IF MORE THAN 5 CHILDREN ARE CARRIED, ADDITIONAL CHILD-SIZE LIFE PRESERVERS SHALL BE CARRIED SO THAT THE VESSEL HAS AN APPROVED LIFE PRESERVER SUITABLE FOR EACH CHILD ONBOARD. WHEN OPERATING AS AN UNINSPECTED PASSENGER VESSEL THE MAXIMUM NUMBER OF PASSENGERS IS SIX (6). REQUIRED MANNING IS ONE (1) LICENSED OPERATOR OF UNINSPECTED PASSENGER VESSELS.		
Inspection of the above vessel was completed on <u>03 MAY 2000</u> I HEREBY CERTIFY that on this date the vessel was in all respects in conformity with applicable vessel inspection laws and regulations prescribed thereunder. OFFICER IN CHARGE, MARINE INSPECTION B.F. POSKAITIS, LCDR, USCG, By direction DEPT. OF TRANSP. USCG - CG-854 (REV. 2-79) PREVIOUS EDITIONS ARE OBSOLETE		
INSPECTION ZONE Baltimore, Maryland		KOHBERGER

PART FOUR
REQUIRED SUBMITTAL (A)
FIRM INFORMATION SHEET
REQUEST FOR PROPOSAL NUMBER 0135
BERTH LICENSE FOR A COMMERCIAL, PASSENGER CARRYING OPERATION
AT THE CITY MARINA
CLOSING DATE AND TIME: xxxxxxxx, 2000, AT 4:00 P.M.

In compliance with the requirements, terms and conditions of the Request for Proposal and Part Three, "Statement of Work" the undersigned offers and agrees, if its proposal is accepted, to furnish the services within the time period specified in the Request for Proposal. If the City accepts a proposal, the City intends to enter into a contract with the offeror to provide the services as set forth in the Request for Proposal and described in Part Three, "Statement of Work." However, after selection of an apparent successful offeror, the City reserves the right to negotiate further with one or more other offerors if the City is unable to conclude a mutually agreeable contract with the highest ranked offeror.

The requirements, terms and conditions of the Request for Proposal, and Part Three, "Statement of Work," and the successful offeror's proposal will become an integral part of the contract. However, an offeror's proposal and the requirements, terms and conditions of the Request for Proposal and Part Three, "Statement of Work" may be modified in the final contract as a result of further negotiations between the City and the Offeror.

Name and Address of Firm:

L. A. Yachts Inc.
2412 Belle Haven Meadows Dr
Alexandria VA 22306

Telephone No: 703-768-6113

Check One: ☐ Individual ☐ Partnership ☒ Corporation

State where Incorporated: VIRGINIA

Federal Tax Identification Number: 54-1972957

State of Virginia Charter Number: 0533165-7

Impress Corporate Seal Here

SIGNATURE OF AUTHORIZED REPRESENTATIVE Kathleen Stevens
PRINT OR TYPE NAME AND TITLE
OR AUTHORIZED REPRESENTATIVE KATHLEEN STEVENS CEO

DATE 5/2/00

PART FOUR

REQUIRED SUBMITTAL (B)

**CITY OF ALEXANDRIA
FINANCE DEPARTMENT
PURCHASING DIVISION**

BLANKET AGREEMENT FORM

Each contractor desiring to transact business with the City of Alexandria is required to provide the information requested below and to complete the agreements contained herein. A failure to complete this form and/or to sign the agreements that follow will be cause to declare the bid non-responsive. This agreement contains:

1. **EQUAL OPPORTUNITY AGREEMENT STATEMENT**
2. **CERTIFIED STATEMENT OF NON-COLLUSION**
3. **DISCLOSURES RELATING TO CITY OFFICIALS AND EMPLOYEES**

Please provide the information listed below and sign each of the forms that follow:

NAME OF COMPANY L. A. Yachts Inc.

ADDRESS 2412 Belle Haven Meadows Ct. Alexandria VA 22304

PRINTED NAME KATHLEEN STEVENS

TITLE CEO

DATE May 2, 2000

EACH OF THE FOLLOWING AGREEMENTS MUST BE SIGNED INDIVIDUALLY

PART FOUR

REQUIRED SUBMITTAL (C)

EQUAL EMPLOYMENT OPPORTUNITY AGREEMENT

The contractor hereby agrees:

(1) Not to discriminate against any employee or applicant for employment on account of race, color, religion, sex, ancestry, national origin, marital status, age or handicap, except as is otherwise provided by law.

(2) To implement an affirmative action employment program as defined in section 12-4-3 of the Code of the City of Alexandria, Virginia, 1981, as amended, to ensure non-discrimination in employment under guidelines to be developed by the commission and approved by the city council.

(3) To include in all solicitations or advertisements for employees placed by or in behalf of the contractor the words "Equal Opportunity Employer" or a symbol, approved by the Alexandria Human Rights Commission, meaning the same.

(4) To notify each labor organization or representative of employees with which said contractor is bound by a collective bargaining agreement or other contract of the contractor's obligations pursuant to this equal employment opportunity clause.

(5) To submit to the city manager and the city's human rights administrator, upon request, no more frequently than annually, regular equal employment opportunity reports on a form to be prescribed by the city manager.

(6) To make reasonable accommodation to the known physical or mental limitations of an otherwise qualified handicapped applicant or employee unless the contractor can demonstrate that the accommodation would impose an undue hardship on the operation of the contractor's business, factors to be considered include but are not limited to, the following:

- a. the overall size of the contractor's business with respect to the number of employees, the number and type of facilities and size of budget;
- b. the type of the contractor's operation, including the composition and structure of the contractor's work force; and
- c. the nature and cost of the accommodation needed.

Contractor may not deny any employment opportunity to a qualified handicapped employee or applicant if the basis for the denial is the need to make reasonable accommodation to the physical or mental limitations of the employee or applicant.

(7) To include the provisions in paragraphs (1) through (6) hereof in every subcontract so that such provisions will be binding upon each subcontractor.

(8) In the event of the contractor's non-compliance with any provision, upon a finding of such non-compliance by the city's human rights commission and certification of such finding by the city manager, the city council may terminate or suspend or not renew, in whole or in part, this contract.

SIGNATURE

Kathleen L. Stevens

PART FOUR

REQUIRED SUBMITTAL (D)

CERTIFIED STATEMENT OF NON-COLLUSION

A. This is to certify that the undersigned is seeking, offering or agreeing to transact business or commerce with the City of Alexandria, a municipal corporation of Virginia, or seeking, offering or agreeing to receive any portion of the public funds or moneys, and that the offer or agreement or any claim resulting therefrom is not the result of, or affected by, any act of collusion with another person engaged in the same line of business or commerce; or any act of fraud punishable under Article 1.1 (Virginia Governmental Frauds Act), Chapter 12 (Miscellaneous), Title 18.2 (Crimes and Offenses Generally) of the Code of Virginia (1950), as amended.

B. This is to further certify that the undersigned has read and understands the following:

(1) The City is authorized by Section 18.2-498.4 of the Code of Virginia (1950) as amended, to require this certified statement. That section also provides that any person required to submit this statement who knowingly makes a false statement shall be guilty of a Class 6 felony.

(2) Section 18.2-498.3 of the Code of Virginia (1950), as amended, provides that any person, in any commercial dealing in any matter within the jurisdiction of any local government or any department or agency thereof, who knowingly falsifies, conceals, misleads, or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be guilty of a Class 6 felony.

(3) Section 59.1-68.7 of the Code of Virginia (1950), as amended, provides that any combination, conspiracy or agreement to intentionally rig, alter or otherwise manipulate, or to cause to be rigged, altered or otherwise manipulated, any bid submitted to any governmental unit for the purpose of allocating purchases or sales to or among persons, raising or otherwise fixing the prices of goods or services, or excluding other persons from dealing with the state or any other governmental unit shall be unlawful. Any person violating the foregoing shall be guilty of a Class 6 felony.

SIGNATURE Kathleen L. Stevens

PART FOUR

REQUIRED SUBMITTAL (E)

DISCLOSURES RELATING TO CITY OFFICIALS AND EMPLOYEES¹

A. I hereby state that, as of this date:

☒ Our firm has no reason to believe that any member of the City Council, any official or employee of the City, or any member of any commission, committee, board or corporation controlled or appointed by the City Council has already received, in connection with or related in any way to this contract, or has been promised, in the event this contract is awarded to the firm, any commission, finder's fee or other thing of value

☐ Our firm has reason to believe that the following City Council members, City officials and/or employees, and/or members of a Council-appointed or -controlled commission, committee, board or corporation have already received, in connection with or related in any way to this contract, or have been promised, in the event this contract is awarded to the firm, any commission, finder's fee or other thing of value:

name

title/position

name

title/position

B. I hereby state that, as of this date:

☒ Our firm has no reason to believe that any member of the City Council or any official or employee of the City would or may be financially affected, whether affirmatively or negatively, and whether personally or through a spouse or other family member, if this contract were awarded to the firm

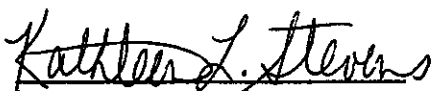
☐ Our firm has reason to believe that the following members of the City Council and officials and employees of the City would or may be financially affected, whether affirmatively or negatively, and whether personally or through a spouse or other family member, if this contract were awarded to the firm:

name

title/position

name

title/position



Signature of Certifying Officer

¹ Please attach additional sheets if needed to provide the requested disclosures.

RFP #0135 - BIRTH LICENSE FOR A COMMERCIAL, PASSENGER CARRYING OPERATION AT THE CITY MARINA

PART FOUR
REQUIRED SUBMITTAL (F)CITY OF ALEXANDRIA, VIRGINIA
INSURANCE CHECKLIST

Items marked "X" are required to be provided by bidder if contract award is made to your firm.

Coverages RequiredLimits (Figures Denote Minimum Coverage required)

- | | | |
|---|---|---|
| X | 1. Workers' Compensation & | Statutory limits of Commonwealth of Virginia |
| X | 2. Employers' Liability | \$100,000 accident, \$100,000 disease, \$500,000 limit disease |
| X | 3. USL&H Endorsement | Statutory |
| X | 4. General Liability | \$1,000,000 General Liability |
| X | 5. Premises/Operations | Complete line number 25 of this form |
| X | 6. Independent Contractors | Items numbers 4-9, & 11, 12 require |
| | | \$1,000,000 combined single limit for bodily injury and property damage for each occurrence |
| | 7. Products | |
| | 8. Completed Operations | |
| | 9. Contractual Liability | \$1,000,000 general aggregate, if applicable |
| X | 10. Personal Injury Liability | \$1,000,000 each offense/aggregate, personal injury |
| | 11. XCU Coverage | |
| X | 12. Broad Form P.D. | |
| | 13. Automobile Liability | \$1,000,000 Bodily Injury & Property Damage each accident |
| | 14. Owned, Hired & Non-owned | |
| | 15. Motor Carrier Act End. | |
| X | 16. Umbrella Liability | \$3,000,000 Bodily Injury & Property Damage, & Personal Injury |
| | 17. Garage Liability | \$_____ Bodily Injury & Property Damage Each occurrence |
| | 18. Garages/keepers' Legal Liability | Indicate Limit \$_____ - Comprehensive |
| | | Indicate Limit \$_____ - Collision |
| X | 19. City of Alexandria named as additional insured on other than Worker's Compensation & Auto. This coverage is primary to all other coverages the City may possess. | |
| X | 20. Other Insurance Required: See Forms "A" & "B" | |
| X | 21. Forty five (45) Days Cancellation, non-renewal, material change or coverage reduction notice required. The words "endeavor to" are to be eliminated from the Notice of Cancellation on standard ACORD certificates. | |
| X | 22. Best's Guide Rating: "A-" IV or better, or its Equivalent | |
| X | 23. The Certificate(s) of Insurance Provided Must State Bid Number and Bid Title | |

INSURANCE AGENT'S STATEMENT

I have reviewed these requirements with the bidder named below. Additionally:

24. The above policy(ies) carry the following deductibles: \$1,00025. Liability policies are (indicate) Occurrence ☒ Claims Made ☐John W. Martin
INSURANCE AGENT

SIGNATURE

DATE 5/2/00**BIDDER STATEMENT**

I understand the Insurance Requirements of these specifications and will comply in full if awarded this contract.

KATHLEEN STEVENS
BIDDER'S NAMESIGNATURE Kathleen StevensDATE 5/2/00

**PART FOUR
REQUIRED SUBMITTAL (G)
INSURANCE INFORMATION**

FORM "A"

(Review this section carefully with your insurance agent prior to bid submission. See "Insurance Checklist" for specific coverage requirements applicable to this contract).

I. General Insurance Requirements:

1. The successful bidder shall not start work under this contract until the successful bidder has obtained at his/her own expense all of the insurance required under this contract and such insurance has been approved by the City of Alexandria (City); nor shall the successful bidder allow any subcontractor to start work on any subcontract until all insurance required of the subcontractor has been obtained and approved by the successful bidder. Approval of insurance required of the successful bidder and subcontractors for the City will be granted only after submission to the Purchasing Agent of original, signed certificates of insurance or, alternately, at the City's request, certified copies of the required insurance policies.
2. The successful bidder shall require all subcontractors to maintain during the term of this agreement, Comprehensive (or Commercial) General Liability insurance, Business Automobile Liability insurance, and Workers' Compensation and Employers' Liability insurance, in the same manner as specified for the successful bidder. Upon request, the successful bidder shall furnish immediately subcontractors' certificates of insurance to the City.
3. All insurance policies required under this contract shall include the following provision: "It is agreed that this policy is not subject to cancellation, non renewal, material change, or reduction in coverage until 45 days prior written notice has been given to the Purchasing Agent for the City of Alexandria, Virginia." The words "endeavor to" are to be eliminated from the cancellation provision of standard ACORD certificates of insurance.
4. No acceptance and/or approval of any insurance by the City shall be construed as relieving or excusing the successful bidder, or the surety, or its bond, from any liability or obligation imposed upon either or both of them by the provisions of the contract documents.
5. The City of Alexandria (including its officers, agents and employees) is to be named as an additional insured under all coverage except Workers' Compensation and Automobile Liability, and the certificate(s) of insurance, or the certified policy, if requested, shall so state this. Coverage afforded under this paragraph shall be primary with respect to the City, its officers, agents and employees.
6. The successful bidder shall provide insurance as specified in the "City of Alexandria, Virginia Insurance Checklist".
7. The successful bidder covenants to save, defend, keep harmless and indemnify the City and all of its officers, agents and employees (collectively the "City") from and against any and all claims, lawsuits, liabilities, loss, damage, injury, costs (including litigation costs and attorney's fees), charges, liability or exposure, however caused, resulting from or arising out of or in any way connected with the successful bidder's performance or nonperformance of the terms of the contract documents or its obligations under the contract. This indemnification shall continue in full force and effect until the Successful Bidder completes all of the work required under the contract, except that indemnification shall continue for all claims involving products or completed operations after final acceptance of the work by the City for which the City gives notice to the successful bidder after the City's final acceptance of the work.
8. The successful bidder shall be responsible for the work performed under the contract documents and every part thereof, and for all materials, tools, equipment, appliances, and property used in connection with the contract. The Successful Bidder assumes all risks for direct and indirect damage or injury to the property or persons used or employed on or in connection with the work contracted for, and of all damage or injury to any person or property wherever located, resulting from any action, omission, commission or operation under the contract, or in connection in any way whatsoever with the contracted work.
9. Insurance coverage required in these specifications shall be in force throughout the contract term. Should the successful bidder fail to provide acceptable evidence of current insurance within seven days of written notice at any time during the contract term, the City shall have the absolute right to terminate the contract without any further obligation to the successful bidder shall be liable to the City for the entire additional cost of procuring performance and the cost of performance of the uncompleted portion of the contract at the time of termination.
10. Contractual and other liability insurance provided under this contract shall not contain a supervision, inspection or engineering services exclusion that would preclude the City from supervising or inspecting the project. The successful bidder shall assume all on-the-job responsibilities as to the control of persons directly employed by it and of the subcontractors and any persons employed by the subcontractor.
11. Nothing contained in the specifications shall be construed as creating any contractual relationship between any subcontractor and the City. The successful bidder shall be fully responsible to the City for the acts and omissions of the subcontractors and of persons employed by them as it is for the acts, commissions and omissions of persons directly employed by it.
12. Precaution shall be exercised by the successful bidder at all times for the protection of persons, (including employees) and property. All existing structures, utilities, roads, services, trees, and shrubbery shall be protected against damage or interruption of service at all times by the successful bidder and its subcontractors. The successful bidder shall be held responsible for any damage to persons (including employees) and property occurring by reason of its operation on the property.

**PART FOUR
REQUIRED SUBMITTAL (G)**

INSURANCE INFORMATION

**FORM "A"
(CONTINUATION)**

13. If the successful bidder does not meet the insurance requirements of the specifications, alternate insurance coverage, satisfactory to the City's Purchasing Agent, may be considered. Written request for consideration of alternate coverage shall be received by the City's Purchasing Agent at least (10) ten working days prior to the date set for opening the bids. If the City denies the request for alternate coverage, the specified coverage will be required to be submitted. If the City permits alternate coverage, an amendment to the insurance requirements will be prepared and distributed prior to the time and date set for bid openings.

14. All required insurance coverage shall be acquired from insurers authorized to do business in the Commonwealth of Virginia and acceptable to the City. The insurers shall have a policyholders' rating of "A-" or better, and a financial size of "Class IV" or better in the latest edition of Best's Insurance Reports, unless the City grants specific approval for an exemption, in the same manner as described in paragraph 13 above.

15. The City will consider deductible amounts as part of its review of the financial stability of the bidder. Any deductibles shall be disclosed in the proposal and all deductibles will be assumed by the successful bidder.

II. Successful Bidder's Liability Insurance - "Occurrence" Basis:

1. The successful bidder shall purchase and maintain in a company or companies authorized to do business in the Commonwealth of Virginia, and acceptable to the City such insurance as will protect the successful bidder and the City from claims set forth below which may arise out of or result from the Successful Bidder's operations under the contract, whether such operations are by the successful bidder or by any subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable:

- A. Claims under Workers' Compensation, disability benefits and other similar employee benefit acts;
- B. Claims for damages because of bodily injury, occupational sickness or disease, or death of successful bidder's employees.
- C. Claims for damages because of bodily injury, sickness or disease, or death of any person other than successful bidder's employees.
- D. Claims for damages insured by usual Personal Injury Liability coverage which are sustained by any person as a result of an offense directly or indirectly related to the employment of such person by the successful bidder, or by any other person;
- E. Claims for damages, other than to the work itself (but only to the extent of coverage under any Builders' Risk or other property form, if applicable) because of injury to or destruction of tangible property, including loss of use resulting therefrom;
- F. Claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance or use of any owned, hired, or non-owned motor vehicle;

2. The specific insurance policies required to cover the claims listed above in subparagraph II.1 shall include terms and provisions, and be written for not less than the limits of liability, (or greater limits if required by law or contract) as shown on the "City of Alexandria, Virginia Insurance Checklist" contained in the Invitation to Bid documents.

A. Comprehensive (or Commercial) General Liability - Such Comprehensive (or Commercial) General Liability policy shall include any or all of the following as dictated on the "City of Alexandria, Virginia Insurance Checklist":

- i. Premises/Operations;
- ii. Actions of Independent Contractors;
- iii. Products/Completed Operations to be maintained for two years after completion of the work;
- iv. Contractual liability including protection for the successful bidder from claims arising out of liability assumed under this contract, and including Automobile Contractual Liability;
- v. Personal Injury Liability including coverage for offenses related to employment;
- vi. Explosion, Collapse or Underground hazards;
- vii. Broad Form Property Damage Liability including Completed Operations.

3. Commercial Automobile Liability including Uninsured Motorist' coverage.

4. Workers' Compensation - statutory benefits as required by Virginia law or the U.S. Longshoremen's and Harbor Workers' Compensation Act, or other laws as required by labor union agreements, including standard Other States coverage; Employers' Liability coverage.

**PART FOUR
REQUIRED SUBMITTAL (G)**

INSURANCE INFORMATION

**FORM "A"
(CONTINUATION)**

III. Comprehensive (or Commercial) General or other required Liability Insurance - "Claims Made" Basis

1. If Comprehensive (Commercial) General or other liability insurance purchased by the successful bidder has been issued on a "claims made" basis, the Successful Bidder shall comply with the following additional conditions. The limits of liability and the extensions to be included as described in the "City of Alexandria, Virginia Insurance Checklist" remain the same. However, the successful bidder shall either:

- i. Agree to provide the certificates of insurance evidencing the above coverage for a period of two years after final payment for the contract. This certificate shall evidence a retroactive date, no later than the beginning of the successful bidder's or subcontractor's work under this contract, or
- ii. Purchase (an unlimited) extended reporting period endorsement for the policy or policies in force during the term of this contract and evidence the purchase of this extended reporting period endorsement by means of a certificate of insurance or a certified copy of the endorsement itself.

FORM "B"

PROPERTY INSURANCE - BAILEE

I. Property Insurance

All Risk insurance covering property of the City while in the care, custody, or control of the Contractor for the purpose of having operations performed upon it/ Such insurance shall insure the legal liability of the contractor for the replacement cost of such property, and shall be written at a limit satisfactory to the City. Limits should equal at least the maximum value of City property in the possession of the Contractor at any given time.

BELLE HAVEN MARINA, INC.
FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
AND ACCOUNTANTS' REVIEW REPORT
DECEMBER 31, 1998 AND 1997

WATKINS, MEEGAN, DRURY & COMPANY, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

4800 HAMPDEN LANE, 9TH FLOOR

BETHESDA, MARYLAND 20814-2930

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FAX (301) 656-9115

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TYSONS CORNER

VIENNA, VIRGINIA 22182-2700

(703) 761-4848

FAX (703) 761-4812

SUITE 400

1111 SIXTEENTH STREET, N.W.

WASHINGTON, D. C. 20036-4809

(202) 775-1616

FAX (202) 785-8216

MEMBERS

AMERICAN INSTITUTE OF CPAs

AICPA DIVISION FOR CPA FIRMS

Accountants' Review Report

To the Board of Directors
Belle Haven Marina, Inc.
Alexandria, Virginia

We have reviewed the accompanying statements of assets, liabilities, and stockholder's equity - cash basis (balance sheets) of Belle Haven Marina, Inc., as of December 31, 1998 and 1997, and the related statements of income and expenses - cash basis (statements of income) and statements of changes in cash flows for the years then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Belle Haven Marina, Inc.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with the cash basis of accounting as described in Note 1.

Our reviews were made for the purpose of expressing limited assurance that there are no material modifications that should be made to the financial statements in order for them to be in conformity with the cash basis of accounting as described in Note 1. The information in the accompanying Schedules B, D, G, H, I, and K is presented only for supplementary analysis purposes. Such information has been subjected to the inquiry and analytical procedures applied in the reviews of the basic financial statements. This information is presented on the cash basis of accounting, and we are not aware of any material modifications that should be made thereto.

Watkins, Meegan, Drury & Company, L.L.C.

Bethesda, Maryland
July 26, 1999

CONCESSIONER: Belle Haven Marina, Inc.

YEAR ENDING: 12/31/98

STATEMENT OF INCOME

SCHEDULE A

	This Year 19 98	Last Year 19 97
DEPARTMENTAL INCOME		
1. GROSS RECEIPTS (Sch. H, Col. A, Line 2)	323,302	286,072
2. RETURNS AND ALLOWANCES (Sch. H, Col. A, Line 3)		
3. NET SALES (Sch. H, Col. A, Line 4)	323,302	286,072
4. COST OF SALES (Sch. H, Col. A, Line 8)		
5. GROSS PROFIT (Sch. H, Col. A, Line 9)	323,302	286,072
6. TOTAL DIRECT EXPENSES (Sch. H, Col. A, Line 30)	164,424	154,919
7. DEPARTMENTAL INCOME (LOSS) (Sch. H, Col. A, Line 31)	158,878	131,153
INDIRECT OPERATING EXPENSES		
8. Administrative and general expenses (Sch. I, Line 21)	123,356	124,022
9. Government franchise fee (Sch. B, Line 29)	4,333	3,961
10. TOTAL INDIRECT OPERATING EXPENSES	127,689	127,983
11. TOTAL INCOME (LOSS) FROM OPERATIONS BEFORE FIXED EXPENSES	31,189	3,170
FIXED EXPENSES		
12. Rent		
13. Property taxes		
14. Insurance		
15. Interest	538	
16. Depreciation (Sch. D, Col. G, Line 6)	11,249	5,414
17. Amortization	76	76
18.		
19.		
20. TOTAL FIXED EXPENSES	11,863	5,490
21. INCOME (LOSS) BEFORE INCOME TAXES AND OTHER INCOME (EXPENSES)	19,326	(2,320)
OTHER INCOME (EXPENSES)		
22. Interest and dividend income		
23. Gain (Loss) on sale of property	7,873	1,385
24. Commissions/fees/compensation from subconcessioners (Sch. B, Line 27)		
25. Other		
26. TOTAL OTHER INCOME (EXPENSES)	7,873	1,385
27. INCOME (LOSS) BEFORE INCOME TAXES	27,199	(935)
INCOME TAXES		
28. Federal	4,743	
29. State and local	1,898	
30. TOTAL INCOME TAXES	6,641	
31. NET INCOME (LOSS)	20,558	(935)

SEE ACCOUNTANTS' REVIEW REPORT AND ACCOMPANYING NOTES

CONCESSIONER: Belle Haven Marina, Inc.

AS OF: 12/31/98

BALANCE SHEET

SCHEDULE C

	This Year 19_98	Last Year 19_97
ASSETS		
Current Assets		1,046
1. Cash.....	(2,028)	
2. Marketable Securities.....		
3. Inventories—Merchandise.....		
4. Accounts Receivable.....	812	812
5. Notes Receivable—Related Party.....		
6. Notes Receivable—Other.....	243	243
7. Prepaid Expenses.....		
8. Other.....	(973)	2,101
9. TOTAL CURRENT ASSETS.....		
Fixed Assets		
10. Depreciable Fixed Assets (Sch. D, Col. G, Line 4).....	152,963	132,463
11. Less: Accumulated Depreciation (Sch. D, Col. G, Line 8).....	101,852	111,074
12. Net Depreciable Fixed Assets (Sch. D, Col. G, Line 9).....	51,111	21,389
13. Construction in Progress.....		
14. Land.....	51,111	21,389
15. TOTAL FIXED ASSETS.....		
Other Assets (Identify)		
16.		
17.		
18. TOTAL OTHER ASSETS.....	50,138	23,490
TOTAL ASSETS.....		
LIABILITIES		
Current Liabilities		
20. Notes Payable—Related Party.....		
21. Notes Payable—Other.....		
22. Accounts Payable.....		
23. Current Maturities on Long-Term Debt.....		
24. Government Franchise Fee Payable.....	6,306	
25. Accrued Liabilities... Income Taxes Payable.....		
26. Advance Deposits.....	66	282
27. Other... Payroll Taxes Payable.....	6,372	282
28. TOTAL CURRENT LIABILITIES.....		
Long-Term Liabilities		
29. Long-Term Debt, Less Current Maturities.....		
30. Other.....		
31. TOTAL LONG-TERM LIABILITIES.....	6,372	282
32. TOTAL LIABILITIES.....		
EQUITY		
33. Partner's or Proprietor's Capital.....		
34. <div style="border: 1px solid black; padding: 2px; display: inline-block; transform: rotate(-90deg); transform-origin: left top;">Corporations Only</div> Preferred Stock, Par Value \$.....		
Authorized: _____ Shares, Issued: _____ Shares.....		
35. Common Stock, Par Value \$.....	1,800	1,800
Authorized: 100 Shares, Issued: 100 Shares.....		
36. Less: Treasury Stock.....	6,774	6,774
Additional Paid-in Capital.....	35,192	14,634
37. Retained Earnings.....	43,766	23,208
38. TOTAL EQUITY.....	50,138	23,490
39. TOTAL LIABILITIES AND EQUITY.....		
40.		

SEE ACCOUNTANTS' REVIEW REPORT AND ACCOMPANYING NOTES

95

BELLE HAVEN MARINA, INC.

NOTES TO FINANCIAL STATEMENTS

SEE ACCOUNTANTS' REVIEW REPORT

INSERT TO SCHEDULE F

DECEMBER 31, 1998 AND 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

Belle Haven Marina, Inc. (the Company), was incorporated in Virginia on January 12, 1960, and is engaged in providing marina services in Alexandria, Virginia.

The Company's primary sources of revenue are from the leasing of boat slips and mooring, boat repairs, sailboat rentals, and sailing instruction.

Basis of Accounting

The Company utilizes the cash basis of accounting. Under this method, revenue are recognized when cash is received rather than when earned, and expenses are recognized when cash is disbursed rather than when the obligations are incurred.

Property and Equipment

Property and equipment is recorded at cost and is being depreciated using accelerated and straight-line methods over the following estimated useful lives:

Automobiles	5 Years
Boats	10 Years
Furniture and Equipment	5 to 7 Years
Leasehold Improvements	27.5 to 39 Years

BELLE HAVEN MARINA, INC.

NOTES TO FINANCIAL STATEMENTS

INSERT TO SCHEDULE F

DECEMBER 31, 1998 AND 1997

NOTE 2 - FIXED ASSETS

Fixed assets consist of the following:

	<u>December 31,</u>	
	<u>1998</u>	<u>1997</u>
Automobile	\$ 42,539	\$ 17,665
Boats	70,626	79,325
Furniture and Equipment	37,250	32,925
Leasehold Improvements	<u>2,548</u>	<u>2,548</u>
	152,963	132,463
Accumulated Depreciation	<u>(101,852)</u>	<u>(111,074)</u>
	<u>\$ 51,111</u>	<u>\$ 21,389</u>

NOTE 3 - INCOME TAXES

The Company incurred net operating income (loss) of \$20,558 and \$(935) for the years ended December 31, 1998 and 1997, respectively. The Company accrued federal income taxes of \$4,504 and state income taxes of \$1,898 for the year ended December 31, 1998. There was no provision for income taxes for the year ended December 31, 1997.

NOTE 4 - EXPIRATION OF CONTRACT

The Company's contract with the National Park Service was due to expire on December 31, 1996. At present, the Company is operating under an extension of this contract and a new contract is under negotiation. The Company has preferential rights to any contract issued by the National Park Service. It is management's opinion that operations will continue under a similar contract.

BELLE HAVEN MARINA, INC.
NOTES TO FINANCIAL STATEMENTS
INSERT TO SCHEDULE F
DECEMBER 31, 1998 AND 1997

NOTE 5 - RETAINED EARNINGS

The change in retained earnings for each year follows:

	<u>Year Ended December 31,</u>	
	<u>1998</u>	<u>1997</u>
Beginning Retained Earnings	\$ 14,634	\$ 15,569
Net Loss	<u>20,558</u>	<u>(935)</u>
Ending Retained Earnings	<u>\$ 35,192</u>	<u>\$ 14,634</u>

CONCESSIONER: Belle Haven Marina, Inc.

YEAR ENDING: 12/31/98

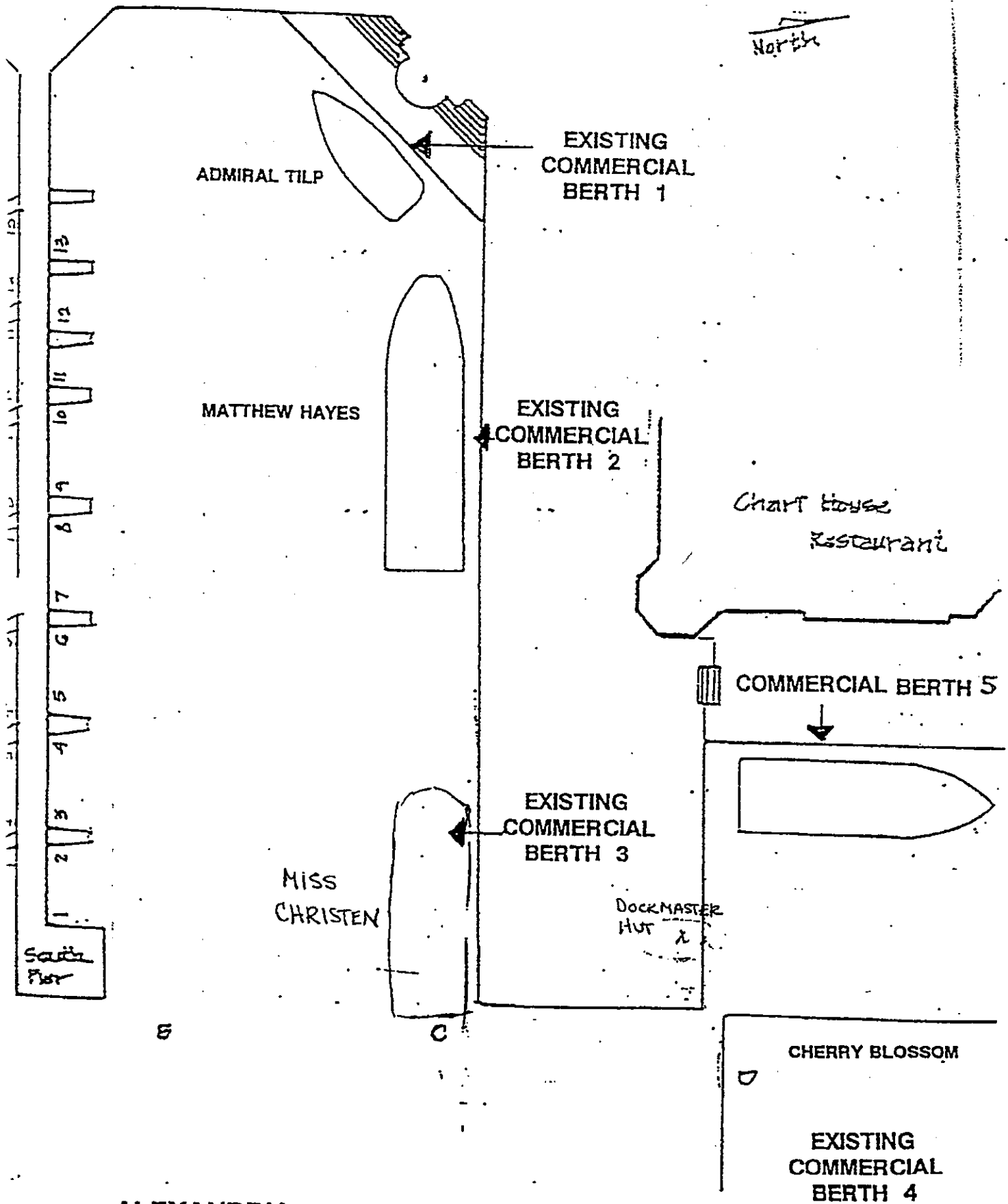
DETAIL OF GROSS RECEIPTS

SCHEDULE G

	Amount	Departmental Total	Reference Column or Schedule F
LODGING			
1. Hotel/motel	_____		
2. Cabins/cottages	_____		
3. Tent	_____	_____	_____
FOOD			
4. Restaurant (full service)	_____		
5. Cafeteria	_____		
6. Snack bar/fast food	_____	_____	_____
7. ALCOHOLIC BEVERAGE (BAR)	_____	_____	_____
SOUVENIRS			
8. Gifts, curios	_____		
9. Genuine U.S. Indian and native handicraft	_____	_____	_____
GENERAL MERCHANDISE			
10. Grocery	_____		
11. Package liquor	_____		
12. Photographic	_____		
13. Other	_____	_____	_____
AUTO SERVICE			
14. Fuel and oil	_____		
15. Parts, service and other	_____	_____	_____
MARINA			
16. Slips and mooring		200,320	B
17. Houseboat rental		12,831	D
18. Boat and motor rental			
19. Fuel and oil			
20. Boat and motor sales		3,873	E
21. Boat repair			
22. Dry storage			
23. Other			
TRANSPORTATION			
24. Boat	_____		
25. Vehicle	_____		
26. SADDLE HORSE AND LIVERY			
27. FLOAT TRIPS/RIVER RUNNERS			
OTHER			
28. Ski lifts and tows	_____		
29. Trailer village	_____	4,790	E
30. Vending machine	_____		
31. Bathhouse	_____		
32. Rentals (auto, equipment, other)	_____	101,488	C
33. Guide and instructional service	_____		
34. Other (Identify)	_____		
35. _____	_____		
36. _____	_____		
37. TOTAL GROSS RECEIPTS (SCHEDULE H, COL. A, LINE 2)		323,302	A

SEE ACCOUNTANTS' REVIEW REPORT AND ACCOMPANYING NOTES

MARINA NORTH PIER



Waterfront Committee

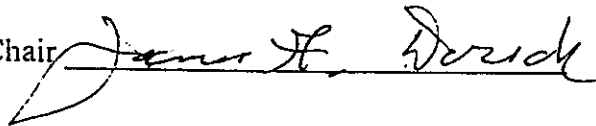
Motion for the Record

At a regularly scheduled meeting of the Waterfront Committee on Tuesday, January 18, 2000, the following motion was made by David Guy and seconded by Charles Hamel:

"The Alexandria Waterfront Committee recommends that the City of Alexandria proceed with an RFP to allow for the leasing of the available commercial slip at the City Marina."

The motion passed with one dissent by William Kuehnle.

Signature of Chair



Date: 2-8-00

LICENSE AGREEMENT

THIS AGREEMENT ("Agreement") is made this _____ day of _____, 2000, by and between the City of Alexandria, a municipal corporation of Virginia (the "Licensor"), and L.A. Yachts, Incorporated (the "Licensee").

WHEREAS, Licensee is the owner of the "Potomac Belle" and desires to operate a boat service ("Service"), using the "Potomac Belle," from the Alexandria Marina in the City of Alexandria, Virginia; and

WHEREAS, Licensor owns the Alexandria Marina which is suitable for docking boats; and

WHEREAS, Licensor is willing to permit Licensee to use the Alexandria Marina for docking purposes in accordance with the terms and conditions set forth below;

NOW, THEREFORE, it is mutually agreed as follows:

1. Representations. By executing this Agreement, the Licensee warrants that it is the legal owner of the vessel described in paragraph 15 below (the "Vessel") and is authorized to enter into this Agreement.

2. Applicability of City, State and Federal Law. This Agreement is subject to title 6, chapter 3 of the Alexandria city code and all applicable provisions of federal, state and local law. In particular, this Agreement is subject to, and Licensee shall comply with, the criminal, fire, health and safety laws of the City of Alexandria and the Commonwealth of Virginia pertaining to the operation of the Vessel. Licensee shall permit officers and

employees of the City of Alexandria charged with the enforcement of such laws to board and inspect the Vessel for the purpose of enforcing such laws.

3. Rules and Regulations. Licensee shall comply with the Rules and Regulations of the Alexandria Marina, including any amendments which may be adopted during the term of this Agreement. The current Rules and Regulations are set forth in Attachment A to this Agreement and are incorporated by reference into this Agreement as if fully set forth herein.

4. Insurance. Licensee shall provide a certificate of insurance to the Licenser that shows that Licensee and the Vessel, are covered by:

(a) property damage insurance in an amount sufficient to replace the Vessel in case of its total destruction;

(b) liability insurance in an amount not less than \$1,000,000 per person per occurrence and \$3,000,000 in the aggregate per occurrence which insures the Licensee against claims of personal injury and property damage arising from the negligent operation of the Vessel by the Licensee or Licensee's agents and employees;

(c) insurance in the amount of not less than \$1,000,000 per occurrence which insures Licensee, regardless of fault or negligence by Licensee or any agent or employee of Licensee, against claims of damage to property of the City of Alexandria caused by (i) the operation of the Vessel by Licensee or any agent

or employee of Licensee, and (ii) any casualty or event involving Licensee's Service, the Vessel, or any agent, employee, invitee or guest of Licensee; and

(d) wreck removal insurance to cover the cost of removing the Vessel if it should sink or become awash, and the Licenser shall be named beneficiary of such policy.

Licensee agrees to maintain such insurance coverage throughout the term of this Agreement, and to furnish evidence to the Licenser of such coverage prior to the effective date, and throughout the term, of this Agreement. In addition, Licenser shall be named on the liability insurance policy required by subparagraph (b) as an additional insured.

5. Indemnification. Licensee agrees to indemnify and hold harmless the Licenser and all of its officers, employees and agents from and against all suits, actions, causes of action, damages, claims, liability and expenses (including court costs and attorney's fees), and against any losses incurred by Licenser, resulting from or arising out of any act or omission of the Licensee or any of its employees, agents, invitees, licensees or guests in the course of operating, maintaining or using the Vessel while located within or approaching or departing the Alexandria Marina.

6. Waiver of Licenser's Liability. By executing this Agreement, Licensee expressly acknowledges and agrees that the Licenser and its officers and employees shall not be liable to Licensee or to any of its employees, agents, invitees, licensees or guests for any bodily injury or property damage sustained by any of

them while on Licensee's Vessel or while at or on the Alexandria Marina, or for any property damage to Licensee's Vessel sustained while the Vessel is in or is approaching or departing the Marina, except to the extent such injury or damage is caused by the negligence of the Licensor or its officers or employees.

7. Grant and Term of License.

(a) This Agreement grants non-exclusive permission for the Licensee to operate, on a regular basis, a Service using the Vessel from the Berth (as defined below) at the Alexandria Marina for the term of this Agreement.

(b) Licensee shall be permitted to berth at Commercial Berth 5, Torpedo Factory North Pier ("Berth").

(c) The term of this Agreement shall commence on the earlier of (i) the date on which Licensee initially occupies the Berth, or (ii) August 31, 2000 ("Commencement Date"), and shall continue for a period of five (5) years thereafter.

8. Special Conditions of License.

(a) Commuting Restriction. No voyage commencing before 9:30 a.m. on Monday through Friday of any week shall discharge passengers at any place other than the Torpedo Factory North Pier. The parties expressly agree that this condition is intended to prevent use of the Service or the Vessel for commuting purposes.

(b) Embarkation and Disembarkation. Licensee shall not permit passengers to embark between the hours of 12:00 a.m. to 9:00 a.m. The final disembarkation of passengers on each day of operation shall be no later than 12:00 a.m.

(c) Trash Removal and Disposal. Licensee shall provide convenient on-board trash receptacles for use by clients of the Service and shall, at its own expense, regularly remove and dispose of all trash and debris from the operation of the Service. No trash or debris shall be deposited on any part of the Alexandria Marina by Licensee. If Licensee should fail to fulfill its obligations under this section, as determined by Licensor and in its sole discretion, Licensor may arrange and pay for such collection of litter, debris and refuse. Licensee shall, upon demand by Licensor, reimburse Licensor for expenses incurred for such collection of refuse within 30 days of Licensee's receipt of a billing statement issued by Licensor itemizing such expenses.

(d) Navigation Hazard. Whenever Licensor shall reasonably determine that the Vessel or operation of the Service presents a navigational hazard if berthed at the Berth, Licensor shall use its best efforts to make reasonable arrangements for the Service to continue from another location at the Alexandria Marina.

(e) Refueling. Refueling operations are prohibited from taking place at the Torpedo Factory North Pier.

(f) Signs. Licensee shall not erect or maintain any sign in conjunction with or calling attention to the Service unless the sign complies with applicable provisions of the Alexandria Zoning Ordinance, and approval for such sign has been obtained from Licensor and, if applicable, the Alexandria Board of Architectural Review.

9. Renewal. This Agreement may not be renewed.

10. Annual Fee.

(a) Licensee shall pay to Licensor an annual fee for the license granted under this Agreement. The fee shall be \$14,400.00 per year, payable at the rate of \$1,200.00 per month. The first such installment shall be due on the Commencement Date, and subsequent installments shall be due on the same date of each month thereafter during the term of this Agreement. Licensee shall not be entitled to any reduction in the license fee in the event the Berth is not occupied by the Vessel or Licensee does not conduct the Service from the Berth.

(b) If Licensee fails to pay any installment in full within ten calendar days of the installment's due date, Licensee shall be liable for a penalty, equal to 10 percent of said installment, plus interest, based upon the amount unpaid and a rate of 10 percent per annum (compounded annually), from the due date. Any such penalty and interest shall be due at the next installment due date.

11. Waterfront Events. Use of the Berth shall be dependent upon the scheduling by Licensor of waterfront upkeep and maintenance activities, dredging activities, pier construction, repair and renovation activities, any other waterfront construction and harbor improvement activities, and any emergency repairs or events that restrict access of the Vessel to the Berth (collectively, "Waterfront Events"). If a Waterfront Event requires the moving of the Vessel, Licensor will attempt to locate another docking location for Licensee but if Licensor fails to do so, then Licensee shall be responsible for finding an alternate docking location. If a Waterfront Event renders Licensee unable to use the Berth for the purpose of embarking or disembarking passengers, Licensor will use its best efforts to locate an alternate docking facility suitable for loading and discharging passengers. For each day in excess of two (2) per calendar month between May 1 and October 1 of any year of the term of this Agreement that Licensee is unable to tie up to the Berth during normal hours of operation because of a Waterfront Event, Licensee shall be entitled to the pro rata reduction of its monthly payment of the license fee.

12. Assignment. This Agreement may not be assigned by the Licensee without the consent of Licensor.

13. Termination.

(a) In the event that Licensee violates any of the terms of this Agreement, Licensee shall be considered in default. If such default continues for 30 days after Licensee has received written notice of the default, then this Agreement may be terminated, effective immediately, by Licensor. Notwithstanding

the above, Licensor shall have the right to terminate this Agreement, effective immediately, in the event Licensee shall be adjudicated a bankrupt, or if a receiver is appointed in a legal proceeding of any kind to take possession of the assets of Licensee, or if any creditor of Licensee shall seize, take possession of or foreclose upon the Vessel.

(b) In addition to the foregoing, Licensor may terminate this Agreement by passage of a resolution by the City Council of the City of Alexandria to that effect, in the exercise of its sole discretion. Upon passage of such a resolution, Licensor shall provide to Licensee written notice of such resolution and termination of this Agreement, at least thirty (30) days before the effective date of such termination.

(c) In the event of termination of this Agreement by Licensor, Licensor shall not be obligated to Licensee for anticipatory profits or any costs incurred by Licensee in vacating the Berth and ground based support facilities used in the performance of this Agreement.

14. Removal. If this Agreement is terminated, the Vessel shall be immediately removed from and cease utilizing the Alexandria Marina and any alternate docking facility owned by Licensor. If it becomes necessary for Licensor to remove or cause the removal of the Vessel through any legal proceeding, or otherwise, then the Licensor shall be entitled to recover all costs incurred in conjunction with such proceeding, including attorney's fees, from the Licensee and any successor in interest in ownership

or possession of the Vessel, and such liability shall be joint and several.

15. Vessel. The Vessel subject to this Agreement is the "Potomac Belle," a costal cruiser vessel built in Minnesota, which is 59 feet long and 14 feet wide, can carry a maximum of 47 passengers and is owned by Licensee. In the event Licensee wishes to replace the "Potomac Belle" with another vessel during the term of this Agreement, it may do so, provided the following conditions are met: (i) the replacement vessel is no larger in size than the "Potomac Belle," (ii) Licensor consents to the replacement, and (iii) Licensor and Licensee agree upon an annual fee, to replace the fee defined in subparagraph 10(a), solely to reflect any increase or decrease in the value of the replacement vessel over the value of the "Potomac Belle." If these conditions are met, the replacement vessel shall, for purposes of this Agreement, be considered the Vessel.

16. Parking. Licensee shall take all reasonable efforts to advise passengers of the Service to avoid on-street parking in the City, including, without limitation, providing passengers and their agents with maps and directions to off-street parking facilities in the City and making such maps and directions available at Licensee's office and on any vessels used under this Agreement. Licensee shall also consider in good faith Licensee's participation in programs that call for retailers in Old Town Alexandria to provide financial incentives to their customers to use off-street parking facilities.

17. Utility and Service Costs. Licensee shall pay the cost of bringing or otherwise making available any utility service to the Vessel, the cost of submetering any service providing utilities to the Vessel, and the cost of all utilities, with the exception of water, consumed or utilized by the Vessel. Licensor shall provide Licensee with invoices for monthly utility usage, and Licensee shall pay such invoices or reimburse Licensor for such invoices, as the case may be, within 30 days of receipt.

18. Notices. All notices, demands, or other communications that may be necessary or proper hereunder shall be deemed duly given if personally delivered upon delivery (or at such time as delivery is not accepted by the intended recipient), when deposited with Federal Express or other reputable overnight delivery service, when deposited in the United States mail, postage prepaid, first class, registered or certified, return receipt requested, or when sent by facsimile with a confirmation of receipt, addressed respectively as follows:

Licensor: City of Alexandria
Department of Recreation, Parks and
Cultural Activities
1108 Jefferson Street
Alexandria, Virginia 22314
Attn: Brian Albright, Division Chief
Fax Number: (703) 838-6344

with a copy to: City of Alexandria
301 King Street
Suite 1300
Alexandria, Virginia 22314
Attn: City Attorney
Fax Number: (703) 838-4810

Licensee: L.A. Yachts, Incorporated
2412 Belle Haven Meadows Court
Alexandria, Virginia 22306
Attn: George Stevens, President

Fax Number: (703) 768-9017

Any party hereto may change its address for notice purposes hereunder by delivering written notice thereof to the other parties in accordance with the foregoing provisions.

19. Entire Agreement. This Agreement (including all attachments hereto), City of Alexandria Request for Proposal No. 0135, Berth License for a Commercial, Passenger Carrying Operation at the City Marina dated March 31, 2000, and Addendum I thereto dated April 26, 2000 (collectively, the "RFP"), and Licensee's response to the RFP dated May 2, 2000, together contain the full and final agreement between the parties hereto with respect to the use of the Berth and the operation of the Service. In the event of any inconsistency between the terms of this Agreement and the terms of the RFP or Licensee's response thereto, the terms of this Agreement shall prevail. Licensor and Licensee shall not be bound by any terms, conditions, statements, warranties, or representations, oral or written, not contained herein. No change or modification of this Agreement shall be valid unless the same is in writing and is signed by the parties hereto. No waiver of any of the provisions of this Agreement shall be valid unless the same is in writing and is signed by the party against which it is sought to be enforced.

20. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

CITY OF ALEXANDRIA, a municipal
corporation of Virginia

Date: _____

By: _____
Philip Sunderland,
City Manager

L.A. YACHTS, INCORPORATED

Date: _____

By: _____
George Stevens,
President

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