

Operating Agreement

Marconi Conference Center SHP

**#P210A004**

Operating Agreement

with

Marconi Conference Center Operating Corporation

for

Marconi Conference Center State Historic Park

STATE OF CALIFORNIA – NATURAL RESOURCES AGENCY  
DEPARTMENT OF PARKS AND RECREATION  
PARTNERSHIPS DIVISION  
1416 NINTH STREET, 14<sup>TH</sup> FLOOR  
SACRAMENTO, CA 95814



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DRAFT

**Operating Agreement**  
**With**  
**Marconi Conference Center Operating Corporation**  
**for**  
**Marconi Conference Center State Historic Park**

This Operating Agreement (“Agreement”) is entered into by and between the State of California, Department of Parks and Recreation (“State”) and Marconi Conference Center Operating Corporation (“MCCOC”), collectively the “Parties”, for the operation of Marconi Conference Center State Historic Park.

**Recitals**

**Whereas**, Marconi Conference Center State Historic Park is part of the State Park System under the jurisdiction of State; and

**Whereas**, Marconi Conference Center State Historic Park includes the National Register of Historic Places Station KPH – Marconi Wireless Telegraph Company of America (Marconi Property) Historic District which is listed with national significance for “the role it played in the initiation of trans-Pacific radio communication, a technological development of international consequences” and includes an irregularly shaped 7-acre parcel with four contributing historic structures comprising the original Hotel, Powerhouse and two cottages.

**Whereas**, pursuant to Public Resources Code (“PRC”) § 5080.38, State may enter into an operating agreement with a qualified nonprofit organization for the development, improvement, restoration, care, maintenance, administration, and control of the Marconi Conference Center State Historic Park; and

**Whereas**, MCCOC is a 501(c)(3) nonprofit organization, and in compliance with the Supervision of Trustees and Fundraisers for Charitable Purposes Act, Government Code § 12580 et seq., is committed to its charitable and educational mission, and to the

development, improvement, restoration, care, maintenance, administration, operations, and control of Marconi Conference Center State Historic Park;

**Whereas**, MCCOC desires to operate Marconi Conference Center State Historic Park or portions thereof, for the enjoyment and benefit of the public; and

**Whereas**, State and MCCOC desire to enter into this Agreement to provide for MCCOC to operate Marconi Conference Center State Historic Park or portions thereof and to articulate the duties, obligations, and rights of each of the Parties related to such operation so that all core operations of Marconi Conference Center State Historic Park are delineated between the Parties.

**Whereas**, MCCOC desires to contract for work performed under this Agreement to Marconi Hospitality LLC, a private corporation with the objective to bring funding and expertise to MCCOC for Marconi Conference Center State Historic Park; and

**Whereas**, MCCOC desires to contract with Marconi Hospitality LLC by way of a 55year Sub-Agreement to this Agreement; and

**Whereas**, MCCOC desires to have Marconi Hospitality LLC perform fundraising activities and solicit charitable contributions on behalf MCCOC with all funds going to a jointly established Capital Improvement Account (CIA); and

**Whereas**, MCCOC and State acknowledge that in the case of default by Marconi Hospitality LLC, or subsequent Sub-Operator MCCOC will take over operations in accordance with the Sub-Agreement; and

**NOW, THEREFORE**, in consideration of the mutual covenants hereinafter contained, the Parties hereto agree as follows:

**1. PREMISES**

State authorizes MCCOC to operate, develop, and maintain Marconi Conference Center State Historic Park, hereafter referred to as the "Premises", through the attached Sub-Operating Agreement between MCCOC and Marconi Hospitality LLC, attached hereto as "**Exhibit A, Sub-Operating Agreement**" and incorporated by reference.

## 2. TERMS AND CONDITIONS

This Agreement shall follow all terms and conditions of Exhibit A, Sub-Agreement. MCCOC agrees that it will provide to State all obligations, promises, requirements, and deliverables that Sub-Operator agreed to provide to MCCOC in Exhibit A, as if State stood in the shoes of MCCOC and MCCOC stood in the shoes of Sub-Operator. To the extent that the Sub-Agreement sets forth any payments, approvals or tasks needed from State, State agrees to work with MCCOC and Sub-Operator to provide those action items.

## 3. ADDITIONAL TERMS AND CONDITIONS

### A. Sub-Operating Agreement

The Sub-Agreement between MCCOC and Marconi Hospitality LLC is the exclusive sub-operating agreement for the Premises.

- 1) In the case of breach and default of Sub-Operator, MCCOC shall take over operation of the Premises if State and MCCOC do not approve an execute an agreement with a subsequent Sub-Operator.
- 2) MCCOC and State review and approval of subsequent sub-operating agreements shall consist of the following:
  - a. Prior to entering into sub-operating agreement(s), MCCOC shall have State review and approve “**Exhibit B**”, **Sub-Operating Agreement Proposer Questionnaire**, attached hereto and incorporated herein by reference.
  - b. MCCOC shall use “**Exhibit C- Sub-Operating Agreement template**”, attached hereto and incorporated herein by reference.

### B. Operating Agreement

In the event this Agreement is terminated by either Party, State shall assume the role of MCCOC.

### C. Conditional Donations

Anytime MCCOC accepts any conditional donation(s), MCCOC shall have an executed agreement between MCCOC and the donor (Donation Agreement). The parties acknowledge in accordance PRC § 5005 that donations over one hundred thousand dollars (\$100,000) or the current rate at time of acceptance, shall require prior approval from the California Department of Finance (DOF). Prior to depositing the first check, MCCOC shall provide State with a copy of the executed Donation Agreement, and donation check for DOF approval. Upon DOF approval, MCCOC may deposit the check.

D. Assignment of Facility Maintenance/Improvement Account

Upon termination or expiration of this Agreement, any unencumbered balance in the Facility Maintenance/Improvement Account (FMIA) shall be transferred to State.

E. State Park Contingent Fund

Upon termination or expiration of this Agreement and receipt of FMIA funds, State shall deposit in a separate account within the State Park Contingent Fund to be used by State in accordance with this Agreement. State shall track the revenue and expenses of the Premises and provide Donors and Contributors an account statement on a quarterly basis. Any interest accrued on these funds shall be available for use by State in accordance with this Agreement.

F. Real Property Acquisition

It is understood and agreed to by the Parties that all applications for real property rights, appurtenant to the Premises, shall be made in the name of and on behalf of State, and shall be subject to the prior written approval of State.

G. Supervision of Trustees and Fundraisers for Charitable Purposes

All solicitations done pursuant to this Agreement and any other sub-operating agreements must comply with the Supervision of Trustees and Fundraisers for

Charitable Purposes Act (Government Code 125800 et. seq.) and the Charitable Solicitation Disclosure Law (Business and Professions Code 17510 et. seq.). Fundraisers shall be registered with the California Attorney General's Office Registry of Charitable Trusts prior to engaging in any fundraising on behalf of State.

The Parties agree that all funds raised in the name and for the benefit of the State will be held in trust and used solely in connection with this Agreement. MCCOC and sub-operator is responsible for fulfilling all promises and representations made by them to donors.

#### **4. VOLUNTEERS**

##### **A. Volunteers in Parks Program**

State shall assign a DPR supervisor to oversee the Volunteers in Parks (VIP) Program at the Premises. State is responsible for maintaining confidential VIP Program registration documents and performing supervisory-specific tasks such as formal hiring, termination, and performance appraisals for VIP volunteers.

State will provide workers' compensation insurance and tort liability coverage for long-term VIP volunteers who are properly registered, trained, scheduled, and performing VIP Program duties listed on the volunteer duty statement. State holds responsibility for conducting and paying all fees associated with the Live Scan criminal history background check for VIP volunteers whose duties include handling sums of money, holding positions of special trust or security, having control over minors, working with interpretive collections, or having access to law enforcement records or communications.

MCCOC will participate in the VIP Program at and hold responsibility for provisional hiring, registering, training, scheduling, and day-to-day VIP Program coordination. MCCOC may recruit candidates into the VIP Program, interview potential candidates, and present a roster to the DPR VIP Program supervisor for approval. MCCOC will draft duty statements for VIP tasks at the Premises and submit for approval by the DPR VIP supervisor.

Volunteers previously registered as VIP Program volunteers at the Premises may continue to perform duties for which they were trained. New volunteers who successfully complete VIP training may participate in the VIP Program at the Premises.

VIP volunteers may wear the VIP logo patch and count volunteer hours earned at the Premises toward VIP Program benefits.

#### **B. Volunteers Outside the Volunteers in Parks Program**

MCCOC may recruit and utilize volunteers outside the VIP Program to perform various tasks and duties to ensure the continued operation and maintenance of the premises.

MCCOC shall obtain and maintain liability coverage with limits of not less than One Million Dollars (\$1,000,000.) to cover volunteers not in the VIP Program for personal injury, accidents and property damage occurring during the course of the volunteer assignment. MCCOC shall have volunteers not in the VIP Program sign a Waiver and Release of Claims agreement whereby the volunteer releases and discharges, agrees to indemnify and hold harmless, the State of California, the Department of Parks and Recreation, and their agents, employees and representatives from all claims, demands, actions or judgments arising from volunteer activity outside the VIP Program.

Volunteers of other organizations who are not under the States' VIP Program will not be allowed to wear the DPR logo patch or count hours earned at the Premises toward VIP Program benefits.



**IN WITNESS WHEREOF**, the Parties have executed this Agreement and shall be effective once approved by State and control agencies as applicable.

**Marconi Conference Center  
Operating Corporation**

**State of California  
Department of Parks and Recreation**

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

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

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

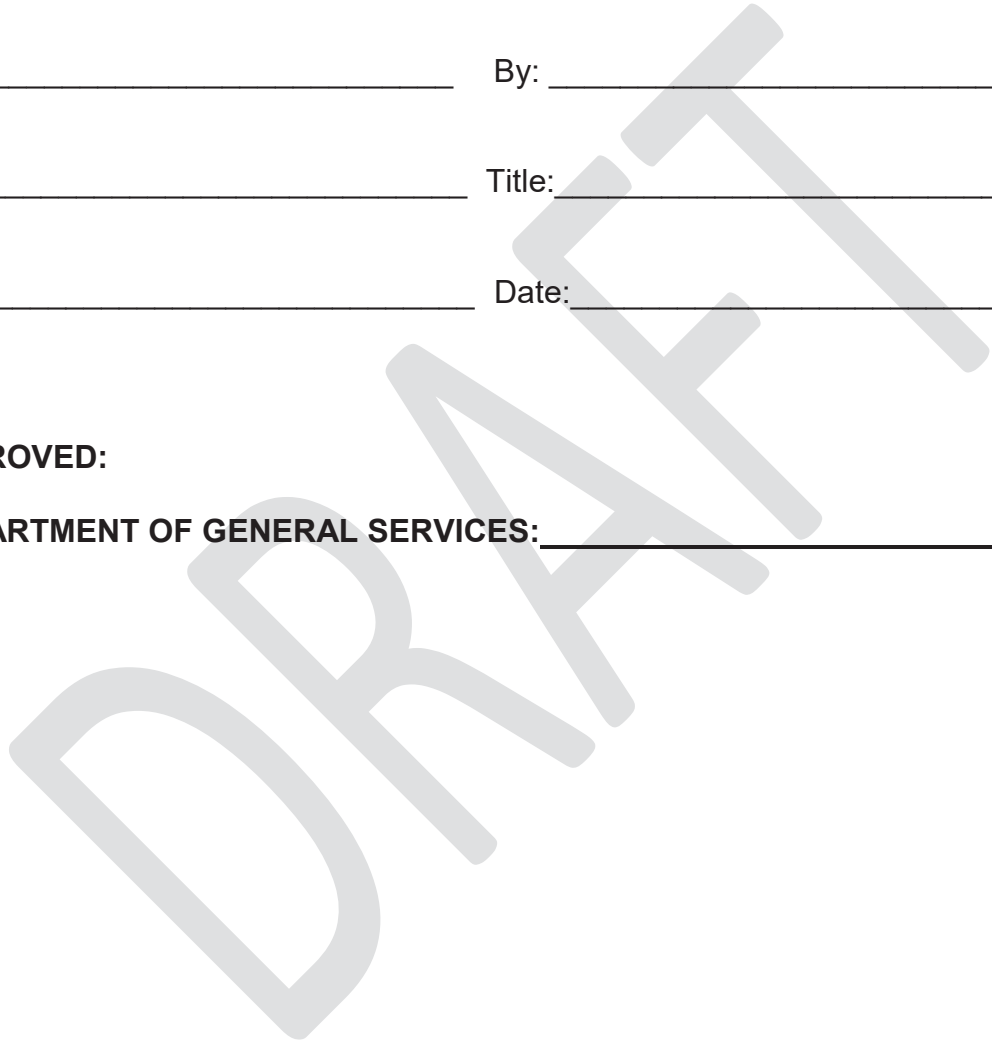
Title: \_\_\_\_\_

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

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

**APPROVED:**

**DEPARTMENT OF GENERAL SERVICES:** \_\_\_\_\_



**EXHIBIT A, Sub-Operating Agreement**

**EXHIBIT B, Sub-Operating Agreement Proposer Questionnaire**

**EXHIBIT C, Sub-Operating Agreement Template**

DRAFT

**EXHIBIT A**  
**SUB-OPERATING AGREEMENT**

SUB-OPERATING AGREEMENT

FOR

FUNDING AND OPERATING EXPERTISE

AT

MARCONI CONFERENCE CENTER STATE HISTORIC PARK

MARCONI CONFERENCE CENTER OPERATING CORPORATION

A NON-PROFIT ORGANIZATION OPERATING

MARCONI CONFERENCE CENTER STATE HISTORIC PARK

P.O. BOX 789

MARSHALL, CA 94940

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**SUB OPERATING AGREEMENT**

For

**Funding and Operating Expertise**

Located In

**Marconi Conference Center State Historic Park**

THIS AGREEMENT is made and entered into by and between the **Marconi Conference Center Operating Corporation**, hereafter referred to as "MCCOC", and **Marconi Hospitality, LLC**, hereinafter referred to as "Sub-Operator".

**RECITALS**

**WHEREAS**, Pursuant to Public Resources Code (PRC) § 5080.38, the State of California, Department of Parks and Recreation (the "State") may enter into an operating agreement with MCCOC, a qualified nonprofit organization for the development, improvement, restoration, care, maintenance, administration, and control of the Marconi Conference Center State Historic Park; and

**WHEREAS**, this Sub-Operating Agreement ("Sub-Agreement") between MCCOC and Sub-Operator will run concurrently with the operating agreement between State and MCCOC for the operation of Marconi Conference Center State Historic Park; and

**WHEREAS**, MCCOC is a 501(c)(3) nonprofit corporation committed to, as its non-profit mission, the development, improvement, restoration, care, maintenance, administration, operations, and control of Marconi Conference Center State Historic Park, for the enjoyment and benefit of the public; and

**WHEREAS**, Sub-Operator is a private corporation with the objective to bring funding and operating expertise to MCCOC for the Marconi Conference Center State Historic Park through charitable contributions and investment capital.



**NOW, THEREFORE, IT IS MUTUALLY AGREED BY AND BETWEEN  
THE PARTIES AS FOLLOWS:**

**1. DESCRIPTION OF PREMISES**

MCCOC for and in consideration of the agreements hereinafter stated, grants to Sub-Operator for the purposes stated herein, the right to sub-operate the Marconi Conference Center State Historic Park as set forth in “**Exhibit A**”, attached to and made a part of this Sub-Agreement (the “Premises”). In addition to the Premises, MCCOC grants to Sub-Operator an exclusive license during the term of this Sub-Agreement to use in the operation of the Premises all vehicles, food and beverage, furniture, fixtures and equipment and operating supplies and equipment currently located on and used in the operation of the Premises.

The possessory interest herein given to the Sub-Operator does not exclude the general public from the Premises; however, the use by the general public is limited by the terms and conditions of the possessory interest given herein. This Sub-Agreement is not intended to confer third party beneficiary status to any member of the public who is benefited by the terms of this Sub-Agreement. The possessory interest is further subject to all valid and existing contracts, leases, licenses, encumbrances, and claims of title that may affect the Premises.

**2. CONDITION OF PREMISES**

The taking of possession of the Premises by the Sub-Operator, in itself, shall constitute acknowledgment that the Premises are in good and sufficient condition for the purposes for which Sub-Operator is entering into this Sub-Agreement. Sub-Operator agrees to accept Premises, including facilities covered by this Sub-Agreement, and take the same in their present condition “AS IS” with all faults, and agrees to maintain the same in a safe and tenable condition, and, at any termination of this Sub-Agreement, to promptly return the same to MCCOC in accordance with the provisions of Section 47,

reasonable wear and tear excepted. MCCOC shall not be obligated to make any alterations, additions, or betterments to the Premises except as otherwise provided for in this Sub-Agreement.

### **3. TERM**

The term of this Sub-Agreement shall be for a period of fifty-five (55) years and shall commence on the first day of the month following approval by the State of California Department of General Services. Should Sub-Operator hold-over after the expiration of the term of this Sub-Agreement with the express or implied consent of MCCOC, such holding-over shall be deemed to be a tenancy from month-to-month and subject to all the terms and conditions of this Sub-Agreement.

### **4. DUTIES OF SUB-OPERATOR**

#### **A. Roles and Responsibilities**

The subsections below are meant to further define and inform the roles and responsibilities that will be provided by both MCCOC and Sub-Operator.

#### **B. Annual Operation Plan**

Sub-Operator shall submit an annual operation plan to MCCOC for MCCOC and State approval prior to June 1 of each year for the following calendar year beginning at execution of this Sub-Agreement. The plan shall include, but not be limited to:

- 1) Hours of Operation
- 2) Fee Schedule
- 3) Special Event Plan
- 4) Interpretive Plan
- 5) Cultural Resource Management Plan
- 6) Natural Resources Management Plan

- 7) Recreation Services Plan
- 8) Maintenance Plan
- 9) Facility/Capital Improvements Plan
- 10) Planning Activities
- 11) Healthy Foods Initiative related Plan
- 12) Resource Conservation related Plan
- 13) Employee Compensation Plan
- 14) All Other Expenditures not Listed

C. Administration / Staffing

Within 90 days of Sub-Agreement execution, MCCOC and Sub-Operator will work together to develop a mutually agreed-upon administration plan that will include but not be limited to determining appropriate staffing levels, staff standards of performance and conduct, hiring and training protocols, best practices in fiscal management and fundraising.

D. Cultural Resources

- 1) Sub-Operator shall support and follow the resource management policy listed in the State's General Plan, and in the Departments Operations Manual (DOM), Chapter 0400 Cultural Resources.
- 2) All work and requests for external funding for the management of cultural resources shall be subject to oversight and approval of MCCOC and State. Sub-Operator shall coordinate with MCCOC for appropriate resource management projects with oversight and coordination provided by State's cultural resources specialists.
- 3) The Premises contain significant cultural, archaeological and historical resources and are potentially eligible for listing in the California Historical Landmark and National Register of Historic

Places registers. The following provisions describe how Sub-Operator shall ensure these resources are protected:

- a. Sub-Operator shall consult with MCCOC and State cultural resources specialists regarding historic preservation decisions and determining potential impacts via the Secretary of the Interior's Standards for the Treatment of Historic Properties, § 106 of the National Historic Preservation Act of 1966, California Environmental Quality Act (CEQA/AB 52), Executive Orders W-26-92 and B-10-11, PRC §§ 5024 and 5024.5, the Native American Graves Protection and Repatriation Act (NAGPRA) (PL 101-601, 25 U.S.C. 3001 et seq., 104 Stat. 3048) and the Secretary of the Interior's Standards for Rehabilitation (36 CFR 67). When an undertaking has a Federal nexus, the National Historic Preservation Act (NHPA)- § 106 (36 CFR Part 800.1 to 800.16) and the National Environmental Policy Act (42 U.S.C. § 4321) will be required as well.
- b. Sub-Operator shall seek to obtain funding to implement cultural resources management projects, which have been coordinated with and prioritized by MCCOC and State.
- c. Sub-Operator shall ensure its employees, volunteers and contractors adhere to PRC § 5024.5 which states "No state agency shall alter the original or significant features or fabric, or transfer, relocate, or demolish historical resources on the master list", and State policy of protecting interior and exterior structural integrity of historic buildings in accordance with the Secretary of the Interior's Standards for the Treatment of Historic Properties. All proposed changes to buildings shall be subject to MCCOC, State and CEQA

review, which shall not be unreasonably withheld, conditioned or delayed.

- d. Qualified researchers shall be allowed to access the collection and site in accordance with Access to Museum Collections, (DOM 2010.11), with consent of MCCOC and State with supervision by the Sub-Operator or MCCOC staff. Sub-Operator shall adhere to policies outlined in DOM 2000.

E. Natural Resources

- 1) Sub-Operator shall support and follow the resource management policy listed in the State's General Plan, and in the DOM 0300, Natural Resources.
- 2) When agreed upon by the Parties, Sub-Operator will partner with MCCOC on appropriate resource management projects with oversight provided by MCCOC and State.
- 3) Sub-Operator shall coordinate and obtain approval, which shall not be unreasonably withheld, from MCCOC and State for any hazardous tree pruning, tree removal, or wildfire management fuel modification activities at the Premises.

F. Revenue Development

- 1) Within 90 days of Sub-Agreement execution, MCCOC and Sub-Operator will agree upon and generate written detail regarding the financial obligations for which the Sub-Operator is responsible according to this Sub-Agreement. MCCOC and Sub-Operator will agree upon and generate written detail regarding the parameters for raising funds within the mission and opportunities and plans for fundraising efforts that are consistent with the purpose of this Sub-Agreement as set forth in Recitals.

- 2) Sub-Operator may conduct fundraising activities on behalf of the Premises and State, as approved in advance by MCCOC and State on a case-by-case basis. Sub-Operator agrees that all funds raised in connection with this Sub-Agreement and/or the Premises will be used to fund the Premises consistent with the terms and conditions of this Sub-Agreement. Sub-Operator will be responsible for ensuring that all promises and representations, made by Sub-Operator to donors, are honored. All solicitations done for the purpose of this Sub-Agreement must comply with the Supervision of Trustees and Fundraisers for Charitable Purposes Act (Government Code 12580 et seq.) and the Charitable Solicitation Disclosure Law (Business and Professions Code 17510 et seq.) Sub-Operator agrees that it will be registered with the California Attorney General's Office Registry of Charitable Trusts at all times prior to engaging in any fundraising on behalf of the Premises and/or State. MCCOC and Sub-Operator agree that all funds raised in the name and for the benefit of the Premises will be held in trust and used solely in connection with the Premises, and consistent with the terms of this Sub-Agreement and Operating Agreement.

G. Recreation Services

Within 12 months following Sub-Agreement execution, MCCOC and Sub-Operator will work together to develop mutually agreed-upon recreational opportunities according to the General/Management Plan(s) or Classification of the unit. State and MCCOCs will agree upon and generate written detail regarding their respective roles and responsibilities.

H. Facilities/Operation

- 1) Sub-Operator shall be responsible for the operation and maintenance of current facilities, as well as, construction, operation, and maintenance of the eco-lodging cabins, and restoration, operation and maintenance of the Marconi Hotel, Bayview Cottage and Operations Building, subject to renovation and preservation schedule outlined in Exhibit H.
  
- 2) Deferred Maintenance (high priority): Upon execution of this Sub-Agreement, and subject to the building standards mutually approved by Sub-Operator, MCCOC and State pursuant to Section 27, the schedule for completion as outlined in Exhibit H, and the limitations set forth in Sections 27C and 27H, Sub-Operator shall perform deferred maintenance on the Premises that may include, but is not limited to:
  - a. Repair/replace roofs on lodging buildings
  - b. Repair cracks/re-paint Buck Hall
  - c. Refurbish Heron 109 to make compliant with ADA, State Fire Marshal and California Building Code.
  - d. Install ventilation in Buck Hall public restrooms
  - e. Replace Cypress Lodge retaining wall (located along main entrance path at south side of the structure)
  - f. Refurbish both Redwood Hall decks (the upper and lower decks located on west side of the structure)
  - g. Install new Force Main Leach Field or alternative means to upgrade sewer system, subject to obtaining adequate funding approved and allocated by DPR or other grants or similar sources.
  - h. Repair or replace roof and foundation of Historic Bayview Cottage

- i. Improve and upgrade exterior and interior finishes, safety features and energy consumption/conservation features of all guest rooms.
  - j. Develop a Historic landscape plan to manage future landscape improvements.
  - k. Complete construction of 2 new deluxe guest rooms in the Pelican Building.
- 3) Deferred Maintenance (lower priority): Starting no later than year 10 of this Sub-Agreement, Sub-Operator shall perform deferred maintenance on the Premises that may include, but is not limited to:
- a. Repair and improve roads and parking lots
  - b. Install on-site food composting systems
  - c. Re-surfacing hiking trails
  - d. Install irrigation systems at Pine, Cypress, and Redwood Halls
  - e. Upgrade to electric on-demand water heaters at Pine, Cypress, and Buck Halls
  - f. Upgrade garbage collection, disposal and sanitation systems
  - g. Repair drainage/culvert at island located in middle of the road leading to Redwood Hall
  - h. Replace ground lighting at Shore Units
  - i. Install safety fencing in potentially hazardous areas
  - j. Repair and/or upgrade Well House and Water Plant Roads
  - k. Engineer and implement drainage issue solution at Buck Hall Pond
  - l. Restore Historic Tennis Court
  - m. Survey, engineer and implement a commercially reasonable comprehensive rewiring (project) for all buildings



- n. Guest room safety repair & energy conservation
- 4) In the event Sub-Operator cannot accommodate potential conference center guests, Sub-Operator shall refer them to the following State concessionaire operated conference centers:
- a. Asilomar Conference Grounds  
800 Asilomar Avenue, Pacific grove, CA 93950  
Phone: (831) 372-8016
  - b. Grover Beach Lodge and Conference Center  
(CURRENTLY UNDER CONSTRUCTION)  
State will provide Sub-Operator with contact information when available.

J. Community Engagement

Sub-Operator may collaborate with local artisans, craftspeople, and suppliers in outfitting guest rooms, public areas and new accommodations. The design specifications shall maximize the use of local materials, labor and aesthetics where possible and feasible.

K. Interpretation and Education Materials and Programs

Within 12 months of Sub-Agreement execution, MCCOC and Sub-Operator will agree upon and generate written detail regarding roles and responsibilities for the delivery of interpretive and educational programs and the production of interpretive and educational materials according to General/Management Plans or the classification of the unit.

L. Volunteers

Within 12 months of Sub-Agreement execution, MCCOC and State will agree upon and generate written detail regarding the development of a strategy for

leveraging volunteers to meet the needs of the state park unit according to the General/Management Plans or classification of the unit.

M. Public Safety and Enforcement

In the event of a major disaster incident involving, or potentially involving any of the Premises, such as wildfire or earthquake, Sub-Operator shall be responsible for evacuation of visitors and employees, and immediate notification of incident to MCCOC and State. State will represent the interests of the park unit in the Incident Command System to ensure proper protocols are followed for protection of resources. MCCOC and Sub-Operator will agree upon and generate written detail regarding the roles and responsibilities regarding public safety and law enforcement.

N. Planning and Compliance

- 1) MCCOC and Sub-Operator will develop and generate a written plan addressing the roles and responsibilities of all parties in complying with mandated laws, regulations and State Park policies.
- 2) Non-Interference: Sub-Operator agrees to provide access to MCCOC and States' employees, contractors, or agents, to allow MCCOC to carry out its duties under this Sub-Agreement and responsibilities as a landowner and manager. MCCOC and State shall use commercially reasonable efforts to minimize interference with Sub-Operator's operations of the Premises during any such access by MCCOC and States' employees, contractors, or agents.

O. Partnerships

MCCOC may enter into one or more sub-operating agreement(s) to help secure funding through charitable contributions, and investment capital, as well as provide operating expertise to assist MCCOC in executing its responsibilities

expressly contained herein provided that such sub-operating agreements are not inconsistent with the rights of Sub-Operator pursuant to this Sub-Agreement.

P. Concessions Management

As defined by PRC § 5080.33, Sub-Operator does not have authority to enter into concession contracts under this Sub-Agreement, but may enter into a sub-sub-operating, vendor or contractor agreements with unaffiliated third parties to perform certain duties expressed herein on behalf of Sub-Operators or to delegate certain responsibilities of Sub-Operator to affiliated entities.

Q. Communications

MCCOC and Sub-Operator will develop a comprehensive plan for business communications to include:

- 1) The mutual benefit and importance of ongoing and positive communication.
- 2) Collaborative techniques in operating Premises in a manner that protects its natural, historic, and cultural resources.
- 3) Communications regarding all scientific, architectural, and engineering activities and interactions that require special expertise or professional training and that are subject to oversight of MCCOC and State.
- 4) Appropriate and acceptable communication in meetings, on phone calls, and via e-mail.

R. Fire Emergency Preparedness and Response

- 1) Sub-Operator shall install and maintain a defensible space zone around all structures within the Premises. Any requests for Right of Entry permits for the purpose of private landowners maintaining defensible space for habitable structures or boundary vegetation

modification will be forwarded to MCCOC for State approval. Sub-Operator shall not grant or approve Right of Entry permits.

- 2) In the event of a wildfire incident, Sub-Operator shall notify State Dispatch office immediately of its occurrence. State will work with CalFire and other agencies as agency representative for the Premises during the wildfire incident, including to complete suppression repair as outlined in the statewide-agreement between CalFire and State.

S. Use of the Premises for State Training

- 1) Sub-Operator shall provide and maintain lodging, meals and conference facilities and services necessary for the operation of State's annual training programs as requested. Sub-Operator will hold six one-week blocks for training January-June. Sub-operator shall hold the second week (Sunday through Friday) of each month, January through June, unless there is a holiday that week which would then default the hold to the third week of each month for training classes. The training class schedule shall be provided to Sub-Operator no later than July 1st of each year for classes beginning the following January. The holds may be released for sale once the training schedule is submitted to Sub-Operator and no classes have been scheduled. State shall schedule additional training classes and conferences without limits to dates or length of stays based on Sub-Operators availability.
- 2) Sub-Operator shall be responsible for maintenance and housekeeping of training facilities referenced in this section and the quality of goods and services provided to the State and its training participants shall be at least equivalent to those provided by Sub-Operator to the public.

- 3) State shall pay Sub-Operator for full services that include lodging, conference facilities and meals provided to training participants. Full services apply to training participants who lodge and receive all meals on the Premises provided by Sub-Operator. Partial services will be provided to training participants upon notifying Sub-Operator a minimum of one week (7 days) in advance. Partial service may include meals and a facility fee at the rate listed in the sub-paragraph 7) below.
- 4) State may cancel any scheduled program, without cost, by providing written notice to Sub-Operator no less than forty-five (45) calendar days prior to the start of a scheduled program for program cancellations. If the State provides less than forty-five (45) days' prior written notice, but more than thirty (30) days' prior written notice of a cancellation, then the State shall be responsible to pay fifty percent (50%) of the cost of lodging for the scheduled number of participants for each cancelled day. If the State provides less than thirty (30) days' prior written notice of a cancellation, then the State shall be responsible to pay one hundred percent (100%) of the cost of lodging for the scheduled number of participants for each cancelled day for which less than thirty (30) days' prior written notice was provided.
- 5) Upon written notification of release by State, Sub-Operator may utilize such unoccupied facilities for public lodging and conference use as provided in this Sub-Agreement. State shall not be charged for cancelled lodging that the Sub-Operator is able to rent to another party at the same or higher rate. Sub-Operator shall make all reasonable effort to rent said lodging.
- 6) During periods of occupancy by State and/or Natural Resources Agency (NRA), Sub-Operator agrees to provide lodging and meals

commencing at 3:00 p.m. on the day of arrival through 1:00 p.m. on the day of departure. Meals shall be provided at the following times: Breakfast 7:00 a.m. until 9:00 a.m.; Lunch 11:30 a.m. until 1:30 p.m.; Dinner 6:00 p.m. until 8:00 p.m. Beverage service (coffee and tea) will be provided in training room(s) three times per full day and twice per half day, and once on departure day (3:00 p.m. and 8:00 p.m. on arrival day; 8:00 a.m., 2:00 p.m. and 8:00 p.m. on full days; 8:00 a.m. on departure day).

7) **RATES:**

a) **LODGING:**

\$118.00 per room, per night, single occupancy

\$152.00 per room, per night, double occupancy

\$228.00 per room, per night at triple occupancy

Deluxe room shall be made available if the facility is not fully booked at the same rates as above. Lodging rates includes full services to training participants who lodge and receive all meals and coffee service at conference facilities. Training participants will not be charged for Lodging Room Changeovers.

Beginning with Sub-OA year six (6) and every fifth Sub-OA year thereafter, rates for lodging and day use may be adjusted for changes in the Consumer Price Index as described in Exhibit B Consumer Price Index (CPI) Adjustments. Rates shall not exceed California Department of Human Resources (CalHR) rates located at <https://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx> during the term of this Sub-Agreement.

b) **DAY-USE FEES:**

Amounts charged for day-use fees are for individuals who use Sub-Operator services (but do not require lodging) shall not exceed the following:

Marconi Conference Center SHP

Breakfast only	\$14.00 per person
Lunch only	\$16.50 per person
Dinner only	\$27.50 per person
Facility Fee	\$15 per person, per calendar day

c) CONFERENCE ROOM FACILITIES:

Buck Hall Conference room is provided at no additional charge when State pays for lodging facilities

d) WI-FI ACCESS:

WI-FI or other internet access shall be provided to all State staff and instructors at no charge to State or participants. State shall install and maintain wireless network access in Buck Hall for State staff and instructors. Electrical power shall be provided by Sub-Operator at no additional charge to Sate.

e) AUDIO VISUAL EQUIPMENT:

At a minimum, Sub-Operator shall make available upon request to State, its staff, instructors, and guests the following audio-visual equipment: LCD Projector / Projection Screen; VCR/DVD Player with Monitor, Overhead Projector, CD Player, Lectern (with Amplified Microphone), and a minimum of four (4) each Presentation Easels, Flip-Charts and Markers. All audio visual equipment shall be maintained and upgraded or replaced to industry standards and provided at no additional charge to State.

f) ADDITIONAL MEETING SPACE USAGE:

Sub-Operator shall provide State with a minimum of one (1) conference room of its choosing for each event scheduled. Should State require additional conference room space, amounts charged for this space shall not exceed the following:

Pine Lodge	\$130 per calendar day
Cypress Lodge	\$130.00 per calendar day

McCargo Hall \$200.00 per calendar day

g) MEETING HOURS:

Conference space shall be made available to State no later than 3 p.m. on the date prior to the first day of each conference. State agrees that any conference space used by State shall be vacated prior to 1 p.m. on the date of departure unless other arrangements are made in advance. There will be no additional charge if the meeting room is needed past 1 p.m. on the date of departure. The space must be vacated no later than 4 p.m. on the date of departure with prior permission between State and the Sub-Operator.

- 8) Subject to availability of funds, the State shall encumber approximately two hundred-forty-nine thousand dollars (\$249,000) per year for payment to Sub-Operator for services provided by Sub-Operator for the state's training participants. Upon satisfactory completion of services, State shall pay Sub-Operator in arrears upon receipt of invoices for services rendered. Invoices shall include the Sub-Agreement number and shall be submitted not more frequently than monthly in arrears to:

Department of Parks and Recreation  
William Penn Mott Jr. Training Center  
Attention XXX  
P.O. Box 699  
Pacific Grove, California 93950

**5. DUTIES OF MCCOC**

A. Cultural Resources

- 1) MCCOC is aware State shall be responsible for prioritizing and carrying out its responsibilities related to management and



- protection of cultural resources and has primary responsibility for stewardship of cultural resources within the State Park System under the Public Resources Code and other applicable statutes.
- 2) The States' Historic Preservation Officer will review all work and requests for external funding for the management and restoration of cultural resources.
  - 3) All funding and management of contracts related to cultural resource management shall be reviewed by MCCOC and States' Department Historic Preservation Officer.
  - 4) When agreed upon by the Parties, Sub-Operator shall partner with MCCOC on appropriate resource management projects with oversight provided by MCCOC and State.
  - 5) MCCOC and State will provide, and the Sub-Operator shall so utilize State cultural resources specialists (Cultural Resource Program staff) Museum Curator, District Specialists, State Historian, and State Archaeologist), with an emphasis on maintaining integrity of the physical features of which the entire mission of the park is organized.
  - 6) MCCOC shall not remove artifacts from the Premises unless such removal is temporary and for the purposes of conservation, repair, or protection from fire or other natural disaster, or as agreed to by both Parties.
  - 7) MCCOC is aware that the State will provide up to 16 hours per year of museum collections management orientation to MCCOC. MCCOC may allow a reasonable number, as determined by State, of Sub-Operator staff and/or volunteers to attend as well.

B. Natural Resources

- 1) MCCOC is aware State shall be responsible for prioritizing and carrying out responsibilities related to management and protection of natural resources and has primary responsibility for stewardship of natural resources within the State Park System under the Public Resources Code and other applicable statutes.
- 2) All work and requests for external funding for the management and restoration of natural resources will be the responsibility of MCCOC and State.
- 3) All funding and management of contracts related to natural resource management shall be the responsibility of MCCOC and State.
- 4) When agreed upon by the Parties, MCCOC shall partner with sub-Operator on appropriate resource management projects with oversight provided by MCCOC and State.
- 5) If applicable, MCCOC will work with Sub-Operator to develop Wildfire Management Plans, as State staff and funding are available.
- 6) MCCOC and State are responsible for reviewing and approving proposed fuel modification zones, California Forestry and Fire Protection ("Cal Fire") proposed fuel modification plans, and supplying Right of Entry permits for neighbors to perform defensible space work in accordance with State "Guidelines for the Protection of Structures from Wildland Fire" (March 2009) or more recent updated State Park guidelines if applicable. Responsibility for performing and funding work called for by the Wildfire Management Plans shall be mutually agreed by the Parties prior to implementation

C. Planning and Compliance

- 1) State is designated Lead and Trustee Agency as defined by CEQA. Sub-Operator shall submit complete project descriptions to MCCOC in Project Evaluation Forms (PEF) for processing and CEQA determination by State. State shall process annually no more than six (6) PEF's, up to \$100,000 per maintenance project, to the level of a Notice of Exemption (NOE).
- 2) Any further CEQA review of aforementioned six (6) PEF's beyond NOE, or any additional project review, CEQA determination notwithstanding, will be at the sole expense of Sub-Operator.
- 3) MCCOC will provide training to Sub-Operator staff and volunteers about the project review process, which includes the writing of the PEF, PRC § 5024 and PRC § 5024.5 compliance, and CEQA review.
- 4) State, MCCOC and Sub-Operator will work together to prevent duplication of development planning, permitting, and compliance efforts and associated costs as may be required by the California Coastal Commission and as administered by the County of Marin according to the California Coastal Commission's Local Coastal Plan.

D. Annual Operations Budget

MCCOC shall submit an annual operations budget to State for approval prior to October 1 of each year for the following year, beginning with the execution of this Sub-Agreement. This budget shall be the basis for MCCOC withdrawals from the FMIA for the purposes of general MCCOC operations, including Directors and Officers Insurance, and nominal Board expenses as set forth in Section 9 (Other Financial Requirements). To the extent that MCCOC is making withdrawals to cover the expenses of obtaining Directors and Officers Insurance or nominal Board expenses as set forth in Section 9), these combined expenses

will be capped at an annual budget of \$10,000. Moreover, Sub-operator shall work with MCCOC, to the extent feasible and permissible, to fund the foregoing amount by means of a donation from Sub-Operator to MCCOC's Foundation for the above described operations budget in lieu of MCCOC withdrawals from FMIA account, if approved by State.

## 6. CONSIDERATION

Rent: Commencing upon Sub-Operator's opening the eco-lodging cabins or renovated hotel rooms for public use, Sub-Operator shall pay to MCCOC, the following amounts, whichever is greater (1) the Guaranteed Minimum Amount Rent (GMAR) or (2) Six percent (6%) of the annual gross receipts of all cabins and hotel rooms.

GMAR shall be calculated as follows:

- Cabin(s) \$2,067/per cabin annually or 6% of annual gross receipts
- Hotel \$3,897/per room annually or 6% annual gross receipts

The annual rent shall be reduced and offset in a given year, on a dollar for dollar basis, by the amount of any capital expenditures by Sub-Operator to perform the high priority deferred maintenance items identified in Section 4H2) which are not reimbursed to Sub-Operator by MCCOC from the Capital Improvement Account ("CIA") following request therefrom by Sub-Operator.

Beginning with Sub-Agreement year Six (6) and with each subsequent five (5) year period thereafter, (Sub-Agreement year eleven (11) and sixteen (16), etc.), the Guaranteed Minimum Annual Rent and the Maximum Annual Rent shall be adjusted to reflect changes in the Consumer Price Index (CPI). Such CPI adjustments shall be made in accordance with the "Consumer Price Index Adjustment Formula", **Exhibit B**, attached to and made a part of this Sub-Agreement.

All rental payments shall be deposited by Sub-Operator into a separate Facility Maintenance/Improvement Account ("FMIA"), as set forth in **Section 9** (Other Financial Requirements). Sub-Operator shall make deposits of Guaranteed Minimum Annual Rent and other payments to MCCOC in lawful money of the United States. However, if

any payment made by a check, draft, or money order is returned to MCCOC due to insufficient funds or otherwise, MCCOC shall have the right, at any time after the return, upon written notice to Sub-Operator, to require Sub-Operator to make all subsequent payments in cash or by cashier's or certified check.

Beginning with the fifteenth (15th) day of the month following the opening of any eco-lodging cabins or hotel rooms for public use, and on or before the fifteenth (15th) day of each month thereafter, Sub-Operator shall furnish to MCCOC a verified statement of the Sub-Operator's gross receipts for the preceding month. Such statement shall be submitted on Sub Operator's Monthly Report of Operation, attached hereto as **Exhibit C**, or in a format previously approved by the MCCOC and State, and shall specify the current period and cumulative total of gross receipts for the sub-operation through the end of the preceding month for the then current Sub-Agreement year. Sub-Operator shall also provide such statement for periods of non-operation. Concurrent with such monthly statement, the Sub-Operator shall pay into the FMIA the appropriate rental fee for the preceding calendar month as prescribed above. If, at the end of the Sub-Agreement year, the total of monthly percentage rental payments made (or due) during that Sub-Agreement year is less than the Guaranteed Minimum Annual Rent required for that Sub-Agreement year, the difference shall be remitted into the FMIA with the last monthly sales statement for the Sub-Agreement year. Payments must be received into the FMIA on or before the fifteenth (15th) day of the month as described above. Any late payment shall constitute a breach of Sub-Agreement, giving rise to MCCOC's remedies as set forth below. Further, any late payment will be subject to a late penalty consisting of an administrative charge on the late amount, calculated at the rate of five percent (5%) of the amount of the late payment or portion thereof. The parties agree that the late charge represents a fair and reasonable estimate of the costs MCCOC will incur because of late payment. Subject to the notice and cure rights set forth in Section 43, acceptance of the late charge by MCCOC shall not constitute a waiver of Sub-Operator's default for the overdue amount, nor prevent MCCOC from exercising the other rights and remedies granted under this Sub-Agreement. Sub-

Operator shall pay the late charge as additional rent with the next monthly rent payment.

Any amount due into the FMIA and/or to MCCOC, if not paid within five (5) days following the due date, will bear interest from the due date until paid at the rate of ten percent (10%) per year. However, interest shall not be payable on late charges incurred by Sub-Operator. Subject to the notice and cure rights set forth in Section 43, payment of interest shall not excuse or cure any default by Sub-Operator.

Upon written request by the Sub-Operator to MCCOC demonstrating unusual or extenuating circumstances causing the late payment, the MCCOC, in its sole discretion, may waive the late charge. Further, in the event Sub-Operator is prevented from carrying on the operations contemplated herein by reason of an Act of Nature or other reasons beyond Sub-Operator's control, and when requested in writing in advance by Sub-Operator, Guaranteed Minimum Annual Rent may be abated in proportion to the amount by which gross receipts are reduced by the occurrence for such period of reduced or non-operation, as determined in the sole discretion of MCCOC. In the event of a Force Majeure or governmental action, law, ordinance or order whereby the Sub-Operator is required to cease its operations ("Cessation Event") in whole or part, the Guaranteed Minimum Annual Rent shall be abated for the period commencing on the date of such Cessation Event and continuing until twelve months following the end of such Cessation Event.

If this Sub-Agreement is terminated by MCCOC because of Sub-Operator's default, and if Sub-Operator becomes liable for any deficiency in rent and/or fees by way of damages or otherwise, or if at any time during the Sub-Agreement term Sub-Operator ceases to conduct in the Premises the business referred to herein below, then from and after the time of the breach causing this termination, or from and after the time of the cessation of business, all unpaid rent and/or fees prior to the breach causing termination or cessation of business shall become due and payable. The amount due shall be deemed to be the greater of: (a) the Guaranteed Minimum Annual Rent provided herein, or (b) an amount based upon the average of the payments that have

accrued to MCCOC as percentage rent during the twenty-four (24) months preceding the termination or cessation of business, unless the termination or cessation occurs within three (3) years of the beginning of the Sub-Agreement term, in which event the previous twelve (12) (or fewer, if applicable) months shall be used as the basis of this average.

**7. REIMBURSEMENT TO MCCOC AND/OR STATE**

A. Sub-Operator shall reimburse MCCOC and MCCOC shall reimburse State for the following:

- 1) Any and all of State's costs relating to the operation of the Premises, including but not limited to, design review, permit review, and inspections, excluding State costs associated with reviewing and processing annually up to six PEF's at the NOE level and up to \$100,000 per maintenance project. MCCOC shall provide Sub-Operator an estimate of costs prior to performing work.
- 2) Any and all of State costs associated with the fuel modification permitting process. MCCOC shall provide Sub-Operator an estimate of costs prior to performing work.
- 3) All reimbursement to MCCOC shall include indirect costs in accordance with State Administrative Manual 8752 and 8752.1.

B. Upon approval of MCCOC and State, costs incurred as a result of Section 7.A may be reimbursed through the FMIA. Otherwise, any payments to be made directly to MCCOC shall be made to the order of the Marconi Conference Center Operating Corporation and delivered to the office identified herein below or at such other location as may from time to time be designated by MCCOC.

**8. GROSS RECEIPTS**

The term "gross receipts," wherever used in this Sub-Agreement, is intended to and shall mean all moneys, property, or any other thing of value received by or owed to

Sub-Operator, including any Sub-Operation related business carried on through the internet or catalog sales, or from any other business carried on or in connection with the Premises, or from any other use of the Premises, and/or of any business of any kind that uses the names licensed by this Sub-Agreement, or that associates with or implies an endorsement by MCCOC, all without deduction. The term "gross receipts" shall not include any sales taxes, hotel occupancy tax, short term rental tax, or other similar tax on the delivery of goods or services with the exception of Possessory Interest Tax by Sub-Operator imposed by any governmental entity and collected by Sub-Operator. "Gross Receipts" shall not include any charitable receipts received through fundraising efforts by Sub-Operator.

Reservation deposits shall not be included in gross receipts until the services that relate to the deposit have been rendered by Sub-Operator or the reservation has been canceled and the deposit has been retained by Sub-Operator in accordance with the deposit policy in the Sub-Operator's Event Contract the form of which is subject to the approval in advance in writing by MCCOC. Sub-Operator shall be entitled to utilize such advance deposits in connection with the operation of the Premises by Sub-Operator, provided that Sub-Operator provides evidence reasonably satisfactory to MCCOC, by means of bonding, cash reserves or other similar manner determined by Sub-Operator, to ensure sufficient financial resources are available to return any such refundable advance deposits to the extent required pursuant to Sub-Operator's Event Contract. All earned interest, including interest earned on a reservation deposit, shall be included in gross receipts for the month such earned interest is reported to Sub-Operator.

**9. OTHER FINANCIAL REQUIREMENTS**

A. Trust Fund: Within thirty (30) days of Sub-Agreement execution, MCCOC and Sub-Operator shall jointly establish, and Sub-Operator shall fund a Marconi Conference Center Trust Fund ("Trust Fund") with a financial institution licensed



to do business in California. The Trust Fund shall be for the benefit of the Marconi Conference Center and shall be divided into the following two accounts:

- 1) Capital Improvements Account (“CIA”)
- 2) Facility Maintenance/Improvement Account (“FMIA”)

Both accounts shall be interest bearing, with all interest accruing to the respective account. To carry out the terms of this section, MCCOC and Sub-Operator agree to execute a **Trust Agreement** within 15 days of Sub-Agreement Execution in the format shown in “**Exhibit D,-Sample Trust Agreement Provisions**”, attached hereto and made a part of this Sub-Agreement.

B. Deposits to CIA: Sub-Operator shall deposit funds into the CIA, including, but not limited to, financial contributions and capital outlay for construction and deferred maintenance projects in accordance Sub-Operator’s Facility Improvement Plan, attached hereto as **Exhibit H**. Sub-Operator shall deposit funds into the CIA to fund those improvements identified in the Sub-Operator’s Facility Improvement Plan according to the following schedule:

Within 60 days of Sub-Agreement Execution-	\$100,000
Within 6 months of Sub-Agreement Execution	\$400,000
End of year 1 -	\$500,000
End of year 2 -	\$3,000,000
End of year 3 -	\$2,000,000
End of year 4 -	\$7,000,000
End of year 10 -	\$11,000,000
<b>Total -</b>	<b>\$24,000,000</b>

Any modifications to the deposit schedule shall have Sub-Operator, MCCOC and State’s prior approval. Should any portion of the Sub-Operator’s Facility Improvement Plan be cancelled or indefinitely delayed due to inability to obtain permits or material increase in anticipated project costs in connection with securing necessary governmental approvals and permits to construct such improvements pursuant to Sections 27C and 27H, MCCOC and State shall agree to amend the foregoing schedule

to proportionately reduce Sub-Operator's obligations to fund the CIA by the estimated cost to complete construction of the cancelled or indefinitely delayed improvements. The deposit due to the CIA at the end of year 10 is required only if the renovation of the historic Marconi Hotel as part of Phase 4 of the Facility Improvement Plan has obtained all necessary permits and approvals for construction and adequate funding to construct same and shall not be required if renovation of the historic Marconi Hotel is unable to move forward pursuant to the terms of this Sub-Agreement.

C. Deposits to FMIA: Sub-Operator shall deposit into the FMIA all rental payments in accordance with **Section 6** (Consideration). These funds shall be used for general operations by MCCOC according to the State-approved Annual Operations Budget as set forth in Section 5.D, as well as for ongoing maintenance and other unanticipated improvements.

D. Withdrawals from CIA: All withdrawals from the CIA shall be in accordance with Sub-Operator's Facility Improvement Plan, Exhibit H, and MCCOC and State approved Annual Facility/Capital Improvements Plan.

E. Withdrawals from FMIA: All Sub-Operator withdrawals from the FMIA shall require an MCCOC and State approved Annual Maintenance Plan, which shall not be unreasonably withheld, and for unanticipated improvements, an MCCOC and State approved Annual Facility /Capital Improvements Plan. MCCOC may withdrawal from the FMIA for general operations by MCCOC according to the State-approved Annual Operations Budget as set forth in Section 5.D

F. Facility Improvements: Sub-Operator shall plan design, construct and complete facility improvements and deferred maintenance, as described in Sub-Operator's Facility Improvement Plan, **Exhibit H**, without cost to State and in compliance with **Section 27** (Construction and Completion of Improvements), with a minimum expenditure of five hundred thousand Dollars (\$500,000). Any penalties, lien charges, and/or costs to resolve construction related disputes shall

not be included in the minimum expenditure amount. After completion of all Sub-Operation facility improvements and acceptance by MCCOC and State, if there remains an unspent balance of the five hundred thousand dollars (\$500,000), funds shall remain in the Trust Fund accounts for other unanticipated improvements. All unanticipated improvements shall follow the State's General Plan.

G. Maintenance: Sub-Operator shall maintain the Premises in accordance with **Section 15** (Housekeeping, Maintenance, Repair and Removal) of this Sub-Agreement.

H. Expenditures:

- 1) Expenditures for facility improvements and deferred maintenance projects shall be in accordance with Sub-Operator's Facility Improvement Plan, **Exhibit H**, and MCCOC and State approved Annual Facility/Capital Improvement Plan.
- 2) Expenditures for ongoing maintenance and other unanticipated improvements shall be in accordance with Sub-Operator's Annual Maintenance Plan and MCCOC and State approved Annual Facility/Capital Improvement Plan.
- 3) Sub-Operator shall have all expenditures that will be in excess of Sub-Operator's Facility Improvement Plan, Exhibit H, MCCOC and State approved Annual Facility Improvement Plan, and Annual Facility/Capital Improvement Plan, pre-approved by MCCOC and State.

I. Reconciliation of Trust Fund:

- 1) Once every three months, Sub-Operator shall submit to MCCOC a reconciliation report showing amount of gross revenue, amount transferred to the Trust Fund accounts, list of expenditures, and Trust Fund balances. As backup to the reconciliation report, Sub-

Operator shall provide MCCOC, upon request, with a copy of all invoices for expenditures deducted from the Trust Fund accounts.

- 2) If any expenditures are less than Sub Operator's Facility Improvement Plan Exhibit H, MCCOC and State approved Annual Facility/Capital Improvement Plan, or Annual Maintenance Plan, Sub-Operator shall re-deposit those funds into the appropriate CIA or FMIA.

J. Review of Trust Fund: Starting at Sub-Agreement year five (5) and continuing once every five (5) years thereafter, MCCOC and State shall review the Trust Fund account balances and financial needs of the Premises. If MCCOC and State determine the Trust Fund account balances exceed the needs of the Premises, MCCOC and State may request a transfer from the FMIA, but not the CIA, to be paid as additional rent to MCCOC and/or State.

K. Assignment of FMIA: Upon termination or expiration of this Sub-Agreement, any unencumbered balance in the account shall be transferred to State, or at State's option transferred to another entity. The unencumbered balance shall be all funds remaining in the account after payment of all accounts payable, overhead and termination costs.

L. Assignment of CIA: Upon termination or expiration of this Sub-Agreement, any unencumbered balance in the CIA shall be transferred pursuant to the terms of this Sub-Operating Agreement and the terms of the relevant agreement between the Sub-Operator and its capital funding groups. The unencumbered balance shall be all funds remaining in the account after payment of all accounts payable, overhead and termination costs.

M. The following definitions shall apply to this Sub-Agreement:

- 1) Improvements: Constitute renovation, reconstruction, or new construction.
- 2) Maintenance: Routine repair and preservation work necessary to maintain facilities, and equipment in a good state of repair, as well

as to preserve them for their intended purpose for an optimum useful life.

- 3) The Trust Fund does not apply to housekeeping which is defined as all activities concerned with keeping facilities clean, neat, and orderly, and includes, but is not limited to, mowing, raking, sweeping, vacuuming, mopping, stripping, waxing, dusting, wiping, washing, hosing, interior painting, and other general care or cleaning of interior and exterior floors, walls, ceilings, doors, windows, facility fixtures, and all adjacent grounds and walks.

**10. USE OF PREMISES**

A. Sub-Operator agrees to develop, operate, control, and maintain the Premises as a State Historic Park with a conference center, for hosting of special events, overnight accommodations and/or other facilities accessible and subject to the use and enjoyment of conference attendees, as well as the general public.

B. MCCOC and State have determined Sub-Operator is qualified to sub-operate the Premises under this Sub-Agreement, based on “**Exhibit E-Marconi Proposal Overview**”, and “**Exhibit F-Sub-Operating Agreement Proposal Questionnaire**” attached hereto and incorporated herein by reference.

C. The Use of the Premises shall be consistent with the MCCOC approved Operation Plan, Facility Improvement Plan, and Interpretive Plan as proposed by Sub-Operator and modified by MCCOC as is reasonable and necessary to meet the intention of MCCOC for the sub-operation and mission of MCCOC and State. The approved Sub-Operator’s Operation Plan, Facility Improvement Plan, and Interpretive Plan are incorporated herein and made part of this Sub-Agreement as “**Exhibits G, H and I**”.

D. Development and operation of the Premises shall be conducted in accordance with all applicable State general planning principles, State Parks and Recreation Commission’s policies and all federal, state, and local government

statutes, laws, and regulations, including, but not limited to PRC §§ 5019.53 (state parks), 5019.56 (state recreation units), 5019.59 (historical units), 5019.62 (state seashores), 5019.65 (state reserves), 5019.68 (state wildernesses), 5019.71 (natural preserves), 5019.74 (cultural preserves), California Environmental Quality Act (CEQA/AB 52), Executive Orders W-26-92 and B-10-11, PRC §§ 5024 and 5024.5, the Native American Graves Protection and Repatriation Act (NAGPRA) (PL 101-601, 25 U.S.C. 3001 et seq., 104 Stat. 3048) and the Secretary of the Interior's Standards for Rehabilitation (36 CFR Part 67). When an undertaking has a Federal nexus, the National Historic Preservation Act (NHPA)- § 106 (36 CFR Part 800.1 to 800.16) and the National Environmental Policy Act (42 U.S.C. § 4321) will be required as well.

Sensitive information will be safeguarded from general public distribution as required by state and federal law (California Government Code § 65040.2(g)(3); 6254.10; 43 CFR 7, § 7.18(a)), and State Parks' regulations related to the State Park System.

E. MCCOC shall provide Sub-Operator with any Historic Structure Reports (HSR), and Sub-Operator shall refer to the HSR report(s) prior to any project or undertaking on the structures.

F. Subject to the provisions of Sections 27C and 27H, Sub-Operator shall improve the Premises with construction and operation of the following facilities in accordance with the State's General Plan:

- 1) Installation of new Eco-lodging cabins (conforming to General Plan page 4)
- 2) Renovation of Marconi Hotel (conforming to General Plan, page 5), subject to timeline as outlined in the Facility Improvement Plan attached as Exhibit H.
- 3) Complete restoration and renovation of Bayview Cottage, subject to the Facility Improvement Plan attached as Exhibit H.

- 4) Complete restoration and renovation of Operations Building, subject to Facility Improvement Plan Exhibit H

G. Sub-Operator shall also improve the Premises by completing deferred maintenance projects identified in **Section 4(H)-Duties of Sub-Operator (Facilities/Operation)** and subject to the schedule set forth in the Facility Improvement Plan attached as Exhibit H.

H. The improvements referenced in Section 10(F) and (G) shall not adversely affect the use and enjoyment of the Premises by the public. It shall be at MCCOC and State's reasonable discretion to determine if such an adverse impact exists; however, it is anticipated by MCCOC and Sub-Operator that the renovation of the Operations Building will limit use to overnight guests and MCCOC and the State acknowledge that such limitation will not adversely affect the use and enjoyment of the Premises by the public.

I. Sub-Operator may charge reasonable use fees for the Premises upon the prior approval of MCCOC and State.

J. Sub-Operator shall not use or permit the Premises to be used in whole or in part during the term of this Sub-Agreement for any purpose other than as herein set forth without the prior consent of MCCOC and State.

#### **11. RATES, CHARGES AND QUALITY OF GOODS AND SERVICES**

Sub-Operator shall staff, operate, manage, and provide all goods, services, and facilities offered in a first-class manner and comparable to other high quality Operators providing similar facilities and services. MCCOC and State reserves the right to prohibit or modify the sale or rental of any item, accommodation, or service for public safety and/or to ensure that the public receives, in MCCOC's view, fair pricing, proper service, and appropriate quality, which price, service and quality shall in no event be inconsistent with the pricing, service and quality offered by competitive, similarly situated properties offering similar services to those offered by Sub-Operator, and which initial rates, and offered accommodations set forth on shall be in "**Exhibit S**". Any

changes to rates or charges to park visitors proposed by Sub-Operator following Sub-Agreement approval shall be submitted in writing to MCCOC for State's approval. Rate changes may not be imposed retroactively.

**12. EMPLOYEE ORIENTATION AND TRAINING**

All Sub-Operator employees shall receive training to include an orientation on the State Park System, and local points of interest, provided by Sub-Operator. Such orientation shall be sufficient to permit Sub-Operator employees to reply adequately to inquiries from the visiting public. Training also shall include job or task-specific training necessary to ensure high-quality delivery of service, disability awareness and how to accommodate visitors with disabilities, and shall include topics allowing employees to undertake duties in a manner consistent with the protection of the State Park System and its visitors. Sub-Operator's Employee Training/Orientation Program is subject to approval by MCCOC.

Sub-Operator will require all employees in positions of special trust as determined at the sole discretion of MCCOC to undergo a background check, including references and fingerprints, to ensure that the individual has an acceptable record as a law-abiding citizen. The background check may be similar to the California Department of Justice's Live-Scan Program. Sub-Operator shall be responsible for covering all costs associated with said background checks. Any criminal offenses that have a nexus to said job should be considered as a basis for rejection from hire.

**13. ALCOHOLIC BEVERAGES**

Sub-Operator may sell alcoholic beverages with prior approval of MCCOC and State. A competent adult person twenty-one (21) years of age or over shall be on the premises at all times to supervise the sale of alcoholic beverages. The sale of alcoholic beverages shall be subject to any regulations established for the State Park System by the Director of the Department of Parks and Recreation and the regulations established by the Department of Alcoholic Beverage Control.



**14. HEALTHY FOODS INITIATIVE**

As the primary food providers in California State Parks, participation by Sub-Operators in the State's efforts to promote healthy and sustainable food practices is critical. To that end and in accordance with State's mission to provide for the health of Californians, Sub-Operator shall promote the importance of healthy, locally and sustainably grown, organic foods, and shall use sustainable practices, organic ingredients, and recycled products whenever possible. These practices shall include the following:

- A. To the extent possible, Sub-Operator shall develop a network of local farmers and ranchers who are dedicated to sustainable agriculture and can assure a steady supply of pure and fresh ingredients.
- B. Sub-Operator shall offer a selection of food and beverage items that conform to the definition of healthy foods as defined by the U.S. Department of Agriculture and the Food and Drug Administration in the Code of Federal Regulations, 9 CFR Part 317 and 21 CFR Part 101.
  - 1) Sub-Operator shall offer a selection of beverages with no sugar added, such as bottled water, natural fruit juices, and tomato juice.
  - 2) To the extent possible, Sub-Operator shall provide food products that are as pure and natural as possible, without synthetic additives, pollutants, or unnecessary packaging and marketing.
  - 3) To the extent possible, Sub-Operator shall develop interpretive materials and programs that demonstrate the vital role of food in human culture, and how food affects quality of life.
  - 4) To the extent possible, Sub-Operator shall offer interpretive demonstrations regarding the sound and sustainable production of food and healthful and traditional means of cooking.
  - 5) To the extent possible, Sub-Operator shall develop a demonstration kitchen that provides maximum access to park

visitors to view healthy food preparation techniques and that can be used to host educational food and cooking programs. Such a kitchen should include, where possible, food preparation areas that are visible to the public, and ceiling or otherwise elevated/mounted mirrors to maximize public viewing of food preparation techniques.

**15. HOUSEKEEPING, MAINTENANCE, REPAIR AND REMOVAL**

A. During the term of this Sub-Agreement at Sub-Operator's own cost and expense, Sub-Operator shall maintain and Sub-Operate the Premises including equipment, personal property, and alterations or improvements of any kind that may be erected, installed, or placed thereon in a clean, safe, wholesome, and sanitary condition free of trash, garbage, trees, bushes, shrubs, grasses, or obstructions of any kind. During the term of this Sub-Agreement, it shall be the Sub-Operator's responsibility to ensure that the Premises are maintained to the satisfaction of MCCOC and State. All construction, operation, and maintenance shall be in accordance with all laws, codes, regulations, ordinances, and generally accepted industry standards pertaining to such work. For historic structures, work shall be done in conformance with the Secretary of the Interior's Standards for the Treatment of Historic Properties, and the California Historic Buildings Code.

B. Housekeeping: Housekeeping activities are defined as all those activities concerned with keeping facilities clean, neat, and orderly, and includes, but is not limited to, mowing, raking, sweeping, vacuuming, mopping, stripping, waxing, dusting, wiping, washing, hosing, and other general care or cleaning of interior and exterior floors, walls, ceilings, doors, windows, facility fixtures, and all adjacent grounds and walks. Sub-Operator housekeeping shall conform to MCCOC and State standards.

C. Maintenance and Repairs: Sub-Operator shall maintain all sub-operation facilities and personal property and equipment on the Premises in good condition and repair at Sub-Operator's sole cost and expense at all times during the term

of this Sub-Agreement. Such maintenance shall conform to MCCOC and State standards. For the purposes of this Sub-Agreement, the term "maintenance" is defined as routine repair and preservation work necessary to maintain facilities, personal property and equipment in a good state of repair, as well as to preserve them for their intended purpose for an optimum useful life.

D. Removal and Restoration. At the expiration or sooner termination of this Sub-Agreement, Sub-Operator at its own expense shall remove all personal property brought onto the Premises by Sub-Operator. Sub-Operator, at Sub-Operator's expense, shall repair and maintain the Premises, and any of Sub-Operator's improvements or fixtures remaining thereon, to a good, clean, safe, and fit condition, reasonable wear and tear expected, and shall completely remedy all injuries to the Premises, in accordance with the Secretary of the Interior's Standards for Treatment of Historic Properties.

E. Should Sub-Operator fail, neglect, or refuse to undertake and complete any required maintenance, MCCOC shall have the right to perform such maintenance or repairs for Sub-Operator. In this event, Sub-Operator shall promptly reimburse MCCOC for the cost thereof, provided, however, that MCCOC shall first give Sub-Operator 10 days written notice of its intention to perform such maintenance or repairs. MCCOC shall not be obligated to make any repairs to or maintain any improvement on the Premises. Sub-Operator, hereby, expressly waives the right to make repairs at the expense of MCCOC and the benefit of Civil Code §§ 1941 and 1942 relating thereto, if there be any. MCCOC has made no representations regarding the condition of the Premises, except as specifically set forth in this Sub-Agreement.

F. MCCOC reserves the right to enter the Premises for inspection and work related to its care and maintenance during the term hereof, provided that MCCOC shall give Sub-Operator reasonable written notice of its intention to do any of the work herein mentioned before such work is undertaken.

G. MCCOC reserves the right to enter the Premises with no notice to Sub-Operator for appropriate response and/or action in the event of an emergency. However, MCCOC is not obligated to enter the Premises or provide any response and/or action in the event of an emergency.

**16. ENVIRONMENTAL COMPLIANCE AND RESOURCE PROTECTION**

A. Sub-Operator shall comply with State's Cultural and Natural resource management policies and mandates in the conduct of all activities that may potentially affect cultural, natural, and/or scenic values, and is responsible for maintaining current knowledge of these requirements as they may be amended. These mandates include but are not limited to the California Environmental Quality Act (CEQA/PRC § 21000 et seq.), Executive Orders W-26-92 and B-10-11, Departmental Notice 2004-02, PRC §§ 5024, 5024.5 and 5097 et seq., the Native American Graves Protection and Repatriation act (NAGPRA) (PL 101-601, 25 U.S.C. 3001 et seq., 104 stat. 3048) Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring & Reconstructing Historic Buildings, California Endangered Species Act, the Federal Endangered Species Act, the Clean Air Act, Clean Water Act, and the Porter Cologne Water Quality Act. When an undertaking has a Federal nexus, the National Historic Preservation Act (NHPA) - § 106 (36 CFR Part 800.1 to 800.16) and the National Environmental Policy Act (42 U.S.C. § 4321) will be required as well. The California State Parks Departmental Operation Manuals (DOM 300, 400, 2000) for natural and cultural resources shall also be complied with for projects with a potential to affect resources.

All resource management projects proposed within the Premises will be undertaken with the oversight provided by the appropriate State staff, specifically Environmental Scientists, State Historians, and State Archaeologists.

Sensitive information will be safeguarded from general public distribution as required by state and federal law (California Government Code §§ 65040.2(g)(3); 6254.10; 43 CFR 7, § 7.18(a).

B. Environmental Conservation Program: Sub-Operator shall set a positive example in waste management and environmental awareness that shall lead to preservation of the resources of the State. Accordingly, Sub-Operator shall prepare and execute a program, subject to the prior written approval of MCCOC, designed to reduce environmental impacts that result from sub-operation. This program shall address, but not be limited to: solid waste management, including reduction, reuse and recycling; water and energy conservation, pest management, grease removal and disposal, hazardous materials handling and storage, and air quality. Specifically, the program must include the following:

- 1) **Recycling and Beverage Container Programs**: The Sub-Operator shall implement a source reduction and recycling program designed to minimize sub-operation and patron use of disposable products, per Public Contract Codes §12161 and 12200 et seq. Reusable and recyclable products are preferred over "throwaways." Where disposable products are needed, products that have the least impact on the environment will be selected. No Styrofoam containers or other non-biodegradable containers are to be used or sold by Sub-Operator. The use of "post-consumer" recycled products is encouraged wherever possible.
- 2) The Sub-Operator shall participate in the California beverage container redemption/recycling program. Products to be recycled include, but are not limited to, paper, newsprint, cardboard, bimetal, plastics, aluminum and glass. At the start of each Sub-Agreement Year, Sub-Operator, MCCOC and State shall review items sold, and containers or utensils used or dispensed by Sub-Operator,

and, whenever possible, eliminate the use of non-returnable or non-recyclable containers or plastics.

- 3) Water and Energy Conservation: The Sub-Operator shall implement water and energy conservation measures. As new technologies are developed, Sub-Operator shall explore the possibility of integrating them into existing operations where there is potential for increased efficiency, reduced water or energy consumption, and/or reduced impacts on the environment.
- 4) Erosion Control/Water Quality/Environmental Sensitivity: The Sub-Operator shall comply with all requirements set forth by various oversight agencies that have jurisdiction and oversight authority relating to the Premises and surrounding properties, including, but not limited to, erosion control, water quality and environmental sensitivity standards.

C. Air and Water Pollution Violation: Under State laws, Sub-Operator shall not be (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to §13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

## 17. HAZARDOUS SUBSTANCES

- A. On the Premises, Sub-Operator shall not:
  - 1) Keep, store, or sell any goods, merchandise, or materials that are in any way explosive or hazardous.
  - 2) Carry-on any offensive or dangerous trade, business, or occupation.

- 3) Use or operate any machinery or apparatus that shall injure the Premises or adjacent buildings in any way.
- 4) Do anything other than is provided for in this Sub-Agreement.

B. Nothing in this Section shall preclude Sub-Operator from bringing, keeping, or using on or about said Premises such materials, supplies, equipment, and machinery as is appropriate or customary in the care, maintenance, administration, and control of parklands. Gasoline, oils, and all other materials considered under law or otherwise to be hazardous to health and safety shall be stored, handled, and dispensed as required by law.

C. Sub-Operator shall comply with all laws, federal, state, or local, existing during the term of this Sub-Agreement pertaining to the use, storage, transportation, and disposal of any hazardous substance, as that term is defined in such applicable law. In the event MCCOC or any of its affiliates, successors, principals, employees, or agents should incur any liability, cost, or expense, including attorney fees and costs, as a result of Sub-Operator's illegal use, storage, transportation, or disposal of any hazardous substance, including any petroleum derivative, Sub-Operator shall protect, indemnify, defend, and hold harmless any of these individuals against such liability. Where Sub-Operator is found to be in breach of this provision due to the issuance of a government order directing Sub-Operator to cease and desist any illegal action in connection with a hazardous substance, or to remediate a contaminated condition directly caused by Sub-Operator or any person acting under Sub-Operator's direct control or authority, Sub-Operator shall be responsible for all costs and expenses of complying with such order including any and all expenses imposed on or incurred by MCCOC in connection with or in response to such government order.

D. Notwithstanding the foregoing, in the event a government order is issued naming Sub-Operator, or Sub-Operator incurs any liability during or after the term of the Sub-Agreement in connection with contamination that preexisted Sub-Operator's obligations and occupancy under this Sub-Agreement, or prior

agreements or that were not directly caused by Sub-Operator, MCCOC shall be solely responsible as between Sub-Operator and MCCOC for all expenses and efforts in connection therewith, and MCCOC shall reimburse Sub-Operator for all reasonable expenses actually incurred by Sub-Operator therewith.

E. Certification: Upon termination of this Sub-Agreement, when requested by MCCOC, Sub-Operator shall provide certification prepared by a Certified Industrial Hygienist that there is no hazardous waste contamination and/or damage to the Premises.

#### **18. PEST CONTROL ACTIVITIES**

Pest inspections shall be performed regularly. Sub-Operator will remedy all pest infestations in a timely manner. Sub-Operator shall provide to MCCOC, upon request, copies of all pest inspection reports or other professional assessments of the condition of the facilities.

All pest control activities, chemical and non-chemical, but excluding routine interior food service pest control and building termite control activities, shall be approved by MCCOC and State prior to action by the Sub-Operator. Sub-Operator, or the pest control business acting on behalf of Sub-Operator, shall submit a DPR 191, Pest Control Recommendation (or equivalent) to MCCOC for State's approval. A Sample Pest Control Recommendation form (DPR 191) is attached hereto as "**Exhibit J**" and incorporated herein by reference. MCCOC has fourteen (14) days to obtain State's approval or denial of the request. Such approval shall be solely for compliance with State's policies and in no way shall relieve Sub-Operator or its contractors, employees, agents or representatives from compliance with all laws and regulations concerning such activities and from carrying out the work in a workmanlike manner.

Sub-Operator, or the pest control business acting on behalf of Sub-Operator, shall submit a report of completed work for each pest management action to MCCOC no later than seven (7) days after performance of the work. The report may be submitted on a DPR 191, Pest Control Recommendation, or equivalent.



**19. UTILITIES AND SERVICES**

A. Sub-Operator shall be responsible for all expenses resulting from utilities supplies to the Premises. Sub-Operator shall be responsible for maintenance of distribution systems and all related expenses within the Premises.

B. Sub-Operator shall be responsible for replacing, maintaining, and bringing into compliance with all applicable laws, rules, or regulations at any time during the term of this Sub-Agreement, facilities and utilities, including but not limited to water supply, electrical service, and sewage disposal facilities; provided that the obligation of the Sub-Operator to undertake capital improvements to the facilities or utilities to comply with newly-imposed laws, rules or regulations shall be subject to the availability of adequate funding being made available from the FMIA, grants or similar outside funding sources.

**20. EQUIPMENT**

Sub-Operator, at Sub-Operator's own expense, shall completely equip the sub-operation improvements described herein and shall keep the same equipped in a safe and first-class manner throughout the term of this Sub-Agreement.

**21. PERSONAL PROPERTY**

Except to the extent covered by **Section 28** (Modifications, Additions, Title to Improvements), title to all personal property provided by Sub-Operator shall remain in Sub-Operator. Sub-Operator shall not attach any personal property to any building without first obtaining MCCOC and State's written approval, which will not be unreasonably withheld. Unless approved in writing by MCCOC and State, all property attached to real property will be considered a real property improvement and shall become property of State at the time this Sub-Agreement is terminated.

## **22. SIGNS AND ADVERTISING**

No commercial signs, logos, names, placards, or advertising matter shall be inscribed, painted, or affixed upon Premises, circulated, or published, including electronically or on the internet without prior written approval of State. Approval will be granted only when said signs or advertising is consistent with the purposes of this Sub-Agreement. Notwithstanding the foregoing, MCCOC and the State, by its approval of this Sub-Agreement, agree that the approval of the State shall not be unreasonably withheld, conditioned or delayed to the extent such signs, logos, names, placards, or advertising matter is consistent with the signage plan attached hereto as "**Exhibit R**".

At all times during the term of this Sub-Agreement, Sub-Operator shall post at all commonly used entries to Premises a sign that states "Park Operated by Marconi Hospitality, LLC, No State Services Available".

At State's request, MCCOC and Sub-Operator shall immediately stop any verbal messages and remove any written messages that are not in the best interest of the State.

## **23. PHOTOGRAPHY**

MCCOC may grant permits to persons or corporations engaged in the production of still and motion pictures and related activities for the use of the Premises for such purposes when such permission shall not interfere with the primary business of Sub-Operator. MCCOC shall coordinate the granting of such permits with Sub-Operator to minimize the potential for interference with the operation of or any scheduled events at the Premises and shall provide to Sub-Operator advanced notice of any proposed dates for such still or motion picture production to mutually coordinate schedules in good faith to reduce the potential for interruption or interference with the operation of the Premises or any scheduled events being held at the Premises. MCCOC shall expressly prohibit as a condition to the granting of any such permits, the permit holder from photographing or filming any private events being held at the Premises.

## 24. INTELLECTUAL PROPERTY RIGHTS

A. Clarify Ownership of Pre-existing Intellectual Property Rights: Other than as specifically identified and authorized in this Sub-Agreement, no names, logos, trademarks or copyrighted materials belonging to and/or associated with State Parks shall be used, circulated, or published without the express written consent of MCCOC and State. Further, no such use, even if permitted herein, or otherwise, shall be deemed to instill in Sub-Operator any rights of ownership on such names, logos, trademarks, copyrights or other materials, and any rights to such use shall not, under any circumstances, continue beyond the term of the Sub-Agreement.

Any trademarks and/or copyrights belonging to Sub-Operator prior to the commencement of the Sub-Agreement shall remain in Sub-Operator's sole ownership upon termination of the Sub-Agreement.

During the course of this relationship, Sub-Operator shall use the name, "Lodge at Marconi". Any additional and/or different names may be used only upon written agreement of MCCOC and State, which shall not be unreasonably withheld.

B. Ownership of New Logos and Trademarks Developed During Sub-Agreement: Any names, logos, and/or trademarks developed during and/or pursuant to this Sub-Agreement that in any way associate with, identify or implicate an affiliation with State Parks and/or are funded by the State shall be approved in writing by MCCOC and State, shall belong to the State upon creation, subject to express written agreement otherwise, and shall continue in the State's exclusive ownership upon termination of the Sub-Agreement. Further, all good will and other rights in said marks shall inure to the benefit of the State as the mark owner.

C. Ownership of new Copyrights, Developed by Sub-Operator for State, Absent a Separate Written Agreement: Any copyrighted materials developed

and created by Sub-Operator for the State during the term of this Sub-Agreement shall be deemed to be “works for hire” under the United States Copyright Act 17 USC §101 et seq. and shall, unless otherwise agreed to in writing, belong to the State upon creation, and continue in the State’s exclusive ownership upon termination of this Sub-Agreement. Unless otherwise agreed to in writing, Sub-Operator intends and agrees to assign to the State all rights, title, and interest in and all works created pursuant to this Sub-Agreement as well as all related intellectual property rights.

Sub-Operator agrees to cooperate with MCCOC and State and to execute any document reasonably necessary to give the foregoing provisions full force and effect including, but not limited to, an assignment of copyright.

D. Sub-Operator Rights in Separately Created Works: Any copyrighted materials and/or trademarks developed and created by Sub-Operator separate and apart from this Sub-Agreement, shall belong to Sub-Operator, and shall continue in Sub-Operator’s exclusive ownership upon termination of this Sub-Agreement. In the event that any trademarks and/or copyrights are created by Sub-Operator during the term of this Sub-Agreement and same are proposed for use in connection with Sub-Operator’s performance under the Sub-Agreement, Sub-Operator shall promptly notify MCCOC and State in writing of its intention to retain ownership in the specific trademarks and/or copyrights.

E. Construction Projects and/or Sub-Operator Deliverables: As stated above, any works developed by Sub-Operator pursuant to this Sub-Agreement, including all related copyrights and other proprietary rights therein, shall be deemed to be “works for hire” under the United States Copyright Act, 17 USC §101 et seq., and shall belong to the State upon creation, and continue in the State’s exclusive ownership upon termination of this Sub-Agreement. These works shall include, but are not limited to, all drawings, designs, reports, specifications, notes, images and interpretive panels, and other works developed in the performance of this Sub-Agreement. Upon request, Sub-Operator shall

deliver to MCCOC for providing to State, the disk or tape that contains the design files of any work that is performed with the assistance of Computer Aided Design and Drafting (CADD) technology, and shall specify the supplier of the software and hardware necessary to use said design files. Sub-Operator intends and agrees to assign to State all rights, title, and interest in and to such materials as well as all related copyrights and other proprietary rights therein, unless otherwise agreed to in writing.

Sub-Operator warrants that it is the sole exclusive owner and has the full right, power, and authority over all tangible and intangible property deliverable to the State in connection with this Sub-Agreement, and that title to such materials conveyed to the State shall be delivered free and clear of all claims, liens, charges, judgments, settlements, encumbrances, or security interests.

Sub-Operator agrees not to incorporate into or make any deliverables dependent upon any original works of authorship or Intellectual Property Rights of third parties without (1) obtaining MCCOC and State's prior written permission, and (2) granting to or obtaining for the State a nonexclusive, royalty-free, paid-up, irrevocable, perpetual, world-wide license to use, reproduce, sell, modify, publicly and privately perform, publicly and privately display, and distribute, for any purpose whatsoever, any such prior works.

Sub-Operator further warrants that all deliverables do not infringe or violate any patent, copyright, trademark, trade secret, or any other intellectual property rights of any person, entity, or organization. Sub-Operator agrees to execute any documents reasonably requested by the State in connection with securing the State's registration of patent and/or copyrights or any other statutory protection in such work product including an assignment of copyright in all deliverables. Sub-Operator further agrees to incorporate these provisions into all of its contracts with architects, engineers, and other consultants or contractors.

Sub-Operator, at its sole expense, shall hold harmless, protect, defend, and indemnify MCCOC and State against any infringement action and/or dispute

brought by a third party in connection with any deliverable hereunder. Sub-Operator shall pay all costs, expenses, losses, damages, judgments, and claims including reasonable attorney's fees, expert witness fees, and other costs.

**25. GRANT OF STATE'S TRADEMARK LICENSE**

With State's approval, MCCOC hereby grants Sub-Operator, and Sub-Operator hereby accepts a non-exclusive, non-assignable license to use the State Park Logo (sometimes referred to as the "Trademark" or "Mark"), created and owned by State, in accordance with the terms and conditions of the License/Permission for Use of Trademarks which is attached hereto as "**Exhibit K**" and is incorporated herein by this reference. After signature by both Sub-Operator and the State, this License shall authorize the use of the Trademark and associated goodwill, in connection with this Sub-Agreement only.

A record of each authorized use by Sub-Operator of the Trademark shall be maintained by Sub-Operator and by MCCOC. Upon State's request, said records shall be provided to and State.

Sub-Operator and MCCOC will use the State Park name, Trademark, and brand consistent with the State Parks License/Permission for Use of Trademark-"Exhibit A", which is attached hereto as "**Exhibit-K, Attachment 1**" and incorporated here by reference, and State Park Brand Standards Handbook available at <https://www.parks.ca.gov/pages/735/files/brandhandbookjanuary2007.pdf> .

The State Park name, Trademark and brand will not be used on Sub-Operator social media pages.

**26. PARTICIPATION IN STATE PARK MARKETING PROGRAMS**

Sub-Operator acknowledges that the State has an established advertising and marketing program designed to promote additional revenue for the State and to deliver a consistent and positive image to the public, and Sub-Operator agrees to participate in

this program in the manner described below without compensation from MCCOC or State for such cooperation.

A. Sub-Operator agrees to honor all statewide graphic standards, licensing, and merchandising agreements entered into with corporate sponsors of the Department of Parks and Recreation.

B. Sub-Operator agrees to place on the Premises any advertising that MCCOC and State approves under this program. Any advertising approved by MCCOC and State under this program will be placed at MCCOC's expense.

C. Sub-Operator agrees to rent or sell, along with all other items of merchandise that are part of the Sub-Operator's normal and customary inventory, any item of merchandise that MCCOC and State approves under this program, provided that Sub-Operator is authorized to sell or rent it under the terms of the Sub-Agreement, and the Sub-Operator receives reasonable compensation for its sale.

**27. CONSTRUCTION AND COMPLETION OF IMPROVEMENTS**

A. Facility Development: Subject to the provisions of Section 27(H), at Sub-Operator's sole cost and expense, Sub-Operator shall be responsible for the scheduling and securing of all building and environmental compliance permits, design specifications and plans, construction permits, construction drawings, any construction mitigation measures, construction completion including installation of facility improvements, décor, equipment, fixtures, and furnishings as described in "**Exhibit H-Sub-Operator's Facility Improvement Plan**". All work shall be made in accordance with the State's General Plan. For historic structures, work shall be done in conformance with the Secretary of the Interior's Standards for the Treatment of Historic Properties, and the California Historic Buildings Code. Implementation of the Facility Improvement Plan shall generally follow:

- 1) Plan Amendment: Sub-Operator shall meet with MCCOC within sixty (60)-days of Sub-Agreement execution, to review the facility

improvement, implementation plan and modify as reasonable and necessary to meet the intention of MCCOC for this Sub-Agreement and the mission of the State.

- 2) Schematic Design: Within one hundred and twenty (120)-days of Sub-Agreement execution, Sub-Operator shall provide the Schematic Design to MCCOC, for MCCOC and State's review and approval. MCCOC and State shall promptly review and respond to such submittal and MCCOC and State shall not unreasonably withhold such approval. The objective of the Schematic Design is to clearly define the Facility Improvement Plan and should include a site plan, building floor plans, all building elevations, outline specification, and any additional detailed specifications necessary to describe project work, floor area usage, Critical Path Method (CPM) construction schedule, and Preliminary Statement of Probable Construction Cost. In developing such materials, Sub-Operator shall consider the Project Evaluation Form (PEF), attached hereto as "**Exhibit L**" to evaluate environmental permit requirements. If MCCOC or State disapproves any element of the program statement, Sub-Operator shall promptly submit to MCCOC all reasonably necessary modifications and revisions.
- 3) Design Development: Within ninety (90)-days of MCCOC and State's approval of Sub-Operator's Schematic Design, Sub-Operator shall submit the Design Development to MCCOC, for MCCOC and State's review and approval. MCCOC and State shall promptly review and respond to such submittal and MCCOC and State shall not unreasonably withhold such approval. The objective of the Design Development is to define and describe all the important aspects of the Facility Improvement Plan and should include the necessary details of each element of the Schematic



Design to adequately convey key conditions of major improvements. In addition, the Design Development should include Reflected Ceiling Plans, Schedules, Structural Requirements, Plumbing, Mechanical, and Electrical Plans, Food Service Requirements, Color Boards, Material and Systems Specifications, and an updated construction schedule and Preliminary Statement of Probable Construction Cost. If MCCOC and State disapproves any element of the Design Development, Sub-Operator shall promptly submit all reasonably necessary modifications and revisions. Sub-Operator shall concurrently complete California Environmental Quality Act (CEQA), National Environmental Policy Act (NEPA), and other environmental documents as may be required, and file such with California State Clearinghouse.

- 4) Working Drawings: Within one hundred and eighty (180) days of MCCOC and State's approval of Sub-Operator's Design Development and subject to the completion of permit processing and approvals by the California Coastal Commission as administered through the County of Marin, Sub-Operator shall submit Working Drawings to MCCOC, for MCCOC and State's review and approval. MCCOC and State shall promptly review and respond to such submittal and MCCOC and State shall not unreasonably withhold such approval. The objective of the Working Drawings is to set forth in detail the requirements for construction of the Facility Improvement Plan, including bidding and contracting. At a minimum, the drawings should include all Design Development elements plus: complete documentation of quantities, qualities, and relationships of all work required to construct the Facility Improvement Plan; documentation of decisions made in the Design Development phase; all documentation needed for obtaining

regulatory and State approvals; construction schedule; and the final Statement of Probable Construction Cost. If MCCOC and State disapprove any drawings, plans or specifications, Sub-Operator shall promptly submit reasonably necessary modifications and revisions. No changes or alterations shall be made to the approved Working Drawings without prior written approval of MCCOC.

- 5) The “**Exhibit M-List of Eligible or Potentially Eligible Historic Properties**” is attached hereto and incorporated herein by reference.

B. Use of Consultants: Sub-Operator shall employ licensed Contractor(s) in the completion of all required construction work. Additionally, Sub-Operator shall utilize professional contractors and consultants, including architects(s) and engineer(s), acting in accordance with the latest American Institute of Architects’ standards of practice to develop comprehensive construction plans, including schematic design plans, design development plans, and working drawings, and to conduct independent inspections and monitoring of all construction. Sub-Operator agrees to select contractors and consultants who are licensed to practice in the State of California and are acceptable to MCCOC. However, in no event shall MCCOC and State be deemed to have control of or be responsible for Sub-Operator's final hiring decisions, the day-to-day management of the project, or administration of contracts with contractors or consultants. Contracts between Sub-Operator and any contractor or consultant for work in excess of \$250,000 must be approved by MCCOC in advance of execution by Sub-Operator.

C. Permits: At its sole cost and expense, including mitigation costs, Sub-Operator shall obtain all permits, licenses, and other approvals necessary for the construction and completion of the Facility Improvement Plan. Such permits may include, but are not limited to, those required under the California Environmental

Quality Act (CEQA), PRC § 5024, County Health Department, California Coastal Act, California Building Code, and State Fire Marshal. All plans must comply with the Americans with Disabilities Act of 1990 (ADA) and require certification from the State's Accessibility Section in accordance with **Section 33** (Disability Access Laws). Sub-Operator shall reimburse MCCOC for all costs incurred by MCCOC on behalf of Sub-Operator in association with acquisition of said permits. MCCOC will produce records of such costs for review by Sub-Operator on a monthly basis. MCCOC shall cooperate with Sub-Operator with respect to securing said permits including the execution of documents required by a governmental authority to be initiated by MCCOC. In the event Sub-Operator, having exercised all due diligence in applying for and seeking all approvals, cannot secure all required permits on a commercially reasonable basis, within two (2) years of Sub-Agreement execution, Sub-Operator and MCCOC shall have the option to mutually agree on additional time. If no additional time is granted, MCCOC and Sub-Operator shall have the option to terminate this Sub-Agreement pursuant to **Section 44** (MCCOC's Remedies) or **Section 45** (Sub-Operator's Remedies), as applicable.

D. MCCOC and State Approval/Acceptance of Plans and Work: Sub-Operator shall allocate a maximum of thirty (30) days in pre-construction schedules for each required review by MCCOC and State. Sub-Operator shall reimburse MCCOC for any and all costs including, but not limited to, design review, permit review, and inspections, excluding State costs associated with review and processing annually up to six (6) PEF's at the NOE level and up to \$100,000 per maintenance project. State will produce records of such costs for review by MCCOC and Sub-Operator on a quarterly basis. MCCOC and State's approval of the work and plans shall be for the purpose of determining that such work conforms in scope and quality to MCCOC's policies and standards, and in no way shall relieve Sub-Operator or its contractors or subcontractors of the responsibility to perform and complete the work (1) in accordance with generally

accepted industry standards, (2) faithfully adhering to the approved plans, specifications, and drawings, and (3) in accordance with all applicable codes, laws, regulations, or other requirements, including but not limited to, the standards contained in this Sub-Agreement. Permission to start construction will not be granted until all required permits and approvals have been secured.

E. Approval Process: Sub-Operator acknowledges that certain parts of the construction process will go through both MCCOC and State's approval process.

F. Completion of Improvements: Upon MCCOC and State's approval of the Working Drawings and receipt of all required permits, licenses, and other approvals, Sub-Operator shall commence construction to the facility as described herein, and prosecute the same to completion with all due diligence and within the time outlined in the Sub-Operator Facility Improvement Plan. Such time shall be extended as reasonably necessary in the event of delays in receiving all required permit planning and processing approvals, and also in the event of delays caused by fire, earthquakes, wars, strikes, adverse weather, or other calamity or unanticipated condition beyond Sub-Operator's reasonable control. Sub-Operator shall hold monthly or more frequent status meetings throughout the period of construction, which shall include representatives of the general contractor, appropriate subcontractors, a representative of Sub-Operator, and a representative of MCCOC.

Upon completion of construction, Sub-Operator shall (1) file a Notice of Completion of Construction in County within which work was executed, and identify State as recipient of recorded document; (2) secure Certificate of Occupancy if required by State Fire Marshal; (3) provide MCCOC with a complete set of "as-built" plans and updated specifications for all improvements in a format acceptable to MCCOC; (4) submit evidence that all improvements are clear of any mechanic's liens; (5) have work certified by a licensed architect or engineer to be in compliance with the Working Drawings as approved by MCCOC and all applicable building or other laws, codes, or regulations; (6)

secure sign-off for CEQA compliance; and (7) submit an account of the cost for all facility improvements, excluding equipment and trade fixtures that are the personal property of Sub-Operator.

The cost accounting as required by item (7) above shall include cost statements and substantiating invoices for all project expenses including labor and materials. After such accounting has been examined by MCCOC, MCCOC in its sole discretion will establish in a reasonable and fair manner the cost of facilities and improvements for the purposes of evaluating Sub-Operator's compliance with the facility development expenditure requirements of this Sub-Agreement. In the event such accounting is not filed by Sub-Operator at the time specified, MCCOC shall estimate the cost of the project and serve notice of same on Sub-Operator in the manner provided herein.

G. MCCOC and State reserve the right to enter the Premises to construct, reconstruct, and make modifications, improvements, additions, and alterations to the Premises or any part of the Premises, at its sole discretion, provided that MCCOC shall give Sub-Operator reasonable written notice of its intention to do such work and the performance of such work does not adversely impact or interfere with Sub-Operator's ability to operate the Premises for the purposes and in the manner permitted under this Sub-Agreement.

H. Notwithstanding the scope of improvements and schedule contained in the Facility Improvement Plan attached as Exhibit H, if in connection with the obtaining of any permits necessary to complete any improvements in any phase of the Facility Improvement Plan require the completion of any unplanned improvements costing in excess of \$50,000 for such phase of improvements or which would require the performance of additional historic resources studies or other required studies reasonably anticipated to cost in excess of \$50,000 to prepare and process for approvals by applicable governmental authorities, then Sub-Operator shall be permitted to delay the completion of deferred maintenance work from the scope of such Phase until funds shall be reasonably available in

the FMIA or from other mutually acceptable sources to Sub-Operator and MCCOC to fund the cost of such unanticipated additional improvements in such Phase. If in connection with the obtaining of any permits necessary to complete the construction of any improvements in Phase 3 of the Facility Improvement Plan attached as Exhibit H, require the completion of any unplanned improvements reasonably anticipated to cost in excess of \$400,000 to complete or requires the completion and approval of an Environmental Impact Report (EIR) is required pursuant to the California Environmental Quality Act (CEQA), then Sub-Operator shall be permitted to cease further work to permit the permitting of such improvements requiring such unplanned expenses or triggering the requirement to complete the EIR in Phase 3 and shall not be required to complete such improvements. If Sub-Operator shall be unable to secure permits for more than 10 additional cabins, not including staff housing, in Phase 3 of the Facility Improvement Plan attached as Exhibit H or the renovations for Buck Hall, Operation Building or Pinecrest and Bayview buildings are not obtained in connection with Phase 3, then Sub-Operator shall be permitted to defer all work under Phase 4 of the Facility Improvement Plan until such time as sufficient financial support is identified to make renovation of the historic Marconi Hotel commercially reasonable for Sub-Operator and MCCOC to undertake. Any delay or cessation in the performance of matters permitted to be so delayed or ceased pursuant to this Section 27H shall not be deemed to constitute a default or breach of this Sub-Agreement by Sub-Operator. If the Phase 4 renovation of the historic Marconi Hotel does not occur for any reason by the end of the tenth Sub-Agreement Year, then the Annual Rent shall be adjusted up from six percent (6%) of annual gross receipts to eight percent (8%) of annual gross receipts. The increased percentage shall be deposited into the FMIA to be used for hotel maintenance, stabilization, rehabilitation, and restoration.

**28. MODIFICATIONS, ADDITIONS, TITLE TO IMPROVEMENTS**

In the event that Sub-Operator desires to make modifications, improvements, or additions to the Premises or any part of the Premises, including changes to structural design, required accessibility barrier removal work, landscape design, or exterior fixtures, design, and/or furnishings, (collectively Alteration(s)), and they are not on the Sub-Operator's Facility Improvement Plan, Sub-Operator shall obtain prior written approval from MCCOC and State. The plan approval process is outlined in **Section 27** (Construction and Completion of Improvements) of this Sub-Agreement.

The Premises as shown on Exhibit A include a state historic facility, as defined in Public Resources Code §5024. No alteration, modifications, demolition, or construction, other than those which may be outlined herein, may be commenced without prior written approval from State in accordance with Public Resources Code §5024.5.

Once any Alteration has been approved by MCCOC and State and the work has begun, Sub-Operator shall, with reasonable diligence, prosecute to completion all approved Alterations. All work shall be performed in a good and workmanlike manner, shall substantially comply with plans and specifications submitted to State as required herein, and shall comply with all applicable governmental permits, laws, ordinances, and regulations. It shall be the responsibility of Sub-Operator, at its own cost and expense, to obtain all licenses, permits, and other approvals necessary for the construction of approved Alterations.

Title to all Alterations and improvements existing or hereafter erected on the Premises, regardless of who constructs such improvements, shall immediately become State's property and, at the end of the Term, shall remain on the Premises without compensation to Sub-Operator. Notwithstanding the foregoing, it is the intention of MCCOC and Sub-Operator that Sub-Operator shall be deemed to have beneficial ownership of the improvements performed and paid for by Sub-Operator or Sub-Operator contributions to the CIA and that notwithstanding the vesting of legal title to such improvements in the State, such improvements are not intended to constitute a substitute for the payment of rent and that Sub-Operator shall be entitled to the benefit

of all depreciation which Sub-Operator would be permitted to take if legal title to the improvements were vested in Sub-Operator. Sub-Operator agrees never to assail, contest, or resist title to the Alterations and improvements. The foregoing notwithstanding, MCCOC may elect, by notice to Sub-Operator, that Sub-Operator must remove any Alterations that are peculiar to Sub-Operator's use of the Premises and are not normally required or used by MCCOC and/or future occupants of the Premises. In this event, Sub-Operator shall bear the cost of restoring the Premises to its condition prior to the installment of the Alterations.

**29. BONDS**

A. All bonds required under this Sub-Agreement must be in a form satisfactory to MCCOC and State, issued by a corporate surety licensed to transact surety business in the State of California.

B. Performance Bond: Sub-Operator at Sub-Operator's own cost and expense, agrees to obtain and deliver to MCCOC, prior to the commencement date of this Sub-Agreement and prior to entering the Premises, and shall maintain in force throughout the term of this Sub-Agreement, a valid Performance Bond (which may be renewed annually) in the sum of one years Guaranteed Minimum Annual Rent payable to the MCCOC.

If Sub-Operator fails to deposit CIA funds according to Section 9.B (Other Financial Requirements), Sub-Operator shall increase the performance bond to cover the sum of non-deposited CIA funds. When Sub-Operator provides MCCOC with a construction performance bond, Sub-Operator may reduce the performance bond to the sum of one years Guaranteed Minimum Rent payable to the MCCOC.

This bond shall ensure faithful performance by Sub-Operator of all the covenants, terms, and conditions of this Sub-Agreement inclusive of, but not restricted to, the payment of all rentals, fees, charges, construction costs and prompt performance of and/or payment for all maintenance obligations. In lieu of



a bond, the Sub-Operator may substitute another financial instrument (such as an Irrevocable Standby Letter of Credit), which must be sufficiently secure and acceptable to MCCOC and State. At least thirty (30) days prior to the expiration or termination of said bond or acceptable financial instrument, a signed endorsement or certificate showing that said bond or financial instrument has been renewed or extended shall be filed with the MCCOC. Within fifteen (15) days of MCCOC's request, Sub-Operator shall furnish MCCOC with a signed and complete copy of the valid bond or financial instrument to the extent required pursuant to this Sub-Agreement.

C. Construction Payment Bond: Prior to the commencement of construction required hereunder, Sub-Operator shall furnish MCCOC with a bond, listing Sub-Operator's contractor(s) as principals, in a sum not less than **fifty percent (50%)** of the total cost of the construction. The bond shall guarantee payment by Sub-Operator of all materials, provisions, provender, supplies, and equipment used in, upon, for, or about the performance of said construction, and protect MCCOC and State from any liability, losses, or damages arising therefrom. In no event shall Sub-Operator allow the imposition of a mechanics' lien or other liens on the property, and at its sole expense shall take all steps to remove such liens or the threat of such liens.

D. Construction Performance Bond: Prior to the commencement of construction required hereunder, Sub-Operator shall furnish MCCOC with a bond, listing Sub-Operator's contractor(s) as principals, in a sum not less than **fifty percent (50%)** of the total cost of the construction. The bond shall guarantee faithful performance of the construction by Sub-Operator's contractor.

E. Sub-Operator acknowledges that allowing the Performance Bond or other security instrument(s) to expire or otherwise terminate and/or allowing the total secured amount to fall below the security required herein will cause MCCOC and State to incur costs and significant risks not contemplated by this Sub-Agreement, the exact amount of which will be difficult to ascertain. These costs

include, but are not limited to, administrative costs and other expenses necessary to ensure continued performance of services for the public and protection of the Premises. Accordingly, if Sub-Operator allows the Performance Bond or other security instrument to expire or otherwise terminate and/or allows the total secured amount to fall below the security required pursuant to this Sub-Agreement, Sub-Operator shall pay to MCCOC an amount equal to five percent (5%) of the required security or five hundred dollars (\$500), whichever is greater. The parties agree that this charge represents a fair and reasonable estimate of the costs MCCOC and/or State will incur. Acceptance of this charge by MCCOC shall not constitute a waiver of Sub-Operator's default, nor prevent MCCOC from exercising the other rights and remedies available to it under this Sub-Agreement or applicable law, including the right to terminate this Sub-Agreement and seek the payment of damages.

### 30. **INSURANCE**

- A. Sub-Operator shall provide before entering the Premises and shall maintain in force throughout the term of this Sub-Agreement the following:
- 1) **General Liability Insurance:** At its sole expense, Sub-Operator agrees to maintain in force during the term of this Sub-Agreement comprehensive general liability insurance, insuring against claims for injuries to persons or property occurring in, upon, or about Premises. The insurance shall have limits of not less than [One Million Dollars (\$1,000,000)] for injuries to person or persons; with Two Million Dollars (\$2,000,000) aggregate, and not less than [One Million Dollars (\$1,000,000)] for property damage.
  - 2) **Fire Insurance:** At its sole expense, Sub-Operator agrees to maintain fire insurance with extended coverage endorsements thereon on all improvements located on the Premises, whether furnished by MCCOC or constructed upon the Premises by Sub-

Operator in an amount equal to the full replacement cost and/or value thereof. This policy shall contain a replacement cost endorsement naming Sub-Operator as the insured provided that if there is a lender on the security of the improvements so insured, the proceeds of any such policy or policies may be made payable to such lender.

- 3) Objects Insurance: State may conduct an inventory of Objects within the Premises and obtain their appraised value. After the inventory, Sub-Contractor and MCCOC will mutually agree upon items that will remain on the Premises and items that will be transferred to State. This Agreement may then be amended to incorporate the list of Objects remaining on the Premises, their appraised value, and require Sub-Operator to procure insurance on the Objects.
- 4) Motor Vehicle Liability Insurance: Sub-Operator shall maintain motor vehicle liability with limits not less than \$1,000,000 combined single limit per accident. Such insurance shall cover liability arising out of an accident involving a motor vehicle in use by Sub-Operator, including, but not limited to, Sub-Operator owned, hired, and non-owned motor vehicles.
- 5) Workers' Compensation and Employer's Liability Insurance: Sub-Operator shall maintain statutory worker's compensation and employer's liability insurance for all of Sub-Operator's employees who will be engaged in the performance of work on the property, including special coverage extensions where applicable. When work is performed on State owned or controlled property the workers' compensation policy shall contain a waiver of subrogation in favor of MCCOC. The waiver of subrogation endorsement shall be provided. VIP Program volunteers and State employees are

covered under the Department's Worker Compensation Insurance, and not subject to Sub-Operator's worker's compensation coverage requirements.

B. Each policy of liability insurance shall contain additional named insured endorsements in the name of MCCOC and the State of California, through its Department of Parks and Recreation, as to all insurable interests of MCCOC and State including, but not limited to, the Premises and all contents as follows:

- 1) MCCOC and State of California, its officers, employees, and servants are included as additional insured but only insofar as operations and facilities under this Sub-Agreement are concerned;
- 2) The insurer will not cancel or reduce the insured's coverage without thirty (30) days prior written notice to MCCOC and State.

C. No cancellation provision in any insurance policy shall diminish the responsibility of the Sub-Operator to furnish continuous insurance throughout the term of the Sub-Agreement. Each policy shall be underwritten to the satisfaction of MCCOC and State. A signed Certificate of Insurance, with each endorsement required, shall be submitted to MCCOC and State at the time this Sub-Agreement is executed, showing that the required insurance has been obtained. Further, at least 30 days prior to the expiration of any such policy, Sub-Operator shall submit to MCCOC and State a signed and completed Certificate of Insurance, with all endorsements required by this section, showing, to the satisfaction of MCCOC and State, that such insurance coverage has been renewed or extended. Within 15 days of MCCOC's request, Sub-Operator shall furnish MCCOC and State with a signed and complete copy of the required policy.

D. Sub-Operator agrees to impose the foregoing insurance requirements on any and all sub-contractors and shall require that MCCOC and State be named as an additional insured on all policies. Failure to provide any of the required

insurance and/or endorsements shall constitute a material breach of this Sub-Agreement.

**31. HOLD HARMLESS AGREEMENT**

A. Sub-Operator waives all claims and recourse against MCCOC and State, its officers, employees and/or agents, including the right to contribution, for any and all loss, injury, death or damage to persons or property, caused by, arising out of, or in any way connected with or incident to the condition or use of the Premises, this Sub-Agreement, or the rights or obligations herein granted or imposed, except those arising out of the sole active negligence or willful misconduct of MCCOC or State.

B. Sub-Operator shall protect, save, hold harmless, indemnify and defend MCCOC and State, its officers, employees and/or agents from any and all liability, loss, damage, injury, death, claims, demands, expenses, costs and fees, including, but not limited to, expert costs and attorney fees, that may be suffered or incurred by MCCOC or State, its officers, employees and/or agents from any cause whatsoever, arising directly or indirectly out of the exercise or performance of any of the rights or obligations herein granted or imposed, or the use, development, operation, management, control, condition, repair or maintenance of the Premises, including those arising from the alleged violations of any state or federal law, statute or regulation, including, but not limited to, the Americans with Disabilities Act of 1990 Titles I, II, and III (ADA), except those arising out of the sole active negligence or willful misconduct of or breach of this Sub-Agreement by MCCOC or State or those arising outside of the Premises over which Sub-Operator does not exercise control. Sub-Operator will further cause such indemnification and waiver of claims in favor of MCCOC and State to be inserted in each contract that Sub-Operator executes for the provision of services in connection with the Premises and/or this Sub-Agreement.

C. In the event MCCOC or State is named as a co-defendant in any legal action related to this Sub-Agreement and served with process of such legal action, MCCOC shall immediately notify Sub-Operator of such fact and Sub-Operator shall

represent MCCOC or State in such legal action as provided herein, unless MCCOC or State undertakes to represent itself as co-defendant in such legal action, in which event MCCOC or State shall bear its own litigation costs, expenses and attorney fees.

**32. COMPLIANCE WITH LAWS, RULES, REGULATIONS AND POLICIES**

Sub-Operator and its officers, agents, employees, contractors, and subcontractors shall comply with all applicable laws, rules, regulations, and orders existing during the term of this Sub-Agreement, including obtaining and maintaining all necessary permits and licenses. Sub-Operator acknowledges and warrants that it is, or will make itself, through its responsible managers, knowledgeable of all pertinent laws, rules, ordinances, regulations, or other requirements having the force of law affecting the operation of the Premises, including but not limited to laws affecting health and safety, hazardous materials, pest control activities, historical preservation, environmental compliance, and building standards. Sub-Operator further acknowledges State policy for sub-operation employees to maintain compatible relations with MCCOC, State employees and the public.

**33. DISABILITIES ACCESS LAWS**

Without limiting Sub-Operator's responsibility under this Sub-Agreement for compliance with all laws, with regard to all operations and activities that are the responsibility of Sub-Operator under this Contract, Sub-Operator shall be solely responsible for complying with the requirements of the Americans With Disabilities Act of 1990 (ADA) [Public Law 101-336, commencing at §12101 of Title 42, United States Code (and including Titles I, II, and III of that law)], the Rehabilitation Act of 1973, the California Unruh Civil Rights Act (California Civil Code Section 51), and all related regulations, guidelines, and amendments to both laws.

With regard to facilities for which Sub-Operator is responsible for operation, maintenance, construction, restoration, or renovation under this Sub-Agreement, Sub-Operator also shall be responsible for compliance with Government Code §4450, et

seq., Access to Public Buildings by Physically Handicapped Persons, and Government Code §7250, et seq., Facilities for Handicapped Persons, and any other applicable laws. Written approval from MCCOC and State is required prior to implementation of any plans to comply with accessibility requirements.

These facilities must be compliant with the 2010 ADA Standards for Accessible Design, California Building Code, Title 24 Chapter 11B (latest edition), Accessibility to Public Accommodations, and the Final Accessibility Guidelines for Outdoor Developed Areas put forth by the United States Access Board.

#### **34. NON-DISCRIMINATION**

During the performance of this Sub-Agreement, Sub-Operator and its employees shall not unlawfully discriminate, harass, or allow harassment against any employee, applicant for employment, or any member of the public because of sex, sexual orientation, race, color, religious creed, marital status, need for family and medical care leave, ancestry, national origin, medical condition (cancer/genetic characteristics), age (40 and above), disability (mental and physical) including HIV and AIDS, need for pregnancy disability leave, or need for reasonable accommodation. Sub-Operator shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.

For contracts over \$100,000 executed or amended after January 1, 2007, the Sub-Operator certifies compliance with Public Contract Code §10295.3 concerning domestic partners.

Further, as part of compliance with the foregoing, Sub-Operator shall comply with The Americans With Disabilities Act Title II Regulations Part 35, Subpart B – §35.130 General Prohibitions Against Discrimination, and Subpart D - Program Accessibility §35.149 Discrimination Prohibited.

Sub-Operator shall comply with the provisions of the Fair Employment and Housing Act (Government Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Division 4, Chapter 5).

The applicable regulations of the Fair Employment and Housing Commission implementing Government Code §12990 (a-f), set forth in Chapter 5 of Division 4.1 of Title 2 of the California Code of Regulations, are incorporated into this Sub-Agreement by reference and made a part hereof as if set forth in full. Sub-Operator and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreements.

Sub-Operator shall include the non-discrimination and compliance provisions of this Section in all agreements to perform work under and/or in connection with this Contract.

In the event of violation of this section, and only when remedies per **Section 44** (MCCOC's Remedies) have been implemented and passed, and only when an independent investigation reveals that fault, beyond a reasonable doubt exists, MCCOC will have the right to terminate this Sub-Agreement, and any expenditures or loss of revenue sustained by MCCOC by reason thereof shall be borne and paid for by Sub-Operator.

**35. DRUG-FREE WORKPLACE**

Sub-Operator agrees to comply with Government Code Section 8355 in matters relating to the provision of a drug-free workplace. This compliance is evidenced by the executed Standard Form 21 entitled Drug-Free Workplace Certification, "**Exhibit N**" attached hereto and made a part of the Sub-Agreement.

**36. CONFLICT OF INTEREST**

Sub-Operator warrants and covenants that no official, employee in the state civil service, other appointed state official, or any person associated with same by blood, adoption, marriage, cohabitation, and/or business relationship: (a) has been employed or retained to solicit or aid in the procuring of this Sub-Agreement; (b) will be employed in the performance of this Sub-Agreement without the immediate divulgence of such fact to MCCOC. In the event MCCOC determines that the employment of any such



official, employee, associated person, or business entity is not compatible, Sub-Operator shall terminate such employment immediately. For breaches or violation of this Section, MCCOC shall have the right both to annul this Sub-Agreement without liability and, in its discretion, recover from the Sub-Operator the full amount of any compensation paid to such official, employee, or business entity.

**37. EXPATRIATE CORPORATIONS**

Sub-Operator hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code §10286 and 10286.1 and is eligible to contract with the State.

**38. NATIONAL LABOR RELATIONS BOARD CERTIFICATION**

The Sub-Operator, by signing this Sub-Agreement, does hereby swear, under penalty of perjury, that no more than one final, unappealable finding of contempt of court by a Federal Court has been issued against Sub-Operator within the two-year period immediately preceding the date of this Sub-Agreement because of Sub-Operator's failure to comply with a Federal Court order that Sub-Operator shall comply with an order of the National Labor Relations Board.

**39. CHILD SUPPORT COMPLIANCE ACT**

In the event the annual gross income generated as a result of this Sub-Agreement shall exceed One Hundred Thousand Dollars (\$100,000.00), Sub-Operator acknowledges that:

- A. The Sub-Operator recognizes the importance of child and family support relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as obligations and shall comply with all applicable state and federal laws provided in Chapter 8 (commencing with §5200) of Part 5 of Division 9 of the Family Code; and

B. The Sub-Operator to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

**40. RECORDS AND REPORTS**

A. Recordkeeping: At all times during the term of this Sub-Agreement, Sub-Operator shall keep separate, true, and complete books, records, and accounts of all revenues received and all expenditures made by Sub-Operator in relation to events, special services, and all other matters incident to the development, control, operation, and maintenance of the Premises. The books, records, and accounts applying to the operation of the Premises and kept by Sub-Operator shall be open for audit or inspection by MCCOC and State at all reasonable times. All records shall be kept by Sub-Operator for a period of at least 4 years.

Copies of all sales and use tax returns submitted by Sub-Operator to the California State Board of Equalization, the Employment Development Department, the Franchise Tax Board, or any other governmental agency shall be available to MCCOC and State upon request.

B. Annual Financial Statement: Sub-Operator will submit to MCCOC and State electronically or as mutually agreed upon, no later than March 1<sup>st</sup> of each year during the term of this Sub-Agreement, a verified profit and loss statement for the previous fiscal year. Such statement shall be submitted on Sub-Operator's Financial Statement, attached hereto as **Exhibit O**, or in a format previously approved by the MCCOC and State, and shall contain an appropriate certification that all gross receipts during the yearly accounting period covered by said statement shall have been duly and properly reported to the MCCOC and State. Within forty-five (45) days of the expiration or termination of this Sub-Agreement, Sub-Operator shall submit to the MCCOC and State a profit and loss

statement for the period of operation not previously reported prepared in the manner stated above.

C. Annual Revenue and Expenditure Report: Sub-Operator shall report said income and expenditures to MCCOC and State in accordance with the Annual Revenue and Expenditure Report, which is attached hereto and incorporated herein as “**Exhibit P**”, or in a similar format acceptable to MCCOC and State, on an annual basis, which annual report shall be submitted for the period commencing January 1<sup>st</sup> (or the start date of the Agreement for the first year of operation) and ending December 31<sup>st</sup> of each reporting year, and shall be filed with MCCOC and State no later than the following March 1st. In addition, within 45 days of the expiration or termination of this Agreement, Sub-Operator shall submit to MCCOC and State a statement of income and expenditures for the period of operation not previously reported, prepared as set forth above. Sub-Operator shall submit report to MCCOC and State electronically or as mutually agreed upon by the Parties.

D. Sub-Operator shall obtain and install cash registers or other accounting equipment acceptable to the MCCOC and State, through which Sub-Operator shall record all gross receipts from the operation of the Premises. This equipment shall be non-resettable and shall supply an accurate recording of all sales on tape and produce a receipt for each transaction. All such equipment shall have a customer display that is visible to the public. Sub-Operator shall make all electronic cash register records available to the MCCOC and State upon MCCOC’s request. Sub-Operator shall provide an electronic cash register receipt to each customer setting forth the full amount of a sale.

E. Attendance: Sub-Operator shall provide MCCOC and State with the estimated total visitors annually with the Annual Revenue and Expenditure Report.

F. Operations Report: On an annual basis, Sub-Operator shall submit to MCCOC and State a written Operations Report regarding all of Sub-Operator’s

activities at Premises during the previous calendar year. The Operations Report shall include the Annual Revenue and Expenditure Report. The Operations report shall be submitted to MCCOC and State for the period commencing January 1<sup>st</sup> (or the start date of the Sub-Agreement for the first year of operation) and ending December 31<sup>st</sup> of each year, and shall be filed with MCCOC and State no later than the following May 1<sup>st</sup>. In addition, within 45 days of the expiration or termination of this Sub-Agreement, Sub-Operator shall submit to MCCOC and State an Operations Report for the period of operation not previously reported, prepared as set forth above. The Operations Report shall include the Annual Revenue and Expenditure Report form and detail of activities performed including, but not limited to:

- 1) Hours of Operation
- 2) Fee Schedule
- 3) Special Events
- 4) Interpretive Activities
- 5) Cultural Resources Activities
- 6) Natural Resources Activities
- 7) Recreation Programs
- 8) Maintenance Activities
- 9) Facility/Capital Improvements
- 10) Planning Activities
- 11) Healthy Foods Initiative related report
- 12) Resource Conservation related report
- 13) Employee Compensation Plan
- 14) All Other Expenditures not Listed

#### 41. **TAXES**

A. By signing this Sub-Agreement, Sub-Operator acknowledges that occupancy interest and rights to do business on state property being offered

Sub-Operator by this Sub-Agreement may create a possessory interest as that term is defined in Revenue and Taxation Code §107.6, which possessory interest may subject Sub-Operator to liability for the payment of property taxes levied on such possessory interest. Notwithstanding the foregoing, the assumptions upon which the consideration payable pursuant to this Sub-Agreement are based assumes that no such property taxes are due or payable in connection with the interests granted pursuant to this Sub-Agreement, and should Sub-Operator be subjected to any property taxes upon any possessory interest found to be created pursuant to this Agreement, sub-operator may propose an increase to the rate schedule on a dollar for dollar basis to offset these taxes.

B. Sub-Operator agrees to pay all lawful taxes, assessments, or charges that at any time may be levied by the State, County, City, or any tax or assessment levying body upon any interest in or created by this Sub-Agreement, or any possessory right that Sub-Operator may have in or to the premises covered hereby, or the improvements thereon by reason of Sub-Operator's use or occupancy thereof or otherwise, as well as all taxes, assessments, and charges on goods, merchandise, fixtures, appliances, equipment, and property owned by Sub-Operator in or about the Premises.

#### **42. PERFORMANCE EVALUATIONS AND INSPECTION**

As part of its administration of this Sub-Agreement, MCCOC will conduct periodic inspections, with reasonable prior written notice, of sub-operation facilities, equipment, services, and programs and prepare written performance evaluations based upon its observations. A Sub-Operator Performance Evaluation form attached hereto as "**Exhibit Q**", or other similar format(s) as may be adopted by MCCOC and State will be utilized for evaluation purposes. MCCOC further reserves the right of ingress and egress without notice to inspect sub-operation for the purposes of evaluating Sub-Operator's performance of the terms and conditions of this Sub-Agreement; to inspect, investigate, and/or survey the Premises; and to do any work thereon of any nature

necessary for preservation, maintenance, and operation of the park unit. Sub-Operator agrees to cooperate with MCCOC in all respects related to the implementation of MCCOC's Sub-Operation Performance Evaluation program and with MCCOC's activities on the Premises. MCCOC and State shall not be liable in any manner for any inconvenience, disturbance, loss of business, nuisance, or other damage arising out of State's entry in the Premises as provided herein, except damage resulting from the active negligence or willful misconduct of MCCOC, State or their authorized representatives.

**43. DEFAULT BY SUB-OPERATOR**

- A. Defaults: The occurrence of any one of the following shall constitute a default and breach of this Sub-Agreement by Sub-Operator:
- 1) Failure to Pay Rent: Any failure of Sub-Operator to timely pay any rent due or any other monetary sums required to be paid hereunder where such failure continues for a period of ten (10) consecutive days after written notice of such failure to pay such sums when due.
  - 2) Absence from Premises: Except in connection with a Force Majeure or any Cessation Event, any complete absence by Sub-Operator or its agents and employees from the Premises for thirty (30) consecutive days or longer. The Premises shall be deemed abandoned after MCCOC has followed the procedures set forth in Civil Code §1951.3.
  - 3) Nuisance: Should Sub-Operator create or allow to be created a nuisance on the Premises and such nuisance is not immediately ceased upon notice and subsequently cured within ten (10) days following written notice to Sub-Operator, MCCOC may declare an immediate event of default and enter upon and take possession and/or demand an assignment of the right to operate the Premises

without notice to Sub-Operator. For the purpose of this paragraph, “nuisance” consists of an egregious activity that threatens the unique resources of the Premises, or the health, welfare, and safety of the public. Sub-Operator shall immediately vacate the Premises and remove all personal property within thirty (30) days after MCCOC’s declaration of default.

- 4) Failure to Observe Other Provisions: Any failure by Sub-Operator to observe or perform another provision of this Sub-Agreement where such failure continues for thirty (30) consecutive days after written notice thereof by MCCOC to Sub-Operator; this notice shall be deemed to be the notice required under California Code of Civil Procedure §1161. However, if the nature of Sub-Operator's default is such that it cannot reasonably be cured within the thirty (30) day period, Sub-Operator shall not be deemed to be in default if it is determined at the sole discretion of MCCOC that Sub-Operator has commenced such cure within the thirty (30) day period and thereafter continues to diligently prosecute such cure to completion to the satisfaction of State.
- 5) Involuntary Assignments, Bankruptcy: MCCOC and Sub-Operator agree that neither this Sub-Agreement nor any interest of Sub-Operator hereunder in the Premises shall be subject to involuntary assignment or transfer by operation of law in any manner whatsoever, including, without limitation, the following: (a) transfer by testacy or intestacy; (b) assignments or arrangements for the benefit of creditors; (c) levy of a writ of attachment or execution on this Sub-Agreement; (d) the appointment of a receiver with the authority to take possession of the Premises in any proceeding or action in which Sub-Operator is a party; or (e) the filing by or against Sub-Operator of a petition to have Sub-Operator adjudged

a bankrupt, or of a petition for reorganization or arrangement under any law relating to bankruptcy. Any such involuntary assignment or transfer by operation of law shall constitute a default by Sub-Operator and MCCOC shall have the right to elect to take immediate possession of the Premises, to terminate this Sub-Agreement and/or invoke other appropriate remedies as set forth below, in which case this Sub-Agreement shall not be treated as an asset of Sub-Operator.

B. Notices of Default: Notices of default shall specify in reasonable detail the alleged default and the applicable Sub-Agreement provision and shall demand that Sub-Operator perform the provisions of this Sub-Agreement within the applicable time period or quit the Premises. No such notice shall be deemed a forfeiture or a termination of this Sub-Agreement unless MCCOC specifically so states in the notice.

#### **44. MCCOC'S REMEDIES**

In the event of default by Sub-Operator, MCCOC shall have the following remedies. These remedies are not exclusive; they are cumulative and are in addition to any other right or remedy of MCCOC at law or in equity.

A. Collection of Rent: In any case where MCCOC has a cause of action for damages, MCCOC shall have the privilege of splitting the cause to permit the institution of a separate suit for rent due hereunder, and neither institution of any suit, nor the subsequent entry of judgment shall bar MCCOC from bringing another suit for rent; it being the purpose of this provision to provide that the forbearance on the part of MCCOC in any suit or entry of judgment for any part of the rent reserved under this Sub-Agreement, to sue for, or to include in, any suit and judgment the rent then due, shall not serve as defense against, nor prejudice a subsequent action for, rent or other obligations due under the Sub-Agreement.



The claims for rent may be regarded by MCCOC, if it so elects, as separate claims capable of being assigned separately.

B. Maintain Sub-Agreement in Effect: The MCCOC has the remedy described in California Civil Code §1951.4 (lessor may continue lease in effect after lessee's breach or abandonment and recover rent as it becomes due, if lessee has right to sublet or assign, subject only to reasonable limitations). The following do not constitute a termination of the Sub-Operator's right to possession: (1) Acts of maintenance or preservation or efforts to relet the Premises; (2) The appointment of a receiver upon initiative of the MCCOC to protect MCCOC's interests under the Sub-Agreement; (3) Withholding consent to a subletting or assignment so long as such consent is not unreasonably withheld.

C. Continued Performance: At MCCOC's option, Sub-Operator shall continue with its responsibilities under this Sub-Agreement during any dispute.

D. Termination of Sub-Operator's Right to Possession: Upon an event of default, MCCOC may terminate Sub-Operator's right to possession of the Premises at any time by providing two months' written notice to Sub-Operator. In the absence of such written notice from MCCOC, no act by MCCOC, including, but not limited to, acts of maintenance, efforts to relet and/or assign rights to possession of the Premises, or the appointment of a receiver on MCCOC's initiative to protect MCCOC's interest under this Sub-Agreement shall constitute an acceptance of Sub-Operator's surrender of the Premises, or constitute a termination of this Sub-Agreement or of Sub-Operator's right to possession of the Premises. Upon such termination, MCCOC has the right to recover from Sub-Operator:

- 1) the worth, at the time of the award, of the unpaid rent that had been earned at the time of termination of this Sub-Agreement;
- 2) the worth, at the time of the award, of the amount by which the unpaid rent that would have been earned after the date of termination of this Sub-Agreement until the time of the award

- exceeds the amount of loss of rent that Sub-Operator proves could have reasonably been avoided;
- 3) the worth, at the time of the award, of the amount by which the unpaid rent for the balance of the term after the time of the award exceeds the amount of the loss of rent that Sub-Operator proves could have been reasonably avoided; and
  - 4) any other amount necessary to compensate MCCOC for all the detriment proximately caused by Sub-Operator's failure to perform its obligations under this Sub-Agreement, which, without limiting the generality of the foregoing, includes any cost and expenses incurred by the MCCOC in recovering possession of the Premises, in maintaining or preserving the Premises after such default, in preparing the Premises for a new sub-operator, in making any repairs or alterations to the Premises necessary for a new sub-operator, in making any repairs or alterations to the Premises, and costs of clearing MCCOC's title of any interest of Sub-Operator, commissions, attorneys' fees, architects' fees, and any other costs necessary or appropriate to make the Premises operational by a new sub-operator.

“The worth, at the time of the award,” as used herein above shall be computed by allowing interest at the lesser of a rate of ten percent (10%) per annum or the maximum legal rate.

E. Assignment at MCCOC's Direction: In the event of a default by Sub-Operator, when cure is not received and acknowledged by MCCOC after having provided notice of the breach as provided herein above, Sub-Operator shall, in addition to the damages provided for herein, be obligated to assign all rights to occupy, possess, and operate on and in the Premises to MCCOC's designee within thirty (30) days of receipt of written demand by MCCOC. Sub-Operator shall further remove itself and its personal property from the Premises within the

same time frame. Sub-Operator agrees to execute all documents necessary to effectuate and implement this provision. Upon such assignment, all rights of Sub-Operator under the Sub-Agreement shall transfer to the assignee.

Any designated assignee, as provided for herein, shall take and sub-operate the Premises under the same terms and conditions as those set forth herein, except for requirements that have already been performed and are no longer applicable. However, Sub-Operator shall not be relieved of obligations incurred prior to the date of such assignment. An assignment of the Sub-Agreement pursuant to the terms hereof shall not cause the Sub-Agreement to terminate and shall not work a merger.

F. Receiver: If Sub-Operator is in default of this Sub-Agreement, MCCOC shall have the right to have a receiver appointed to collect rent and conduct Sub-Operator's business or to avail itself of any other pre-judgment remedy. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by State to terminate this Contract.

G. Right to Cure Sub-Operator's Default: At any time after Sub-Operator commits a default, MCCOC can cure the default at Sub-Operator's cost. If MCCOC, at any time by reason of Sub-Operator's default, pays any sum or does any act that requires the payment of any sum, the sum paid by MCCOC shall be due immediately from Sub-Operator to MCCOC, and if paid at a later date shall bear interest at the rate of ten percent (10%) per annum from the date the sum is paid by MCCOC until MCCOC is reimbursed by Sub-Operator.

H. Personal Property of Sub-Operator: In the event any personal property or trade fixtures of Sub-Operator remain at the Premises after MCCOC has regained possession or after an assignment is accomplished, that property or those fixtures shall be dealt with in accordance with the provisions for Surrender of the Premises provided below.

- 1) MCCOC's Obligations After Default: MCCOC shall be under no obligation to observe or perform any covenant of this Sub-

Agreement on its part to be observed or performed that accrues after the date of any default by Sub-Operator. Such nonperformance by MCCOC shall not constitute a termination of Sub-Operator's right to possession nor a constructive eviction.

- 2) No Right of Redemption: Sub-Operator hereby waives its rights under California Code of Civil Procedure §1174 and 1179 or any present or future law that allows Sub-Operator any right of redemption or relief from forfeiture in the event MCCOC takes possession of the Premises by reason of any default by Sub-Operator.
- 3) Other Relief: All monetary obligations of the Sub-Operator of any kind shall be considered rent. MCCOC shall have such rights and remedies for failure to pay such monetary obligations as MCCOC would have if Sub-Operator failed to pay rent due. The remedies provided in this Sub-Agreement are in addition to any other remedies available to MCCOC at law, in equity, by statute, or otherwise.
- 4) No Buy-out: If the Sub-Agreement has been terminated due to a breach on the part of the Sub-Operator under any terms of this Sub-Agreement the MCCOC shall not be obligated to purchase any improvements made by Sub-Operator or to pay the Sub-Operator for said improvements before or after taking possession of the Premises.

**45. DEFAULT BY MCCOC**

MCCOC shall not be in default of the performance of any obligation required of it under this Sub-Agreement unless and until it has failed to perform such obligation for more than thirty (30) days after written notice by Sub-Operator to MCCOC specifying the alleged default and the applicable Sub-Agreement provision giving rise to the

obligation. However, if the nature of MCCOC's obligation is such that more than thirty (30) days is required for its performance, then MCCOC shall not be deemed in default if it shall commence performance within such 30-day period and thereafter diligently prosecute the same to completion.

Upon an event of default by MCCOC, Sub-Operator shall have the right to terminate this Sub-Agreement by providing two months' written notice to MCCOC.

**46. MCCOC BUY-OUT PROVISIONS**

- A. Notwithstanding any other provision in this Sub-Agreement and in addition to any other remedy available to MCCOC, MCCOC, only upon the prior written approval of the State, may terminate this Sub-Agreement for any reason. MCCOC shall give written notice of its intention to Sub-Operator no later than twelve months before the scheduled termination date. Such notice shall be given in writing and shall be effective on the date given in the notice as the scheduled date for the termination of the Sub-Agreement.
- B. MCCOC shall pay to Sub-Operator within 90 days of the termination date a sum of money equal to the depreciated development, construction and opening costs multiplied times one hundred and twenty percent (120%) of the improvements installed or constructed upon the Premises by Sub-Operator but excluding improvements the cost of which Sub-Operator has been paid or reimbursed by MCCOC through grants or other sources (and specifically excluding amounts reimbursed from the CIA from funds contributed by Sub-Operator).
- C. It is expressly understood that this Section does not apply to the situation where MCCOC may terminate this Sub-Agreement for any breach on the part of the Sub-Operator under **Section 43** (Default By Sub-Operator), or where the Sub-Agreement is terminated at Sub-Operator's request. Where there has been a breach on the part of the Sub-Operator, under any terms of this Sub-Agreement, MCCOC shall not be obligated to pay the Sub-Operator before or after taking possession of the Premises.

In the event of breach, bankruptcy, insolvency, abandonment, or the Sub-Agreement is terminated at Sub-Operator's request, the buy-out provisions contained herein are not to be considered as an obligation of MCCOC.

C. For the purposes of this Section, such facilities shall be deemed to be the structures Sub-Operator is expressly required to construct, create, or develop under **Section 27** (Construction and Completion of Improvements), or later adds, exclusive of Sub-Operator's personal property. The cost of such facilities for the purposes of this Section shall be those values established under **Section 27(F)** (Construction and Completion of Improvements), above.

D. The amount to be paid as the then depreciated cost of the facilities in the event of termination under this Section shall be based on a those depreciation elections and schedules actually utilized by Sub-Operator's in accordance with Generally Accepted Accounting Principles and as reflected on Sub-Operator's annual balance sheet. In the event there is an assignment of this Sub-Agreement for security and as consented to by MCCOC, then any payments made pursuant to this Section shall be used to satisfy such assignee to the extent of assignee's interest.

**47. SURRENDER OF THE PREMISES; HOLDING OVER**

A. Surrender: On expiration or within thirty (30) days after earlier termination of the Sub-Agreement, Sub-Operator shall surrender the Premises to MCCOC with all fixtures, improvements, and Alterations in good condition, except for fixtures, improvements, and Alterations that Sub-Operator is obligated to remove. Sub-Operator shall remove all of its personal property and shall perform all restoration required by the terms of this Sub-Agreement within the above stated time unless otherwise agreed to in writing.

- 1) Personal Property: All of Sub-Operator's personal property remaining on the Premises beyond such time specified in this Section shall be dealt with in accordance with California Code of

Civil Procedure §1174 and California Civil Code §1980, or such other laws as may be enacted regarding the disposition of Sub-Operators' property remaining at the Premises. Sub-Operator waives all claims against State for any damage to Sub-Operator resulting from State's retention or disposition of Sub-Operator's personal property. Sub-Operator shall be liable to MCCOC for MCCOC's costs in storing, removing, and disposing of Sub-Operator's personal property or trade fixtures.

2) Failure to Surrender. If Sub-Operator fails to surrender the Premises to MCCOC on the expiration, assignment, or within thirty (30) days after earlier termination of the term as required by this Section, Sub-Operator shall hold MCCOC and State harmless for all damages resulting from Sub-Operator's failure to surrender the Premises.

B. Holding Over: After the expiration or earlier termination of the term and if Sub-Operator remains in possession of the Premises with MCCOC's express consent, such possession by Sub-Operator shall be deemed to be a temporary tenancy terminable on thirty (30) days written notice given at any time by either party. During such temporary tenancy, the Guaranteed Minimum Annual Rent shall be increased by Consumer Price Index adjustments required by this Sub-Agreement in accordance with **Section 6** (Consideration), unless agreed to in writing by MCCOC and State. Sub-Operator shall pay such rent and all other sums required to be paid hereunder monthly on or before the fifteenth day of each month. All provisions of this Sub-Agreement except those pertaining to the term shall apply to the month-to-month tenancy.

**48. NO RECORDATION; QUITCLAIM**

A. No Recordation: This Sub-Agreement shall not be recorded.

B. Quitclaim: Sub-Operator shall execute and deliver to MCCOC and State on the expiration or termination of this Sub-Agreement immediately on MCCOC or State's request, a quitclaim deed to the Premises and the rights arising hereunder, in recordable form or such other document as may be necessary, to remove any claim of interest of Sub-Operator in and to all property belonging to the State. Should Sub-Operator fail or refuse to deliver to MCCOC and State a quitclaim deed or other documents as aforesaid, a written notice by MCCOC or State reciting the failure of the Sub-Operator to execute and deliver said quitclaim deed as herein provided, shall after ten (10) days from the date of recordation of said notice be conclusive evidence against the Sub-Operator and all persons claiming under Sub-Operator of the termination of this Sub-Agreement.

**49. ATTORNEY FEES**

Sub-Operator shall reimburse MCCOC on demand for all reasonable attorney fees (including attorney fees incurred in any bankruptcy or administrative proceeding or in any appeal) and expenses incurred by MCCOC as a result of a breach or default under this Sub-Agreement. If Sub-Operator becomes the prevailing party in any legal action brought by MCCOC, Sub-Operator shall be entitled to recover reasonable attorney fees and expenses incurred by Sub-Operator and need not reimburse MCCOC for any attorney fees and expenses incurred by MCCOC.

**50. WAIVER OF CLAIMS**

The Sub-Operator hereby waives any claim against MCCOC and State of California, its officers, agents, or employees for damage or loss caused by any suit or proceeding directly or indirectly attacking the validity of this Sub-Agreement or any part thereof, or by any judgment or award in any suit or proceeding declaring this Sub-Agreement null, void, or voidable, or delaying the same or any part thereof from being carried out.



**51. WAIVER OF SUB-OPERATING AGREEMENT TERMS**

Unless otherwise provided by this Sub-Agreement, no waiver by either party at any time of any of the terms, conditions, or covenants of this Sub-Agreement shall be deemed as a waiver at any time thereafter of the same or of any other term, condition, or covenant herein contained, nor of the strict and prompt performance thereof. No delay, failure, or omission of MCCOC to re-enter the Premises or to exercise any right, power, privilege, or option arising from any breach, nor any subsequent acceptance of rent then or thereafter accrued shall impair any such right, power, privilege, or option or be construed as a waiver of such breach or a relinquishment of any right or acquiescence therein. No notice to the Sub-Operator shall be required to restore or revive time as of the essence after the waiver by MCCOC of any breach. No option, right, power, remedy, or privilege of MCCOC shall be construed as being exhausted by the exercise thereof in one or more instances. The rights, powers, options, and remedies given to MCCOC by this Sub-Agreement shall be deemed cumulative.

**52. INTERPRETATION OF SUB-OPERATING AGREEMENT**

This Sub-Agreement is made under and is subject to the laws of the State of California in all respects as to interpretation, construction, operation, effect, and performance.

**53. DURATION OF PUBLIC FACILITIES**

By entering into this Sub-Agreement, MCCOC makes no stipulation as to the type, size, location, or duration of public facilities to be maintained at this unit, or the continuation of State ownership thereof, nor does MCCOC guarantee the accuracy of any financial or other factual representation that may be made regarding this Sub-Agreement.

**54. EMINENT DOMAIN PROCEEDINGS**

If the Premises or any portion thereof is taken by proceedings in eminent domain, Sub-Operator shall receive that portion of any eminent domain award which is attributable to Sub-Operator's interest in the Premises and any "bonus value" with respect thereto and the improvements constructed by Sub-Operator on the Property pursuant to this Sub-Agreement and all Personal Property and an amount equal to the cost of removal of Sub-Operator's personal property as of the date of such eminent domain taking. State shall receive that portion of the eminent domain award which is attributable to the land and improvements owned by MCCOC or State on the Premises which were not constructed at the cost of Sub-Operator. Nothing in the foregoing provisions of this Section 54 shall limit Sub-Operator's right to separately pursue compensation or damages for moving and relocation expenses in any eminent domain proceeding, and Sub-Operator shall be solely entitled to any such compensation for damages for moving and relocation costs free and clear of any claim by MCCOC or State.

**55. TEMPORARY TENANCY**

This tenancy is of a temporary nature and the parties to this Sub-Agreement agree that no relocation payment or relocation advisory assistance will be sought or provided in any form as a consequence of this tenancy.

**56. SECTION TITLES**

The Section titles in this Sub-Agreement are inserted only as a matter of convenience and for reference, and in no way define, limit, or describe the scope or intent of this Sub-Agreement, or in any way affect this Sub-Agreement.

**57. INDEPENDENT CONTRACTOR**

In the performance of this Sub-Agreement, Sub-Operator and the agents and employees of Sub-Operator shall act in an independent capacity and not as officers or employees or agents of the State.

**58. ASSIGNMENTS AND SUB-OPERATIONS**

No transfer, assignment, or corporate sale or merger by the Sub-Operator that affects this Sub-Agreement or any part thereof or interest therein directly or indirectly, voluntarily or involuntarily, shall be made unless such transfer, assignment, or corporate merger or sale is first consented to in writing by MCCOC and State, which shall not be unreasonably withheld. Before MCCOC and State considers such assignment, evidence must be given to MCCOC and State that the proposed assignee is qualified to sub-operate the Premises. In the event of any transfer, assignment, or corporate merger or sale by Sub-Operator to an unaffiliated third party, MCCOC agrees to use commercially reasonable efforts to secure for such approved transferee or assignee an extension of the Term of this Sub-Agreement such that the transferee or assignee shall assume this Sub-Agreement with the remaining term.

**59. MODIFICATION OF SUB-AGREEMENT**

This Sub-Agreement contains and embraces the entire agreement between the parties hereto and neither it, nor any part of it, may be changed, altered, modified, limited, or extended orally or by any agreement between the parties unless such agreement be expressed in writing, signed, and acknowledged by MCCOC and State and the Sub-Operator or their successors in interest.

An amendment is required to change the Sub-Operator's name as listed in this Sub-Agreement upon receipt of legal documentation to support such change.

Notwithstanding any of the provisions of this Sub-Agreement, the parties may hereafter, by mutual consent expressed in writing, agree to modifications thereof, additions thereto, or terminations thereof, which are not forbidden by law. Such written

modifications or additions to this Sub-Agreement shall not be effective until signed and acknowledged by MCCOC, State and Sub-Operator and approved in writing by the Department of General Services. MCCOC and State shall have the right to grant reasonable extensions of time to Sub-Operator for any purpose or for the performance of any obligation of Sub-Operator hereunder.

**60. UNENFORCEABLE PROVISION**

In the event that any provision of this Sub-Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Sub-Agreement have force and effect and shall not be effected thereby.

**61. FORCE MAJEURE**

If either Party is prevented, hindered or delayed in performance or observance of any of its obligations under this Sub-Agreement by reason of any circumstances beyond its reasonable control, including but not limited to fire, flood, earthquake, extraordinary weather conditions not reasonably foreseeable by the party, acts of war, acts of terrorism, labor disputes, riots, civil disorders, rebellions or revolutions in any country, that party shall be excused from any further performance or observation of the obligations so affected for as long as such circumstances prevail and that party continues to use all commercially reasonable efforts to recommence performance whenever and to whatever extent possible without delay. The party affected by such an event shall advise the other party in reasonable detail of the event, including its estimated duration, as promptly as practicable and keep the other party reasonably apprised of progress in resolving the event.

**62. PUBLIC TRUST**

Nothing in this Sub-Agreement shall be construed as State's transferring, assigning, or delegating any public trust responsibilities of State, including, but not limited to, those public trust responsibilities required by PRC § 5019.53 et seq.

**63. APPROVAL OF SUB-AGREEMENT**

This Sub-Agreement, amendments, or modifications thereof shall not be effective until signed by the Marconi Conference Center Operating Corporation, Department of Parks and Recreation, and approved by Department of General Services

**64. SUB-AGREEMENT NOTICE**

Any notices required to be given or that may be given by either party to the other shall be deemed to have been given when made in writing and deposited in the United States mail, postage prepaid, and addressed as follows:

Sub-Operator at: Marconi Hospitality, LLC  
401 Union Street, Floor 2  
Nashville, TN 37219  
Attn: Ethan Orley  
(615) 669-6390  
[ethan@bna-re.com](mailto:ethan@bna-re.com)

with a copy to: Marconi Hospitality, LLC  
601 19<sup>th</sup> Street  
San Francisco, CA 94107  
Attn: Adam Mendelson  
(239) 560-8661  
[adam@thepearlsf.com](mailto:adam@thepearlsf.com)

MCCOC: Marconi Conference Center Operating Corporation  
P.O. Box 789  
Marshall, CA 94940  
(415) 663-9020

State at: Department of Parks and Recreation  
Bay Area District  
845 Casa Grande Road  
Petaluma, CA 94954-5804  
(707) 769-5652

Copy to: Department of Parks and Recreation  
Partnerships Division  
P.O. Box 942896  
Sacramento, California 94296-0001  
916-653-7733

The address to which notices shall or may be mailed as aforesaid by either party shall or may be changed by written notice given by such party to the other, but nothing in this Section shall preclude the giving of any such notice by personal service.

**65. OTHER SUB-OPERATING AGREEMENT TERMS AND CONDITIONS**

- A. Sub-Operator shall obtain State Approval through MCCOC. Any time State action is required, Sub-Operator will work through MCCOC to obtain that.
- B. Any time Sub-Operator is required to obtain MCCOC or State's approval, consent, or permission, it shall be in writing.
- C. In the event of conflict or omission between this Sub-Agreement and the operating agreement between State and MCCOC, the operating agreement between State and MCCOC shall prevail.
- D. In the event the operating agreement between MCCOC and State is terminated, State shall assume the role of MCCOC.

**66. STATE'S DISTRICT SUPERINTENDENT**

For the purposes of this Sub-Agreement, the District Superintendent is the State representative responsible for the Premises.

**67. LIMITATION**

This Sub-Agreement is subject to all valid and existing claims of title that may affect Premises.

**68. TIME OF ESSENCE**

Time shall be of the essence in the performance of this Agreement.

**69. SUCCESSORS IN INTEREST**

Unless otherwise provided in this Sub-Agreement, the terms, covenants, and conditions contained herein shall apply to and bind the heirs, successors, executors, administrators, and assigns of all the Parties hereto, all of who shall be jointly and severally liable hereunder.

**70. AGREEMENT IN COUNTERPARTS**

This Sub-Agreement may be executed in counterparts, each of which shall be deemed an original.

**71. ESTOPPEL CERTIFICATE**

Either MCCOC or Sub-Operator shall provide an estoppel certificate to the other as requested from time to time stating any defaults under this Sub-Agreement, that this Sub-Agreement has not been modified, or, if modified, stating the nature of such modification, and certifying that this Sub-Agreement, as modified is in full force and effect, and such other reasonable factual matters as may be requested by the party requesting such estoppel certificate.

## **72. THIRD PARTY BENEFICIARIES**

This Sub-Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns with the following exception. The Parties acknowledge and agree that State of California, Department of Parks and Recreation is a third-party beneficiary to this Sub-Agreement and is entitled to the rights and benefits hereunder and may enforce the provisions hereof as if it were a party hereto.

## **73. DEFINITIONS**

The following definitions shall apply this Sub-Agreement:

- **California Environmental Quality (CEQA):** The State law (PRC §§ 21000 et seq.) requiring State and local agencies to consider and disclose the environmental implications of their actions, including projects undertaken or permitted by them. The law further requires State and local agencies to avoid significant environmental effects whenever feasible. Guidance in the application of CEQA is provided in its Guidelines (CCR, Title 14, §§ 15000 et seq.).
- **Department Operations Manual (DOM):** This is the State's Department Operations Manual. Chapter 08, Maintenance of Facilities is located at [https://www.parks.ca.gov/?page\\_id=29362](https://www.parks.ca.gov/?page_id=29362).
- **Facility Maintenance/Improvement Account (FMIA):** Trust account established by Sub-Operator for sole purpose of providing Maintenance for the Premises.
- **Historic Structure Report (HSR):** Marconi Hotel Historic Structure Report containing 233 pages. Prepared for California State Parks, Archeology, History and Museums Division, Sacramento, California. Prepared by Garavaglia Architecture, Inc., dated Mach 24, 2014.
- **Housekeeping:** Activities concerned with keeping facilities clean, neat, and orderly, and includes, but is not limited to, mowing, raking, sweeping, vacuuming, mopping, stripping, waxing, dusting, wiping, washing, hosing, interior painting, and other



general care or cleaning of interior and exterior floors, walls, ceilings, doors, windows, facility fixtures, and all adjacent grounds and walks.

- **Improvements:** Constitute renovation, restoration, rehabilitation, reconstruction, or new construction
- **Maintenance:** Routine repair and preservation work necessary to maintain facilities, and equipment in a good state of repair, as well as improvements and upgrades to preserve them for their intended purpose for an optimum useful life or to increase their utility. Maintenance encompasses any renovations and upkeep and upgrades to existing facilities that do not change their existing use.
- **Notice of Exemption (NOE):** A form State files with the State Clearinghouse for a projects that are categorical exempt from CEQA requirements.
- **Project Evaluation Form (PEF):** DPR 183. A form and checklist used by the State to initiate environmental review of certain projects and to record specialist input on potential impacts of State projects. It may also serve to document CEQA compliance for exempt projects, and may contribute to or support a decision to proceed with a Negative Declaration, Mitigated Negative Declaration, or Environmental Impact Report.

**IN WITNESS WHEREOF**, the parties hereto warrant that they respectively have the requisite authority to enter this Sub-Agreement, binding the named parties for which they sign, and have executed this Sub-Agreement at the respective times set forth below.

**SUB-OPERATOR:**

**MARCONI CONFERENCE CENTER  
OPERATING CORPORATION**

**MARCONI HOSPITALITY, LLC**

Signed: \_\_\_\_\_

Signed: \_\_\_\_\_

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

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

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

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

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

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

**ACKNOWLEDGED AND AGREED:**

**STATE OF CALIFORNIA  
DEPARTMENT OF PARKS & RECREATION**

Signed: \_\_\_\_\_

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

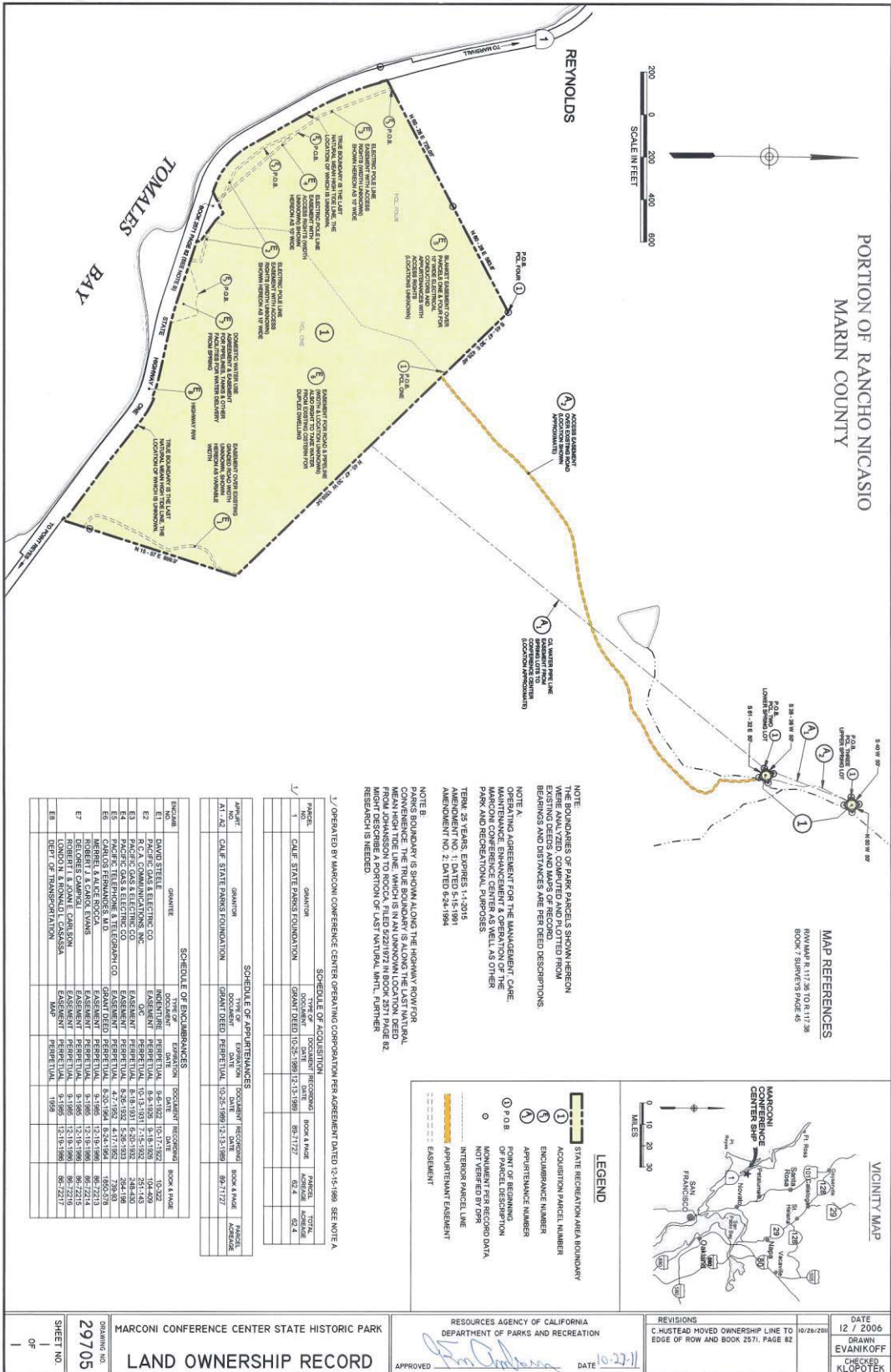
Title: \_\_\_\_\_

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

**APPROVED:  
DEPARTMENT OF GENERAL SERVICES:**

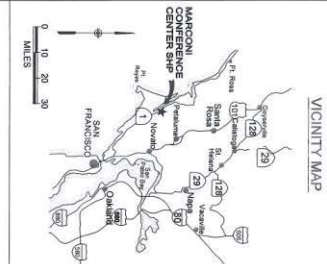
**Exhibit A – The Premises**





PORTION OF RANCHO NICASIO  
MARIN COUNTY

MAP REFERENCES  
BWM MAP R.117.26 TO R.117.28  
BOOK 7 SURVEY'S PAGE 45



NOTE:  
THE BOUNDARIES OF PARK PARCELS SHOWN HEREON WERE ANALYZED, COMPUTED AND PLOTTED FROM BEARINGS AND DISTANCES AS PER DEED DESCRIPTIONS.

NOTE A:  
AN AGREEMENT FOR THE MANAGEMENT, CARE, MAINTENANCE, ENHANCEMENT & OPERATION OF THE MARCONI CONFERENCE CENTER AS WELL AS OTHER PARK AND RECREATIONAL PURPOSES.

NOTE B:  
PARKS BOUNDARY IS SHOWN ALONG THE HIGHWAY ROW/PAVING HIGH TIDE LINE, WHICH IS AN UNKNOWN LOCATION DEED FROM JOHNSON TO ROCK, FILED 9221972 IN BOOK 2571 PAGE 82. RESEARCH IS NEEDED.

LEGEND

- STATE RECREATION AREA BOUNDARY
- ACQUISITION PARCEL NUMBER
- ENCUMBRANCE NUMBER
- APPRPRIENTANCE NUMBER
- POINT OF BEGINNING
- MONUMENT PER RECORD DATA
- NOT VERIFIED BY OPN
- INTERIOR PARCEL LINE
- APPRPRIENTANCE EASEMENT

SCHEDULE OF ACQUISITION

PARCEL NO.	ACQUISITION	DOCUMENT NO.	DATE	BOOK & PAGE	PAGES	TOTAL ACRES
1	CALIF. STATE PARKS FOUNDATION	GRANT DEED	10-25-1989	82-11727	62, 4	62.4

SCHEDULE OF APPRIENTANCES

APPRPRIENT NO.	GRANTOR	TYPE OF APPRIENT	DOCUMENT NO.	DATE	BOOK & PAGE	PAGES	TOTAL ACRES
E1	DAVID STEELE	PERPETUAL	10-11-1922	10-11-1922	10-322		
E2	W. A. COMMUNICATIONS, INC.	PERPETUAL	10-11-1922	10-11-1922	251-143		
E3	PACIFIC GAS & ELECTRIC CO.	PERPETUAL	10-11-1922	10-11-1922	248-250		
E4	PACIFIC GAS & ELECTRIC CO.	PERPETUAL	10-11-1922	10-11-1922	248-250		
E5	PACIFIC GAS & ELECTRIC CO.	PERPETUAL	10-11-1922	10-11-1922	248-250		
E6	CARLOS FERNANDES, MD.	PERPETUAL	8-20-1984	8-20-1984	1055-726		
E7	DELORNE'S CAMPBELL	PERPETUAL	9-1995	12-13-1989	86-22714		
E8	LONDON S. RONALD CASASNA	PERPETUAL	9-1995	12-13-1989	86-22714		
E9	DEPT. OF TRANSPORTATION	PERPETUAL	1989		86-22717		

**Exhibit B – Consumer Price Index Adjustment Formula**

Consumer Price Index (CPI) adjustments applied to the \$\$\$ Guaranteed Minimum Annual Rent shall be based on changes in the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, San Francisco, All Items, (1982-84=100). Calculations shall employ the following formula:

"Base Index" = CPI Index published for the month preceding the commencement date of this Contract.

"Base Rent" = Minimum \$\$\$ rent during the first Contract Year.

"Year End Index" = CPI Index for the month preceding the start of the subject Agreement/Sub-Agreement Year.

"Year End Index" - "Base Index"

**Step #1:** "Base Index" = % Change

**Step #2:** % Change x Base Rent = Adjustment

**Step #3:** Base Rent + Adjustment = New Rent

### Exhibit C – Sub Operator’s Monthly Report of Operation

State of California - The Resources Agency  
 DEPARTMENT OF PARKS AND RECREATION

**OPERATOR/SUB-OPERATOR MONTHLY REPORT OF OPERATION**

FOR THE MONTH OF \_\_\_\_\_, YEAR \_\_\_\_\_

FOR DEPARTMENT COMPLETION	
DISTRICT NO.	PARK UNIT NO.
ROC DOCUMENT NO.	

(Instructions on reverse.)

NAME OF PARK UNIT	
ADDRESS	CITY/STATE/ZIP CODE
DISTRICT	PARK UNIT

TYPE OF RECEIPT	GROSS RECEIPTS	NUMBER OF UNITS <small>(WHERE APPLICABLE)</small>	CUMULATIVE GROSS TO DATE <small>(CONTRACT YEAR)</small>	PERCENT RATE OR AMOUNT PER UNIT DUE STATE	AMOUNT DUE TO STATE
FOOD & NONALCOHOLIC BEVERAGES					
ALCOHOLIC BEVERAGES					
MERCHANDISE					
EQUIPMENT RENTALS					
PAY SHOWERS					
VENDING MACHINES <small>(SEE REVERSE)</small>					
<b>SUBTOTALS</b>					
<b>ADJUSTMENTS</b> <small>(EXPLAIN REASON ON REVERSE)</small>					
<b>***TOTAL DUE***</b>					
<small>(EXPLAIN REASON ON REVERSE)</small>					

MAINTENANCE FEES <small>(COMPLETE THIS SECTION IF APPLICABLE)</small>	
THIS MONTH'S MAINTENANCE FEE ALLOCATION <b>% x Monthly Gross Revenue = \$</b>	CUMULATIVE MAINTENANCE FEE ALLOCATION YEAR TO DATE <b>% x Cumulative Gross Revenue = \$</b>
AMOUNT SPENT ON ELIGIBLE MAINTENANCE THIS MONTH \$	CUMULATIVE AMOUNT EXPENDED ON ELIGIBLE MAINTENANCE YEAR TO DATE \$

SEASONAL CONCESSIONS <small>(COMPLETE THIS SECTION IF APPLICABLE)</small>	EXACT DATE YOU CEASED OPERATIONS	DATE YOU EXPECT TO RESUME OPERATIONS
--	----------------------------------	--------------------------------------

DECLARATION		
I declare under penalty of perjury that the information on this form is accurate and complete to the best of my knowledge.		
CONCESSIONAIRE'S SIGNATURE	PRINTED NAME	DATE
TITLE/POSITION	PHONE NO. ( )	

**Exhibit D – Sample Trust Agreement Provisions**

This Trust Agreement is effective as of \_\_\_\_\_ among Marconi Conference Center Operating Corporation (MCCOC), \_\_\_\_\_ (Sub-Operator), State of California, Department of Parks and Recreation (State) and (Financial Institution or Trustee).

Whereas the MCCOC and State have entered into an Operating Agreement with a term \_\_\_\_\_ to \_\_\_\_\_ pursuant to which MCCOC will operate the Marconi Conference Center State Historic Park;

Whereas MCCOC has entered into a Sub-Agreement with a term \_\_\_\_\_ to \_\_\_\_\_ pursuant to which Sub-Operator will sub-operate the Marconi Conference Center State Historic Park;

Whereas the Operating Agreement provides for the establishment of a Trust Fund under the terms and conditions set forth in Section 9, Other Financial Requirements;

Whereas the Sub-Operating Agreement provides for the establishment of a Trust Fund under the terms and conditions set for the in Section 9, Other Financial Requirements;

Whereas MCCOC and Sub-Operator are establishing this trust to provide the means to carry out the applicable provisions of the Operating Agreement and Sub-Operating Agreement that deal with this account;

Whereas (Financial Institution) has agreed to serve according to this Agreement.

Now, therefore, in consideration of the mutual covenants and agreements the parties agree as follows:

- 1) Establishment of a Trust Fund that will fund:
  - a. MCCOC's responsibilities for facility improvements in accordance with Operating Agreement Section 10, Construction and Completion of Improvements, and Section 11, Maintenance Obligations of MCCOC.
  - b. Sub-Operator's responsibility for facility improvements in accordance with Sub-Operating Agreement Section 27, Construction and Completion of Improvements, and Section 15, Housekeeping, Maintenance, Repair and Removal.
  
- 2) The Trust Fund shall include the following two accounts:
  - a. Facility Maintenance/Improvement Account ("FMIA"): Containing all rental payments in accordance with Section 6 (Consideration) of the Operating Agreement and Sub-Operating Agreement. These funds shall only be used for general operations by MCCOC according to the State-approved Annual Operations Budget as set forth in Operating Agreement Section 4.C, Duties of MCCOC (Annual Operations Budget), ongoing maintenance in accordance with MCCOC and State approved Annual Maintenance Plan, and other unanticipated improvements in accordance with an MCCOC and State approved Annual Facility/Capital Improvements Plan.
  - b. Capital Expenditures Account ("CIA"): Containing funds including, but not limited to, financial contributions and capital outlay for construction and deferred maintenance projects. These funds shall only be used for capital improvements and deferred maintenance projects in accordance with Sub-Operator's Facility Improvement Plan (Sub-Operating Agreement Exhibit H), and MCCOC and State approved Annual Facility/Capital Improvements Plan.
  
- 3) Subsequent to execution of this Trust Agreement, MCCOC and Sub-Operator shall make (or shall cause to be made) deposits to the FMIA and CIA. Such deposits will include a Deposit Request. Financial Institution shall have no obligation to deposit



payments received without the Deposit Request and shall not be responsible to verify that the payment complies with the requirements of the Operating Agreement and Sub-Operating Agreement.

- 4) Disbursements shall be made upon receipt of a Request for Disbursement signed by MCCOC authorized representative and Sub-Operator authorized representative. Financial Institution shall not be responsible to verify that the disbursement is appropriate under the Operating Agreement and Sub-Operating Agreement.
- 3) MCCOC and Sub-Operator hereby confirm that the payment of funds into the Trust Fund accounts are irrevocable and that after such payment MCCOC and Sub-Operator ceases to have any interest in the funds. MCCOC and Sub-Operator will not seek to exercise dominion, control or in any way encumber the funds paid into the Trust Fund accounts or interfere with the investment decisions of the Financial Institution with respect to these funds.
- 4) Financial Institution (Trustee) Responsibilities.
  - a. Trustee shall have no obligation or responsibility to determine the correctness of any payment tendered by MCCOC and/or Sub-Operator or correctness of the amount of any disbursements contained in the Request for Disbursement.
  - b. Trustee will provide monthly statements in duplicate to MCCOC, Sub-Operator, and State to their respective addresses.
  - c. Trustee shall apply for a Federal Tax Identification number for this trust and file the Federal and any other fiduciary income tax returns required by law in a timely manner and shall pay tax liabilities in a timely manner first from the income of the trust for the current fiscal year to the extent there is sufficient income at the time of payment and then, to the extent that there is not sufficient income, from the principal.

- d. Trustee shall not be required to defend any legal proceedings which may be instituted against it in respect of the subject matter of this Agreement unless requested to do so by the parties hereto and indemnified to its satisfaction against the cost and expense of such defense and shall not be required to institute legal proceedings of any kind.
  - e. Trustee shall invest the funds in federal insured interest bearing accounts. All commissions, taxes, brokerage and expenses incurred in connection with the purchase of investments under this section, if any, shall be paid by the Trustee.
  - f. Trustee shall receive compensation for its services in the amount and at the time specified in its Schedule of Fees and Charges established from time to time by it for the administration of trusts of a character similar to this trust in effect when the compensation is payable. The Trustee's compensation shall be charged to the income of each respective account.
- 6) This Agreement shall terminate upon (a) receipt from State written notice that the Operating Agreement and/or Sub-Operating Agreement has terminated or (b) receipt of State's written notice that the MCCOC's rights under the Operating Agreement and Sub-Operator's rights under the Sub-Operating agreement have terminated or (c) upon joint written notice by MCCOC, Sub-Operator and State that the rights of MCCOC under the Operating Agreement and rights of Sub-Operator under the Sub-Operating Agreement have been assigned or sold. Upon termination of this Agreement, the Trustee shall distribute the balance of the account as directed by the State without the expressed concurrence of MCCOC. Notwithstanding the above, the Trustee shall retain a reserve in an amount determined by the Trustee to be sufficient to cover tax liability, fees, administrative expenses and any other charges arising out of this Agreement.

- 7) Trustee shall upon written request of State transfer all rights of the MCCOC and/or Sub-Operator under this Agreement to state, or at State's option, to another entity.
- 8) The Trustee may resign at any time by giving written notice to the MCCOC, Sub-Operator and the State. The Trustee may be removed by the MCCOC and Sub-Operator by giving written notice signed by MCCOC, Sub-Operator and State authorized representatives. Any resignation or removal of Trustee shall be effective only upon appointment of a successor Trustee.
- 9) All notices or other communications required by this Agreement shall be made or delivered in person or by certified or registered mail, postage prepaid, addressed to the particular parties provided below, or to any other address as such parties may hereafter specify in written notice to the other parties hereto, and all notices or other communications shall be in writing and so addressed and shall be effective upon receipt by the addressee thereof:

MCCOC: Marconi Conference Center Operating Corporation  
P.O. Box 789  
Marshall, CA 94940

Sub-Operator Marconi Hospitality, LLC  
401 Union Street, Floor 2  
Nashville, TN 37219  
Attn: Ethan Orley

with a copy to: Marconi Hospitality, LLC  
601 19<sup>th</sup> Street  
San Francisco, CA 94107

Attn: Adam Mendelson

State: Department of Parks and Recreation  
Bay Area District  
845 Casa Grande Road  
Petaluma, CA 94954-5804

Copy To : Department of Parks and Recreation  
Partnerships Office  
1416 Ninth Street, Room 1442-13  
Sacramento, CA 95814

- 9) Amendments shall be in writing signed by all parties to this Agreement.
- 10) This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto, provided, however, that the Trustee shall not have the right to assign this Agreement or its rights hereunder without prior written consent from MCCOC, Sub-Operator and State.

**Exhibit E – Marconi Proposal Overview**



## Plan Objectives

<p><b>O1</b></p> <p>PRESERVE NATURAL RESOURCES + COASTLINE ENVIRONMENT</p>	<p><b>O2</b></p> <p>ENHANCE FACILITIES FOR SMALL + MEDIUM SIZED EVENTS</p>	<p><b>O3</b></p> <p>RESTORE HISTORIC STRUCTURES + INTERPRET HISTORY</p>
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2

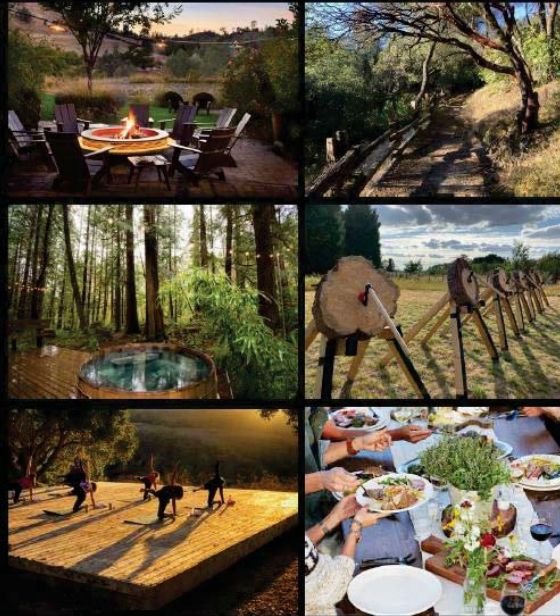
# Master Plan

- ◆ 40 Sea Ranch style rooms
- ◆ Up to 52 cabins
- ◆ Event Facilities
  - ▣ Buck Hall
  - ▣ McCargo Hall
  - ▣ Pine & Cypress Lodges
- ◆ Reception Lounge
- ◆ Redwood Hospitality Hall and/or Operations Building F&B
- ◆ Activity Meadow & Historic Tennis Court



# Programming

- ◆ Small to medium corporate retreats
- ◆ Weddings
- ◆ Leisure
- ◆ Full on-site restaurant & catering
- ◆ Walking trails
- ◆ Team building activities
- ◆ Wellness
- ◆ Relaxation



## 40 Rooms

- Update existing buildings to reflect the natural environment
- Should accommodate extended stays with kitchens

Exterior in Sea Ranch natural architectural style



Refresh interiors with crisp and clean modern updates



Develop private outdoor spaces



5

## Up to 52 Cabins

- New modular construction structures with off-grid and sustainable features
- Complement the exterior skin of the existing buildings

Modern forms with natural architectural style



Off-grid features



Kitchens for extended stays



6

# Historic Hotel

- To be formed non-profit with sole purpose of restoring, maintaining, and programming historic hotel
- Retain the original Mediterranean architectural style with interior furnishings that slant rural wilderness

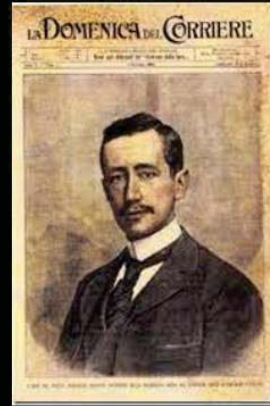
Restore Exterior



Clean and rustic interiors



Marconi interpretive center and museum



7

# Event Facilities

- Update design & function of the event halls
- Retain the original architectural style with complementary interior design

Buck Hall



McCargo Hall



Pine + Cypress Lodges



8



# Redwood Hospitality Hall & Operations Building

- The food and beverage program will be a reflection of place, highlighting the natural beauty of Tomales Bay with its cornucopia of local purveyors and sustainability.

Food



Atmosphere



# Activity Meadow and Historic Tennis Court

Economical method for adding facility for large groups up to 250



Semi permanent structure that can host indoor activities



## **Exhibit F – Sub-Operating Agreement Proposal Questionnaire**

Please provide answers and supplemental information on separate paper as required. This information will be used to determine if the potential sub-operator is a qualified candidate.

- I. POTENTIAL SUB-OPERATING COMPANY'S NAME AND CONTACT INFORMATION  
(Include street mailing address)
  
- II. POTENTIAL SUB-OPERATING COMPANY'S EXECUTIVE PERSONNEL or TEAM MEMBERS (Provide resumes for each team member, indicate the primary team contact)
  
- III. POTENTIAL SUB-OPERATING COMPANY'S BUSINESS INFORMATION
  - A. Potential Sub-Operating Company's Business Model (Provide a description of the current business model along with relevant history and experience)
  
  - B. Intent of Potential Sub-Operating Company (Describe the potential sub- operating company and the overall intent, goals, and aspirations of pursuing the sub-operations agreement)
  
  - C. Statement of Financial Capability (Describe types, amounts, and timing of funding and investments)
  
  - D. Financial Reports (Submit potential sub-operating company's most current financial statement)
  
  - E. Financial Proforma

# Exhibit F (E. Financial Proforma)

Exhibit F (E. Financial Proforma)

E. FINANCIAL PROFORMA										
Complete all aspects of this proforma as they apply to your proposed sub-operation. Round figures to the nearest dollar.										
ITEM	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
<b>OPERATING REVENUE</b>										
Gross Sales										
	750,000	1,000,000	1,000,000	2,000,000	2,000,000	2,121,800	2,105,454	2,251,010	2,318,540	2,385,100
	750,000	1,000,000	1,000,000	2,000,000	2,000,000	2,121,800	2,105,454	2,251,010	2,318,540	2,385,100
<b>Total Gross Sales (1)</b>	<b>\$ 1,000,000</b>	<b>\$ 1,500,000</b>	<b>\$ 1,000,000</b>	<b>\$ 4,000,000</b>	<b>\$ 4,000,000</b>	<b>\$ 4,243,600</b>	<b>\$ 4,210,908</b>	<b>\$ 4,502,020</b>	<b>\$ 4,637,080</b>	<b>\$ 4,770,200</b>
<Less> Cost of Goods Sold (2)	345,000	517,500	1,035,000	1,380,000	1,421,400	1,484,042	1,507,983	1,553,202	1,589,726	1,647,752
<b>TOTAL GROSS PROFIT</b>	<b>\$ 655,000</b>	<b>\$ 982,500</b>	<b>\$ 1,965,000</b>	<b>\$ 2,620,000</b>	<b>\$ 2,578,600</b>	<b>\$ 2,759,558</b>	<b>\$ 2,692,925</b>	<b>\$ 2,948,818</b>	<b>\$ 3,047,354</b>	<b>\$ 3,122,448</b>
<b>OPERATING EXPENSES</b>										
<b>Variable Operating Expenses</b>										
Salaries & Payroll Related	15,000	150,000	600,000	800,000	804,000	845,720	874,182	930,407	927,419	955,422
Taxes & Licenses (other than sales income)	25,000	25,750	28,500	27,300	29,130	29,992	29,251	31,747	31,889	32,882
Insurance	5,000	5,500	53,040	54,836	56,275	57,964	59,703	61,494	63,339	65,239
Advertising	10,000	75,000	150,000	200,000	208,000	212,500	218,545	225,100	231,800	238,610
Maintenance & Repairs	20,000	30,000	50,000	50,000	52,000	54,000	57,410	59,047	62,142	64,524
Utilities (including telephone)	50,000	54,250	101,700	136,260	160,340	165,705	170,740	175,502	181,140	186,580
Legal & Accounting	30,000	37,000	38,500	39,100	40,100	41,000	42,000	43,000	44,000	45,000
Rent to State	18,115	183,500	183,750	240,000	247,200	254,610	262,254	270,120	278,226	286,510
Interest										
Supplies & Material										
Administrative Overhead	12,000	120,000	480,000	320,000	320,000	330,450	340,673	350,160	370,980	382,037
Travel & Transportation	5,000	31,200	53,040	54,836	56,275	57,964	59,703	61,494	63,339	65,239
Other IT	5,000	30,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Other Management Fees	4,000	60,000	120,000	180,000	186,200	189,740	194,200	198,600	203,000	207,400
Other										
<b>Total Variable Operating Expenses</b>	<b>\$ 95,715</b>	<b>\$ 981,270</b>	<b>\$ 1,725,674</b>	<b>\$ 2,182,191</b>	<b>\$ 2,246,158</b>	<b>\$ 2,312,043</b>	<b>\$ 2,379,505</b>	<b>\$ 2,448,804</b>	<b>\$ 2,521,726</b>	<b>\$ 2,595,953</b>
<b>Fixed Operating Expenses</b>										
Facility Improvements	20,000	30,000	60,000	60,000	62,400	64,672	67,418	70,041	72,742	75,524
Equipment Purchases	5,000	5,750	5,300	5,460	5,620	5,780	5,970	6,140	6,334	6,526
Amortization										
Depreciation	10,000	2,250	4,500	6,000	6,100	6,300	6,500	6,700	6,900	7,100
Performance Bond										
<b>Total Fixed Operating Expenses</b>	<b>\$ 25,000</b>	<b>\$ 37,400</b>	<b>\$ 69,800</b>	<b>\$ 71,460</b>	<b>\$ 74,200</b>	<b>\$ 77,034</b>	<b>\$ 80,345</b>	<b>\$ 83,281</b>	<b>\$ 86,026</b>	<b>\$ 89,172</b>
<b>TOTAL OPERATING EXPENSES (3)</b>	<b>\$ 93,355</b>	<b>\$ 1,018,670</b>	<b>\$ 1,795,474</b>	<b>\$ 2,253,651</b>	<b>\$ 2,320,358</b>	<b>\$ 2,409,077</b>	<b>\$ 2,479,850</b>	<b>\$ 2,532,085</b>	<b>\$ 2,607,752</b>	<b>\$ 2,705,125</b>
<b>NET INCOME</b> (before income taxes)	<b>\$ (38,355)</b>	<b>\$ (36,170)</b>	<b>\$ 169,526</b>	<b>\$ 346,349</b>	<b>\$ 358,242</b>	<b>\$ 370,481</b>	<b>\$ 383,094</b>	<b>\$ 396,033</b>	<b>\$ 409,488</b>	<b>\$ 422,515</b>
(1) Includes room revenue at the projected total gross sales. Stabilized \$200 ADR at 60% OCC = ~\$2mm of Room Revenue + \$2mm of events and conference business (2) Includes room revenue at the projected total gross sales. 50% of Sales (F&B) X 32% Rooms Cost X Total Gross Revenue + 50% of Sales (F&B) X 57% Food Cost X Total Gross Revenue (3) Includes room revenue at the projected total gross sales. Market experience operating hotel, event and restaurants										
PREPARED BY:	TITLE:	DATE:								
PRINTED NAME:	Managing Partner	5-01-2021								
ADDRESS:	PHONE NUMBER:	EMAIL ADDRESS:								
401 Union Street	734-223-7880	ethan@thorn-up.com								
	OFFICE ADDRESS:									
	Nashville, TN 37219									





**Exhibit G – Sub-Operator’s Operation Plan**

DRAFT

INITIAL OPERATING PLAN  
MARCONI STATE HISTORIC PARK  
MARCONI HOSPITALITY, LLC  
2-18-2021

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1. GENERAL
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  - b. INTERIOR
  - c. EXTERIOR
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  - a. SIGNAGE
  - b. SECURITY
  - c. SAFETY
  - d. GUEST ROOM
  - e. ROOM AMENITIES
  - f. GUEST ROOM BATHROOMS
  - g. BATHROOM AMENITIES
4. LODGING SERVICES
  - a. RESERVATION SERVICES
  - b. REGISTRATION
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5. DINING & EVENTS
  - a. EXTERIOR
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  - d. OPERATIONAL STANDARDS
  - e. FOOD APPETIZERS BEVERAGES
  - f. PERSONNEL
  - g. RATES
6. PERSONNEL
7. TRANSITION PLAN

The Sub-Operator may revise, as necessary, specific requirements for the operations of the property with the approval of State Parks. State Parks, in its discretion, after consultation with the Sub-Operator, may make reasonable modifications to the initial Operating Plan that are in furtherance of the purposes of this Contract and are not inconsistent with the terms and conditions of the main body of this Contract.

## **1. General**

### General

All rooms or individual cabins have a private bathroom. Services such as business centers, meeting rooms, fitness centers and restaurants may also be provided.

### Public Spaces

The overall appearance and feel of the public spaces is inviting, attractive with decorative enhancements where form and function are well-coordinated and provides an obvious degree of comfort.

### Rooms

Guestrooms are reasonably modern and modestly comfortable. Rooms have an inviting, relaxing feel and include modest decorative enhancements.

### Bathrooms

Provide increased numbers of coordinated, decorative appointments including modest enhancements to function, design elements, room size, and amenities. Overall feel is of a reasonably modern, enhanced, comfortable bathroom.



## Building Structure

Building exteriors are maintained in good condition and in a good state of repair at all times.

Exterior surfaces are painted or treated to protect against deterioration. Painted surfaces are free of peeling paint, soil, and obvious cracks in masonry, and present an attractive appearance. Roofs are maintained with no missing tiles or shingles. Gutters and downspouts are maintained and cleaned to prevent overflow, especially at building entrances. Rooftop ventilation and other systems are in good repair.

## Landscaping/Grounds

Landscaping conforms to park standards. Noxious weeds and invasive plants are removed in coordination with the designated CSP integrated pest management coordinator and in accordance with an approved landscape plan. Grounds are regularly monitored to remove debris and trash from exterior structure areas and from shrubbery and planted areas. Appropriate drainage is maintained to keep water from collecting against buildings.

## Parking

Adequate parking spaces for automobiles, bicycles, etc., are provided. The parking area is paved and well-marked with stripes or other clearly visible method of designating spaces. Accessible spaces are prominently designated, clean, and free of refuse and obstructions. All parking areas, curbing, concrete bumpers, and driveways are well-maintained and free of excessive cracking, crumbling, holes, or unsightly repairs.

## Pathways, Sidewalks, Ramps, Steps and Stairs

All pathways, sidewalks, ramps, steps and stairs are unobstructed and free of debris, obstructions, snow, and ice. These surfaces are maintained in good repair, free of excessive cracking, crumbling, holes, or tripping hazards, with well-maintained hand railings.

### Lighting / Illumination

Architecturally appropriate lighting is provided and maintained to indicate the entrance to the property and illuminate facades or signage so that guests can identify the building and safely navigate to it. Lighting is consistent with the Night Sky requirements. Down-lighting is preferred on tall structures or post lights. Energy efficient bulbs are used in all fixtures, if feasible.

### Public Signs

Public signs for which the Sub-Operator is responsible are appropriately located, accurate, attractive and well-maintained. Permanent signs are professionally designed and produced, consistent with State Park standards, and appropriate for the purpose they serve. The Superintendent has approved signs prior to installation. Temporary signs are computer-generated, framed or laminated, and professional in appearance.

### Entrance

Entrance to the property is identified clearly and driveways unobscured so that incoming guests can readily locate the front office or registration areas. Driveway areas with obstructed views are clearly marked with slow driving cautionary signage.

### Site Utilities, Equipment and Delivery Area

All service areas and equipment, such as above ground tanks and HVAC systems are adequately marked and maintained in a neat and orderly manner. All service areas are well-kept with litter and debris removed.

### Garbage and Trash / Recycling / Composting

Trash containers are conveniently located and in sufficient quantity to handle the needs of the site. Dumpster drain holes are plugged to keep liquids from draining onto the site. Waste does not accumulate in trash containers to the point of overflowing. Refuse is stored in covered, waterproof receptacles which comply with all relevant construction standards (such as bear and wildlife proof). All market available recyclable products are collected and recycled.

Provided compost collection areas are clean and orderly. Central refuse collection sites are screened from public view.

### Fences and Walls

All fences and walls are cleared of overgrowth and are well-maintained.

### ADA Accessibility

Buildings and areas meet the requirements of the Americans with Disabilities Act and all other applicable laws related to accessibility.

## **2. Public Areas**

### **A. Access**

The Park shall remain open and accessible to the public 365 days per year.

### **B. Interior**

#### Lobby and Registration Area

The lobby, registration areas and other public spaces are clean and well-maintained. All room elements are color coordinated. All furniture is in good repair and is appropriate to the size of the space and its intended purpose, and presents a well organized and uncluttered appearance. Chairs, lamps, tables, draperies and other furnishings are appropriate and adequate for the visitors' comfort. Floors are clean, free of litter, and stains. Masonry tile or flagstone grouting is in good repair and clean. Wood floors are clean and waxed or otherwise sealed. Carpeting is clean, free of stains and in good repair. Walls and ceilings are free of cracks and stains and

have a fresh appearance. Windows are clean and free of breaks. Draperies and sheers, if present, coordinate with the decor of the lobby area and are clean, free of holes, tears and stains and in proper working order.

### Corridors/Ramps/Stairs

Corridors, ramps and stairs are kept clean, uncluttered, and well lighted.

### Elevators

Elevators are clean, well-lit and operable. Elevator flooring consists either of hard surface, carpet, or combination of both corresponding with lobby and corridor flooring. Elevator phone/intercom, automatic doors and illuminated buttons work properly. Only computer-generated, professionally designed, laminated, or framed signage, menus or advertisements are permitted in the elevator. Current inspection certificates and evacuation procedures are posted and available upon request.

### Public Restroom

Restrooms are clean, free of litter, well illuminated, ventilated, and maintained. Restrooms are equipped with hot and cold running water. Toilet bowls, sinks, and urinals are clean, free of stains and in proper operating condition. Toilet tissue, disposable towels, or air drying devices, if provided, are available at all times.

Walls, floors, ceilings, mirrors, waste receptacles, chairs and other furnishings are clean and well-maintained. Women's or unisex restrooms have a covered waste receptacle in every stall for the disposal of feminine hygiene products. The disposal containers are clean and emptied at least daily. Baby changing areas are provided in both men's and women's restrooms, unless a unisex restroom is available. Quality of decorative finishes is commensurate with the facility. A sign indicating that employees must wash hands before returning to work is posted.

### Meeting Rooms

Meeting rooms are adequately marked, clean and supplied with sufficient and well-maintained furniture and fixtures commensurate with the size of the room. Some audio-visual equipment may be available and in good working condition. A sufficient number of electrical outlets are available to accommodate multiple users on computers/laptops in the room.

### Public Signage

Interior public signs for which Sub-Operator is responsible are appropriately located, accurate, attractive, and well maintained. Permanent signs are professionally designed and produced, and appropriate for the purpose they serve. Temporary signs are computer-generated, framed or laminated, and professional in appearance. Permanent indoor signs are designed and maintained for the disabled and include applicable international graphical symbols. Handwritten signs within assigned areas are not used unless the Service approves exceptions. Signage is neat and tidy, and does not create a cluttered or untidy look.

### Noise Level/Music/Entertainment

Background music systems are maintained in proper functioning order at all times. Live or recorded music or entertainment, if provided, is approved or appropriate for the facility and played at a level so as not to disturb guests from adjoining areas.

### Public Space Internet Infrastructure

Complimentary guest wireless internet access throughout the lobby or meeting area is preferred.

Internet services are maintained to prevent frequent outages of services.

### Illumination

Sufficient energy-efficient lighting, including recessed, spot and flood lighting, are adequate and appropriate, and complementary to the décor of the facility. All light fixtures are clean, functional, and in working condition with no burned out bulbs. Hallways and corridors are sufficiently illuminated to create a warm, hospitable feeling, provide a good level of illumination for guests entering/exiting from rooms, and provide guests with a sense of safety.

### Ventilation/Climate Control/Temperature

Public spaces are adequately ventilated with working climate control thermostats or other methods used to heat public spaces. Public spaces are maintained at a temperature consistent with guest comfort.

### Ice/Vending

At least one self-service ice machine is provided. Signage on the machine either relates to park interpretive themes or is generic in nature.

### Trash/Recycling

Waste does not accumulate in trash containers to the point of overflowing. Multiple trash containers located conveniently and in sufficient quantity to handle the needs of the area. Separate recycling containers, labeled to indicate acceptable recyclables, provided in close proximity to the solid waste container(s).

### Housekeeping Closet and Equipment

Housekeeping storage areas are clean, orderly, free of rodents and are clearly designated from guest rooms by appropriate signage. Housekeeping carts and trolleys in use during the day shall, to the maximum extent possible, not impede guest movement in the corridors or on trails and pathways. Carts are neat, well organized, and well-maintained. If used outdoors, carts are not left unattended for lengthy periods of time to prevent wildlife access.

### Emergency Lighting/Exit Lights/Emergency Exits

Exit lights on permanent structures are on emergency circuits and in operation at all times. Emergency exits in all areas of the facility are adequately marked and unblocked.

### Fire Extinguishers

Accessible fire extinguishers suitable for use on anticipated type of fires are located in each building, visibly displayed, and appropriately signed with proper, up-to-date operating instructions, and visible inspection certificates or tags.

### Fire Alarms and Pull Boxes

Fire alarms and pull boxes are visible and accessible to guests and employees.

### First Aid Kit

A standard 24-unit first aid kit is provided near the registration or front desk, adequately marked, and staff knows where to locate the unit quickly.

### Automated External Defibrillator (AED)

An automated external defibrillator (AED) is adequately marked, and in good working condition. The AED is accessible after hours if located away from the front desk area.

### Carbon Monoxide Detectors

Operable Carbon Monoxide (CO) detectors are present in all hallways or other public areas adjacent to those areas that incorporate gas or oil powered heating equipment (laundry rooms) or public areas with fireplaces, etc. Hard-wired detectors are preferable over plug in portable units. Any battery operated detector is tested monthly and batteries replaced at least yearly.

### Chemical and Equipment Storage

All chemicals, supplies and equipment used in the cleaning and maintenance of guest rooms and public areas stored per manufacturer's recommendations. All chemicals are stored in properly marked containers. Current Material Safety Data Sheets (MSDS) are accessible and known to all employees.

### Night Entrance/Exits

All entrance/exit doors normally locked during specific times in the evening has signage, both inside and outside the doors, indicating the time they are locked and include directions to the appropriate, alternate entrance/exit doors.

### Merchandise and Concessions

Sub- Operator may sell concessions to both the general public and to overnight guests. Concessions may include food and beverage, including alcoholic beverages, as well as merchandise. Sub-Operator may use the trademarks "Marconi" and "Marconi State Historic Park" as well as any other trademark applied for by Sub-Operator in the application on merchandise.

## **3. Guest Rooms**

### **A. Signage**

#### Unit Numbers

Each guest room is numbered with easily distinguishable, uniform numbers.

#### Directional/Emergency

Safety cards are prominently displayed on the back of each guest room door or adjacent to the front door area for all interior corridor rooms with required directional, emergency exit and



evacuation routes, and indicating where individual guest rooms are located. Exterior corridor rooms have signage as appropriate.

### Posting of Rates

Rates are prominently posted in a suitable location (e.g. on the back of individual guest room doors) and made available at the guest's request at the registration desk.

## **B. Security**

### Entry and Other Exterior Door Security

All guest room doors are equipped with an electronically activated locking device, unless within historic facilities with doors that cannot be changed. All lock sets automatically re-code with each use of a newly assigned guest key, voiding all previously issued guest keys. Doors provide a double locking system from the inside. Entry doorways are sufficiently illuminated to allow easy access. Door locks and hardware are regularly inspected for easy, efficient operation and good appearance. All sliding doors are equipped with a hook lock built-in within the door handle, as well as, a secondary locking device. French doors have surface-mounted slide bolts at top and bottom to secure the stationary/auxiliary door. The secondary locking device includes a safety bar (charley bar), a sliding door deadbolt, or pin-type lock. Striping or other mechanisms are applied to French doors and sliding glass doors at eye level. Any inoperable guest room entrance door lock has an "out-of-service" sign and not rented until the lock is repaired.

### Auxiliary Locks

All guest room entrance doors are equipped with a dead bolt or fixed night latch type door guard. Auxiliary locks are provided for all exterior and connecting doors. Locks are either a safety latch or other approved non-key locking device (chain). Locks are installed to the door jam and the door for maximum security and strength of installation, and assure ease of guest operation.

### View Ports

One-way view ports, mounted 5 feet above the floor are present on entrance doors only, unless within historic facilities, where doors cannot be changed or when there are no side windows.

### Doors, Windows, and Screens

All doors, windows and screens are clean, in good working condition, and sufficiently tight to preclude the entry of rodents and insects. Exterior doors are well-maintained with limited scratches, scuffs, or marks. All guest room windows that open have a lock which secures the window in a closed position.

### Interior and Connecting Doors and Locks

All guest rooms with interconnecting solid-core or metal doors, these doors are equipped with a lock that is self-locking and a one-inch bored-in deadbolt lock on each door. A knob on the guest room side of the interconnecting door with a tamper-proof plate on the other side of the door complies with the self-locking requirement. All doors, handles, and catch mechanisms are fully operable, clean, with limited scuffs, scratches, or marks from cleaning equipment.

### Safes

In-room safes are clean and in working order. If not provided, safes are available to guests at the front desk, upon request, with appropriate information signage in the room or room directory about the safe's front desk availability.

### Hang Tags

"Do Not Disturb" or other types of hang tags are present for each room. Tags are clean with few tears or bent corners and in otherwise good condition.

## **C. Safety**

### Smoke Detectors

An operational single-station, hard-wired smoke detector is provided in each guest unit.

### Carbon Monoxide Detectors

Operating Carbon Monoxide (CO) detectors are present in all guest rooms that utilize gas or oil powered heating systems, or rooms with fireplaces, etc. Hard-wired CO detectors are preferred. Any battery-operated detector is tested monthly and batteries replaced at least yearly.

### Ground Fault Interrupters (GFI)

Each electrical outlet adjacent to sinks or other water sources is connected to a working ground fault interrupter.

### Emergency Instruction

Notification is provided in each guest room on how to obtain emergency assistance, such as fire, police, ambulance, and medical.

## **D. Room**

### Walls and Ceilings

Walls and ceilings are clean, free of defects such as cracks, breaks, torn coverings, mold, mildew, stains, and cobwebs.

### Floors and Carpeting

Floors and floor coverings are clean, untoned, and free of litter and stains, and in good repair.

### Window Coverings, Drapery, and Shades

All window coverings including draperies, blinds, and shades are cleanable and designed to provide for the guests' privacy and consistent with the design theme of the facility.

### Lighting and Ceiling Fans

A minimum of three, well-positioned light fixtures are provided in each room to provide a high level of illumination. One functional, easily accessible light switch is located at the entrance door that activates a light in the room entryway. Decorative lamps are well-coordinated for form and function. Ceiling fans and blades are clean, free of insects and debris, and in working order.

### Climate Control

Guest bedrooms have working individually controlled thermostats to provide for guest-controlled heating and cooling on demand. Units operate quietly and have clean filters and grills. Ceiling or floor fans are an acceptable substitute for air conditioning.

### Furniture

Guest rooms are equipped with free standing, decorative, and well-coordinated furnishings that are attractive, comfortable, in excellent condition, free of dust, lint, finger marks, smudges, stains, and scratches. Furniture is inspected, repaired or replaced on a scheduled basis to eliminate worn finish or torn upholstery. Furniture is routinely inspected and treated if evidence of rodents and bedbugs are found.

### Bed Frame and Headboards

Each bed is furnished with a fitted metal or wood framed decorative bed frame and decorative

headboard. Platform beds, if present, are designed consistent with the headboard and the decor of the room. Bed frames and headboards are dust free and in good condition. Headboards are routinely inspected and treated if evidence of rodents and bedbugs are found.

### Bedding

Each bed is made with triple sheets, one mattress pad, pillow(s) and pillow case(s) and blanket. All bedding is uniform, clean, and free of stains, rips, and tears and appropriate to the size of the bed. Depending on location and climatic conditions, a second blanket for each bed is available, preferably in the room but at a minimum, obtainable at the registration desk. Bed linens are of average quality thread counts (180-250 thread count), closely woven and smooth to the touch. At least two, but typically more than two, pillows are provided per person. Pillows may include a decorative pillow or bolster. If feather pillows are provided, non-feather pillows are available on request. Soft goods are color coordinated with window coverings, drapes and upholstery.

### Mattresses and Box Springs

Mattresses and box springs are of good quality and in good physical condition. Mattresses are clean, odorless, non-sagging, and free of lumps and protruding tufts, sized to fit the bed frame or springs. Mattresses and box springs are regularly inspected and treated if evidence of rodents and bedbugs are found. Springs are non-protruding, quiet, and unbroken. All manufacturers' box spring and mattress tags are visible.

### Linen/Mattress and Other Furniture Replacement -

All guest room linens are replaced every 3-5 years, or more frequently as use requires. All guest room furniture is replaced every 8-12 years, or more frequently as use requires. Mattresses are replaced every 7 to 10 years. Historic furniture in historic properties is well-maintained, and replaced at the end of their useful life.

### Clothes Storage - Hang Space

An area is available for guests to hang clothing and personal belongings. Closet/clothes hanger area is clean and neat.

### In-Room Refrigerators (No-kitchenette)

If provided, in-room refrigerators are clean, well-maintained, and in proper working order.

### Kitchens, Kitchenettes and Appliances

Kitchens and kitchenette equipment (stoves, refrigerators, microwaves, cooking and eating utensils) are in good condition, adequate, clean, and reasonably quiet. All items and equipment are of good quality. At a minimum, kitchenettes include a fixed microwave with operating instructions. All appliances are UL- approved and Energy Star rated. Full kitchens have a stove or cooktop, properly vented, and provide appropriate cooking equipment and utensils. Cooking and eating utensils are provided in quantities, based on the pillow count of the room

### Open Flame Equipment/ Fireplaces

Wood Stoves, fireplaces or other open flame heating equipment are clean and in good operating condition. Equipment is cleaned before each new occupant is checked-in, and regularly inspected. Combustible materials, including partitions and walls constructed with wood studs or other unprotected materials, furniture, and bedding are at least 36 inches from the front of the heating source. Adequate child protection devices such as screens, doors, etc., are present and in good condition. All woodstoves and fireplaces include instructions, appropriate fire tools, and precautionary notices for the guest information.

### Balconies/Patios and Other Outdoor Amenities

Balcony/patio railings, if present, are in good condition and of sufficient height, based on local code requirements. Furniture is constructed of good quality durable materials, suitable for exterior use. Decks, walls, floors, etc. are clean and in good condition.

### ADA Rooms

Accessible rooms have a second viewport mounted in accordance with ADA requirements. All fixtures (light switches, clothing cupboards etc.) are placed in accordance with ADA requirements.

## **E. Room Amenities**

### Coffee/Tea Maker and Supplies

Either in-room coffee/tea making supplies is provided, or guests are provided complimentary tea and coffee in the lobby or accompanying restaurant. If provided in-room, supplies consist of clean and operable in-room coffee/tea maker with complimentary upscale coffee and tea packets. Decaffeinated coffee and tea is provided. Normal accompaniments, i.e., sugar, non-dairy creamer, stirrer is also provided. Individual packets or pre-packaged items are acceptable.

### Iron/Ironing Board

A working iron and clean, well-maintained ironing board is available upon request. Irons are equipped with automatic shut off capabilities. The iron is full size (not travel size).

### Telephone Access

If required by local law, guest rooms will contain at least one operating direct-dial telephone with complete dialing instructions.

### Guest Room Internet Infrastructure

Wireless working high speed internet service is available.

### Ice Bucket/Trays/Glassware

Each guestroom is furnished with an insulated plastic or metal ice bucket (no Styrofoam). Sanitized beverage single service drinking cups (recyclable material) are provided in numbers

based on room pillow count. When glassware used, they are pre-sanitized and either pre-wrapped or placed upon a fresh paper coaster upside down.

### Cribs, Rollaway, Trundle Bed

Cribs, or other types of beds are available upon request and are clean, well-maintained, and fully operational. Cribs, rollaway, and other types of extra beds are delivered with clean, appropriately sized linens and blankets.

### Trash Can/Recycling

Each room contains at least two (2) clean trash cans in good repair and constructed of durable materials. One trash can is located in the bathroom area. Additionally, one in-room recycling container is located in each room, unless the property sorts recycling after collection.

### Guest Room Directory

Each guest or guest room is either furnished with a clean printed directory of guest services in good condition or a link to an online directory. The directory includes information about the park, the facility, activities, area services, and amenities.

## **F. Guest Room Bathroom**

### Floor Coverings

All bathroom floor coverings are non-slip, clean, well-maintained, and free of defects, dirt, smudges, mildew, and hair.

### Walls and Ceilings

Bathroom walls and ceilings are clean, free of cobwebs, mold, and mildew.



### Shower / Tubs / Sinks and Surrounds

Showers, sinks, and bathtubs are clean, unspotted, free of stains inside and out, and in good condition. Surfaces are sanitized at the same frequency as room housekeeping. Additional amenities include commercial grab bars that meet ADA requirements (if ADA room). Tubs and showers are equipped with either a non-slip mat or constructed with non-skid surfaces or strips that are tightly secured, clean, free of mildew, and unturned.

### Shower/Tubs/Sinks Enclosures and Fixtures

Showers/tubs include heavy weight vinyl or decorative, good quality, single fabric shower/tub curtain that is unturned, clean, free of mold and mildew. Metal shower hooks are preferred, but plastic is permitted. Curtains are of sufficient length and width to prevent water from flowing onto the floor. Other types of enclosures, glass sliding or hinged doors may meet the above criteria and are easily moveable and free of breaks.

Sliding tub/shower door tracks are clean and in good repair. All fixtures are of enhanced design to be low flow, securely installed, and properly sealed/grouted. Anti-scald single lever mixing valve fixtures are required. All sink and tubs are equipped with clean and functioning stoppers.

### Toilet

Low-flow toilets are cleaned and sanitized upon normal housekeeping frequency, are unpitted, and free of cracks and stains. Toilet seats and lids are clean and sanitary, with no chipped or worn surfaces, bare wood or other composition visible. Seats and lids are free of discoloration or stains.

### Mirror/Cabinetry

One medium sized (>3 sq. ft.) beveled or decoratively framed mirror is provided in each guest bathroom. The mirror is securely mounted, clean, unpitted, and free of cracks.

### Illumination

Guest room bathrooms provide an overall high level of illumination. All lighting and covers are clean and in good working condition.

#### Ventilation/Windows/Screens

All bathrooms areas are adequately ventilated. Bathroom windows are clean, free of defects such as breaks or torn screens, and in working condition.

#### Bathroom Linens

Clean 100% quality terry cloth wash cloth, face and bath towels are provided in good condition in each bathroom. Bath mats are provided in similar weight and grade to towels. Towels are medium weight and size, with medium absorbency. At least 4 hand, face and bath towels are provided per room or in quantities based on room pillow count.

### **G. Bath Amenities**

#### Amenity Package

Each guest bathroom contains, at a minimum: shampoo, conditioner, and body soap (liquid or bar) provided in individual packages or bulk dispensing. If bulk dispensing is provided, individual packages are available on request.

#### Facial Tissues

Facial tissues of standard size are provided in either a permanently wall mounted chrome or similar type of holder, or in a free-standing container placed on top of the vanity.

#### Toilet Tissue

Each bathroom contains two rolls of two ply toilet tissue. One roll or package of toilet tissue is held in reserve and conveniently located.

#### Hair Dryer

Each room is provided with a clean and operable hair dryer.

### **4. Lodging Services**

#### **A. Reservation Services**

##### Availability

Reservation services are available, at a minimum, via telephone, and internet. Reservation services are available via the Internet on a 24 hour real time on-line basis.

##### Knowledge of Reservation Agent / Details on Website

Reservation agents provide accurate information about rates, cancellation, convention, events, reservation policies, arrival and departure time, amenities and services, local attractions, access, etc. The Sub-Operator website provides the same information.

##### Confirmation

Each reservation is sent an email reservation confirmation and provides additional property and park information.

##### Marketing Programs

Sub-Operator may collect guest information and remarket communications to them for the purpose of marketing.

### Property Management Systems

All reservation systems integrate with the Sub-Operator's Property Management System (PMS) and provide comprehensive reporting capabilities.

### Payment Methods

The Sub-Operator honors credit cards to include, but not limited to, MasterCard, Visa, American Express, and Discover. Debit cards, Sub-Operator gift cards, other types of payment methods may be accepted at their discretion of the Sub-Operator

### Deposits

A deposit to hold a room may be required, but all deposit policies/information is disclosed at the time of the reservation.

### Rate Changes

Rates may be changed daily depending on market demand so long as they are reasonable and appropriate for the type of quality, size and services provided. Sub-Operator may lower rates as demand falls and raise rates as demand rises on a daily basis. Sub-Operator may provide reduced rates in the low season or special reduced rates (ie, for California Residents, non-profits, locals, MCCOC members, or other select groups)

### Reduced Rates

The Sub-Operator may grant complimentary or reduced rates under such circumstances as are customary in businesses of the character conducted under this Contract.

### State Employees

The Sub-Operator will provide State employees conducting official business reduced rates for lodging, essential transportation and other specified services necessary for conducting official business in accordance with guidelines established by State Parks. Complimentary or reduced rates and charges shall otherwise not be provided to State employees by the Sub-Operator except to the extent that they are equally available to the general public.

### Cancellations

Sub-Operator may set cancellation deadlines from 1- 30 days prior to the arrival date and communicate it to the guest at time of reservation. A refund for the full deposit is made if the guest cancellation complies with this policy. If a reservation is made within the established cancellation window, and the guest cancels the reservation, Sub-Operator may require the guest to forfeit the entire advance deposit provided that the "no refund" policy was communicated to the guest at the time of the reservation. The Sub-Operator's cancellation and refund policy is documented with the reservation confirmation. Sub-Operator must determine what adjustment must be made if a guest cancels after the deadline due to a personal emergency and demonstrated in written materials.

### Overbooked Reservations

In the event of an overbooked reservation, the Sub-Operator will make every effort to arrange for a comparable accommodation in the area. The replacement room is provided to the guest at no charge for the first night's stay.

## **B. Registration / Check-In / Out Services**

### Hours of Operation

Check-in and registration services are provided 24 hours per day. If the registration or front desk is closed for certain hours, the Sub-Operator provides an alternative method to facilitate check-in. Actual days and hours shall be in the annual work plan and approved in writing by MCCOC and State.

### Check-In

Check-in is completed promptly in a friendly and professional manner. Guest wait times are typically limited to 10 minutes during peak periods; and 1 to 2 minutes during other periods. Front desk staff acknowledges any waiting guests and demonstrates a sense of courteous urgency in concluding transactions when guests are waiting. Photo ID's are requested. At a minimum, the front desk staff confirms room type, bed type, number of persons in the party, length of stay, departure date and check-out time, method of payment, and discreetly identifies the room number and directions to the room. Front desk staff also identifies any extra charges (utility pass through fees, donations to friends groups and associations, internet access fees, etc.). Guests can check-in from at least 4PM on the day of arrival.

### Park Orientation Material

The Sub-Operator offers park-specific information, which may include brochures, maps, newsletters, and special notices upon request.

### Check-Out

Guests are acknowledged as soon as possible with eye contact and a warm friendly greeting. Guest check-out wait times are typically limited to 10 minutes during peak periods and 1 to 2 minutes during other periods for check-out services. Front desk staff completes check-out promptly or within 5 minutes. Guests are provided with a folio for review prior to settlement of the bill, a copy of the folio with a method of payment shown. Guests are asked if their stay was satisfactory, and are thanked for staying at the property. Guest comment cards are included in the check-out material, or guests are sent an online comment card. Check-out times are generally no earlier than 10AM and clearly communicated upon check-in and in print material.

### Late Check-Out

If the guest requests and upon availability, the Sub-Operator extends check-out until 2PM with additional charge if market acceptable.

## Express Check-Out

If a guest provides a credit card upon check-in, express check-out is available, or guest is able to leave the property without checking out entirely

### **C. Bell Services**

#### Baggage Storage

Sub-Operator may provide luggage storage near the registration desk, upon request.

### **D. Housekeeping Services**

#### Cleaning Services and Frequency

Every occupied room (stay-overs and check-outs) is serviced at least every 3 days, unless specified by the guest. At a minimum, each guest room is cleaned (with complete bed and bath linen changes) between stays. Services include turning up pillows, straightening guest room bathrooms, cleaning soiled surfaces, straightening or replacing used towels, replenishing used amenities, replacing glassware, repointing tissues, emptying wastebaskets (if provided), re-making beds, vacuuming, inspecting for safety items, identifying and reporting lost and found items, and other maintenance issues.

#### Room Maintenance Requests

Any maintenance requests/issues noted by the guest are dealt with promptly, at a minimum by the end of the day. Housekeeping notes any maintenance issues (e.g. replacing a light bulb) for resolution by the end of the day. Upon request, a work order log containing work orders and completion dates is provided.

#### Deep Cleaning

An annual deep cleaning housekeeping program is conducted for each room. Deep cleaning services include mattress rotation, carpet shampooing, edge vacuuming, shower liner wash, upholstery vacuuming and cleaning, wash/dry clean draperies, and launder pillows.

### Linen Reuse

For greater than 3 night stays, linens and towels are changed after 4 days, unless the guest requests more frequent or less frequent change. Compliance with this requirement and guest requests are monitored through the inspection program.

### Inspection Program

All check-out rooms and a representative sampling of stay-over rooms are inspected weekly for housekeeping services.

### Turndown Services

Turndown service may be added, by guest request, and at an additional cost.

### ADA Rooms Housekeeping Services

ADA rooms are left set-up for accessibility after each check-out (e.g. shower heads lowered, mirrors pulled forward, chairs pulled away from HVAC units). A courtesy call is placed or personal visit made within an hour of check-in to inquire if the guest needs any changes or assistance in the room.

### Other Universal Access Services

Employees assist guests with visual impairments at registration by reading the registration information to the guest and by providing a written welcome and instructions for registration. Guests are informed of the Telecommunications Device for the Deaf (TDD) phone and other assistance devices that may be available. At least one TDD is available at the front desk at all times and one additional TDD is available for use in guest rooms upon request. If visual fire



alarm notification is not permanently installed in the rooms for guests with hearing impairments, portable units are available at the front desk.

## **E. Other Services**

### Room Check

Guests who fail to answer their personal wake-up service call are visually contacted. Each occupied room that has not been serviced is contacted or checked at least once daily to ensure guest safety. To minimize guest inconvenience the guest in each room

shown as occupied on the daily room status report is telephoned after posted daily check-out time. If no contact is made with the guest, the room is visually checked for guest safety.

### Distressed Passenger Amenities

Additional complimentary toiletries are available on site to guests, upon request, free of charge. The following items, if not provided in guest rooms, are available at the registration or front desk: razor, shaving foam, toothbrush, toothpaste, comb, sanitary napkins and sewing kits. The availability of these items is noted in the guest service directory.

### Quiet Hours

Required quiet hours for all facilities is enforced by the Sub-Operator. The Sub-Operator clearly marks this information This information is clearly marked on the guest registration folio and other printed materials.

### Lost and Found

Any and all items found are logged and turned into a designated secure location. Lost and found articles are properly dated, secured and stored. Records are maintained and procedures established to ensure prompt, accurate response to guest inquiries concerning lost articles. Unclaimed items may be discarded after 90 days at the discretion of the Sub- Operator.

### Business Services

Scan, printing and photocopy services are available at the front desk 7 days per week during normal business hours upon request within reason.

### Meeting, Event and Conference Services

If provided, amenities include at a minimum; ice water, glasses, and note pads and pens. Staff is available for audio-visual set-up and take down. Food and beverage is provided as appropriate. Some conference services are available, such as: planning assistance, catering, and most technology needs.

## **5. DINING AND EVENTS**

### **A. Dining Facility Exterior**

#### Building Structure

Building exteriors are maintained in good condition and in a good state of repair at all times. Exterior surfaces are painted or treated to protect against deterioration. Painted surfaces are free of peeling paint, soil, and obvious cracks in masonry, and present an attractive appearance. Roofs are maintained with no missing tiles or shingles. Gutters and downspouts are maintained and cleaned to prevent overflow, especially at building entrances. Rooftop ventilation and other systems are in good repair.

#### Landscaping/Grounds

Landscaping conforms to park standards. Noxious weeds and invasive plants are removed in coordination with the designated integrated pest management coordinator and in

accordance with an approved landscape plan. Grounds are continuously monitored to remove debris and trash from exterior structure areas and from shrubbery and landscaped areas.

Appropriate drainage is maintained to keep water from collecting against buildings.

### Parking

Adequate parking spaces for automobiles, bicycles, etc., are provided. The parking area is paved and well-marked with stripes or other clearly visible method of designating spaces. Accessible spaces are prominently designated, clean, and free of refuse and obstructions. All parking areas, curbing, concrete bumpers, and driveways are well-maintained and free of excessive cracking, crumbling, holes, or unsightly repairs.

### Pathways, Sidewalks, Ramps, Steps and Stairs

All pathways, sidewalks, ramps, steps and stairs are unobstructed and free of debris, obstructions, snow, and ice. These surfaces are maintained in good repair, free of excessive cracking, crumbling, holes, or tripping hazards, with well-maintained hand railings.

### Lighting/Illumination

All entrances, pathways, sidewalks, steps, stairs, facades, and signage are adequately and appropriately illuminated so that guests can identify the building and safely navigate to it. Lighting complies with Night Sky requirements. Down-lighting is preferred on tall structures or post lights. Energy efficient bulbs are used in all fixtures, if feasible.

### Site Utilities and Equipment

All service areas and equipment such as above ground tanks and HVAC systems are adequately marked and maintained in a neat and orderly manner. All service areas are wellkept with litter and debris removed.

### Garbage and Trash/Recycling/Composting

Trash containers are conveniently located and in sufficient quantity to handle the needs of the site. Dumpster drain holes are plugged to keep liquids from draining onto the site. Waste does not accumulate in trash containers to the point of overflowing. Refuse is stored in covered, waterproof receptacles which comply with all relevant construction standards (such as bear and wildlife proof). All market available recyclable products are collected and recycled. Provided compost collection areas are clean and orderly. Central refuse collection sites are screened from public view.

### Loading Docks/Delivery Area

Loading docks and delivery areas are clean, well-maintained, and well-screened from public view by fencing or other material consistent with the décor of the property. Fences and walls are cleared of overgrowth. Delivery areas are kept clear of litter and other debris.

### ADA Accessibility

Buildings and areas meet the requirements of the Americans with Disabilities Act and all other applicable laws related to accessibility.

## **B. Dining and event Facility Interior**

### Entrance/Foyer Waiting Area/Lounge/Dining Area

Restaurant entrance and waiting areas are clean and well-maintained. A distinct separation between the reception area and other areas (diners are not distracted by waiting guests) may be present. Waiting area furniture is appropriate for the size and purpose of the space, organized and uncluttered, and in a state of good repair. Chairs, lamps, tables, draperies, and other furnishings are appropriate and adequate for guests' comfort. Floors are clean and free of litter and stains. Walls and ceilings have a fresh appearance and are free of cracks, holes, and stains. Doors, windows and screens are clean, in good working condition, and sufficiently tight to prevent the entry of rodents and insects.

### Public Restroom

Restrooms are clean, free of litter, well illuminated, ventilated, and maintained. Restrooms are equipped with hot and cold running water. Toilet bowls, sinks and urinals are clean, free of stains and in proper operating condition. Toilet tissue, disposable towels, or air drying devices, if provided, are available at all times. Soap is provided, unless prohibited by park wildlife management plans. Walls, floors, ceilings, mirrors, waste receptacles, chairs and other furnishings are clean and well-maintained. Women's or unisex restrooms have a covered waste receptacle in every stall for the disposal of feminine hygiene products. The disposal containers are clean and emptied at least daily. Baby changing areas are provided in both men's and women's restrooms, unless a unisex restroom is available. Quality of decorative finishes is commensurate with the facility. A sign indicating that employees must wash hands before returning to work is posted.

### Public Signs

Interior public signs are appropriately located, accurate, attractive, and well maintained. Permanent signage are professionally prepared. Temporary signs (e.g. specials board, chalk boards) are upscale in design and professional in appearance.

### Emergency Lighting/Exit Lights/Emergency Exits

Exit lights on permanent structures are on emergency circuits and in operation at all times. Emergency exits in all areas of the facility are adequately marked and unblocked.

### Fire Extinguishers

Accessible fire extinguishers suitable for use on anticipated type of fires are located in each building, visibly displayed, appropriately signed with proper, up-to-date operating instructions, and visible inspection certificates or tags.

### Fire Alarms and Pull Boxes

Fire alarms and pull boxes are visible and accessible to guests and employees.

### Ventilation/Climate Control

Food and beverage seating areas have functional, climate-control thermostats, are properly ventilated, and free of unpleasant odors. Vent coverings and adjacent areas of walls and/or ceilings are cleaned regularly to prevent visible buildup. Temperature levels in public areas are set for visitor comfort. Separate temperature controls, set for employee comfort, are preferred in food preparation areas.

### Décor and Ambiance

Noise Level/Music/Entertainment – Background music systems or intercom systems, if provided, are maintained in proper functioning order at all times. Live or recorded music or entertainment, if provided, is approved or appropriate for the facility and played at a level so as not to disturb guests from adjoining areas. Public area sound systems are not routinely used to page guests, except for emergencies.

### Furniture Arrangement and Condition

Tables are arranged in a manner that allows easy ingress and egress by servers, and is suitable for guests' comfort and privacy. Furniture is high quality, wellmaintained, and stable; tables are non-tip or shimmed appropriately. Cardboard, napkins, or other nonstandard shimming materials are not acceptable. Highchairs and booster seats for children are available upon request and are clean, in good working order, and appropriate safety restraints.

### Table Configuration and Sizing

The number and type of tables (e.g. four-top, two-top) is sufficient for meeting typical levels of demand and the typical range of group sizes.

### Self Service Equipment

Guest self-service equipment (e.g. appetizer/salad bars) is clean, well-maintained, and consistent with the design and theme of the restaurant. All self-serve food and hot foods are served in appropriate, covered chafing dishes.

#### Printed Materials (Menus, Wine Lists)

Menus and wine lists may be presented via paper or QR code.

#### Promotion Boards/Specials

All promotion boards/specials boards are clean, attractive, decorative, legible, and thematically appropriate. Chalk promotion/specials boards are acceptable if neatly presented.

#### Alcoholic Beverage Bottle Displays

A tasteful and thematically appropriate display of alcoholic beverage selections may be present in the entrance area.

#### Tableware/Glassware

Glassware, dishes, and other tableware are clean, unspotted, and free of discoloration, chips, and cracks. Glassware, china, and high-quality tableware and flatware match and are appropriate pieces for the menu offerings. Tableware, flatware, and glassware are consistent with the theme of the facility.

#### Table Settings

Utensils are rolled in paper or plain cloth napkins. If provided, tablecloths are appropriately sized and free of tears, rips, and stains. If tables are uncovered, table surfaces display a good quality finish and are free of rough edges. Place mats, if used instead of tablecloths, are clean

and intact. Table decorations, if used, are appropriate to the level of service and decor and do not unduly clutter the table.

### Interpretive Messaging

A variety of interpretive messages are used in a wide array of items, including receipts, menus, table settings, and comment cards, and are consistent with the interpretive themes of the park.

### Umbrellas and Outdoor Furniture

All outdoor furniture and/or table umbrellas are designed for outdoor use, are commensurate with the décor of the facility, and secured to the ground or properly weighted in case of inclement weather. Adequate shading or and/or heating is provided when seasonally appropriate.

### Smoking Policy

No smoking is permitted inside the facility. If smoking is permitted, it must comply with State and Federal regulations.

### Games and Game Equipment

Family/child appropriate entertainment material may be provided (e.g. coloring books with crayons, game sheets, or other appropriate material). Any such items are well organized, free of rips and tears, and available in sufficient quantity to accommodate demand.

## **C. Public Health and Food Preparation Areas**

### Hand Washing



Staff hand washing facilities are provided and maintained with hot and cold running water, soap, and towels or hot air drying mechanism(s). The Sub-Operator posts hand-washing signage (e.g. "Employees Must Wash Hands Before Returning to Work") and enforces hand washing for all food services staff.

### Cleanliness

Food preparation areas are kept clean and orderly. A program of routine and continuous cleaning is established to ensure cleanliness of food preparation areas including areas beneath counters, grills, stoves, refrigerators, and other kitchen equipment. Food preparation areas do not contain noticeable presence of insects, rodents, or other animals.

### Food Storage

Foods are properly stored at adequate temperatures. Meats and other potentially hazardous foods are not thawed at room temperatures but within refrigeration units or under cold, running water, or cooked frozen. Food are appropriately labeled and dated, and properly covered and/or wrapped.

### Cleaning Supplies and Equipment

Cleaning supplies and other equipment are properly marked and safely stored. Cleaning supplies and other chemicals are not stored above food/drink products or food/drink contact areas.

### Cooking/Refrigeration Equipment and Walk-Ins

All equipment used to serve, cook, or store food are clean and well-maintained. All equipment lighting and dials function properly. Each refrigeration unit features at least one fixed or interior thermometer that is conspicuous and accurate to within 3° F.

### Beverage Equipment

Beverage-dispensing lines and equipment are flushed out regularly and appropriately treated to eliminate lime buildup.

#### Grease Traps/Grill Hoods

Grease traps and grill hoods are inspected regularly and cleaned on an appropriate frequency based on use. Fire suppression systems on grill hoods are tested according to local fire regulations and bear visible inspection certificates and/or tags. Cleaning logs are kept up-to-date and are available onsite.

#### First Aid Kit

A standard, 24-unit first aid kit is available and readily accessible for emergency use. First aid kits are stored away from food or food contact areas. First aid kits remain fully stocked and do not contain contents that are out-of-date per manufacturer label.

#### Employment Regulations

Employment regulation signs (e.g. OSHA job safety and health posters) are prominently displayed in a high traffic employee area.

#### Certificates

Current health and food safety inspection certificates are prominently displayed.

### **D. Operational Standards**

#### Hours of Operation

All facilities and services are operated in accordance with the specified and posted hours of operation. Hours of operation are displayed online in such manner as to be easily visible to the public.

### Reservations

Sub-Operator may provide reservations by telephone or internet.

### Initial Greeting and Seating

Acknowledgment of guest arrival is prompt, polite, and friendly. Guests are provided with an expected wait time as appropriate. Assisted seating by designated host/hostess is required and menu(s) are presented at time of seating. Guests are seated within 10-20 minutes of their reservation time.

### Wait Services

All wait staff are fully trained and possess in-depth knowledge of all menu food and beverage items including promotions and specials. Customers are greeted within 5 minutes of time seated. Water and accompaniments are offered and appropriately refilled. Wait staff return to each table at least once after the drink or food items are served to inquire about guest satisfaction and check that special requests are filled properly.

### Food Delivery

Food is delivered in a timely, organized, and complete fashion. All guests at a table are served together. All ordered items and special requests are delivered together as appropriate.

### Bussing Service

Tables, chairs, and floors are bussed after each course and seating. Tables are promptly and appropriately reset after each seating.

### Payment/Departure/Guest Checks

Guest checks are discreetly presented upon completion of the meal or upon request.

The guest check clearly states the cost of each food and/or drink item and is accurately totaled. An accurate, itemized receipt is provided. Individual guest checks are provided upon request.

### Payment Methods

The Sub-Operator honors credit cards to include, but not limited, to MasterCard, Visa, American Express, and Discover. Debit cards and other forms of payment including but not limited to personal checks, and gift cards may be accepted at the discretion of the Sub-Operator.

### Seating Capacity

Local fire regulations regarding seating capacities and notification requirements are adhered to.

### Outside Dining

Tables are cleared promptly after guests' departure to prevent the attraction of animals or pests. Trash receptacles are regularly emptied and food or drink spills are promptly cleaned to prevent the attraction of wildlife. If required, signage regarding prohibitions on wildlife feeding is conspicuously posted.

### Refilling and Cleaning of Table Items

All table accoutrements that can be refilled per manufacturer labeling are refilled and cleaned between service periods.

## **E. Food / Appetizers / Beverages**

### Presentation

Food and appetizers are presented creatively with attention to food placement and design. Food is free of discoloration and does not intermingle on plates unless it is part of the presentation. Sides are appropriately paired with entrees to promote a pleasing display; items do not hang over the edge of the plate. Garnishes, fruits, and vegetables are attractive and fresh.

### Temperature

Food and beverages, particularly wine, is served at the correct temperatures customarily used in the food and beverage industry. The evaluator uses reasonable judgment in determining compliance with this requirement.

### Ingredients

Food is prepared with ingredients that reflect the regional and market availability of locally grown, fresh, and environmentally friendly products. Food is prepared with limited use of prepackaged and convenience items. All food advertised on the menu is purchased and prepared according to Food and Drug Administration food code requirements; meat products are USDA minimum "Select" grade. Every meat and poultry item bears a Federal inspection stamp. Dairy products, produce, dry food stores, and canned goods meet USDA Grade A or equivalent standards. Food grade need not be stated on menus.

### Organic, Local, Seasonal, Healthful, and Other Sources

Food is obtained from regulated or inspected producers. If necessary, farmer's markets may be used as a source of produce to supplement commercial supplies with local, seasonal, or hard-to-find produce items.

### Menu Item Availability and Advisories

Menus provide a reasonable variety and some moderately priced items or entrees for the type of facility. Menus include items for dieters and "health-conscious" guests. A separate children's menu is provided upon request. Food and drink items listed on menus are available during the

entire serving period, except for nightly specialty items, which may have a more limited inventory. The wait staff proactively communicates the unavailability of any menu item(s) to guests and makes appropriate recommendation(s) for substitution(s). Menus include an advisory for raw or undercooked animal-based foods (e.g., “Consuming raw or undercooked meats, poultry, seafood, shellfish, or eggs may increase your risk of food-borne illness”), and requests that guests alert wait staff to any food allergies or special dietary needs.

### Returned Menu Items

If a guest refuses or returns a menu item, wait staff promptly and courteously acknowledges the request, provides a time estimate for an alternative or a replacement, and checks with the guest after re-delivery to determine if the item meets with the guest's satisfaction.

### Self-Service

Guest self-service style meals may include breakfast, lunch, dinner, and dessert bars and have the appropriate amounts and types of items. Food items are fresh, appropriately garnished and presented, properly compartmentalized, free of discoloration, served to proper temperature, and continually restocked. All food items are clearly marked with typed labels to convey a clear understanding and reference of the menu item. Guests are provided with a clean plate each time they go through a self-serve line.

### Beverage Presentation and Temperatures

Beverages are served in the correct type of glass with the garnish (e.g. lemon, lime, celery stick, etc.) customarily used in the food and beverage industry. The wait staff offers refills to guests. Beverages, particularly wine, are served at the temperatures customarily used in the food and beverage industry.

### Wine Service

If bottled wine is ordered, wait staff pours a small amount for the person ordering to taste, and waits for approval before filling the guest's glasses. When wine bottles are emptied, wait staff

inquires if additional/different wine is desired. Guests typically refill their own wine glasses after initial pouring by wait staff.

### Liquor Laws

All applicable Federal, state, and local laws concerning liquor sales and service are observed. The Sub-Operator discreetly verifies the age of any guest who appears to be fewer than 10 years older than the legally established drinking age.

### On Premises Sales/Consumption

Any purchased alcoholic beverages sold are consumed onsite. No packaged alcohol sales are permitted. All alcoholic beverages are served by the glass or bottle.

## **F. Personnel**

### Staffing Levels

All food and beverage services are properly staffed so as to prevent undue delays in service. In determining what constitutes undue delay, consideration is given to the kinds and types of services rendered, and which situations or conditions are beyond the Sub-Operator's control (e.g. unanticipated influxes of guests, facility or equipment breakdowns, or sudden weather changes). The reasonableness of the delay, based on the above is the determining factor. Wait staff proactively informs guests of any anticipated delays and promptly explains any unanticipated delays.

### Employee Attitude

Each employee projects a friendly, hospitable, helpful, positive attitude and is capable and willing to answer guests' questions (about both job and general park information). Additionally, employees are proactive in solving guest issues, ensuring guest satisfaction, and anticipating guests' needs.

### Employee Appearance

Each employee wears a uniform or pin to them as a Sub-Operator's employee. The uniform is commensurate with the type of service provided. Employees present a neat, clean, and otherwise attractive professional appearance.

### Employee Training Programs

An active training program for all employees for the development of necessary skills and techniques is provided for all employees. These sessions stress work performance and, as appropriate to the position, also includes technical training for specific equipment, first aid, AED, fire and life safety (e.g. CPR and Heimlich maneuver), alcoholic beverages, product and service presentation, cleanliness, employee attitudes, State Park philosophy and policy and any other training requirements.

### Management Availability

A manager and/or other key personnel is available in the food service facility during all operating hours, and, if required, are food-safety certified by an appropriate state or nationally accredited training program.

### Staff Meal Hours

Employee meals and coffee breaks do not interfere with serving the public. A specific employee break area is designated, which may be located within the public dining area, provided that the break area is discrete and is located away from the public seating area.

## **G. Rates**

### Approved Rates

All rates charged are comparable to surrounding competitive properties with similar service, quality or other criteria. The initial competitive list includes:



- Bodega Bay Lodge
- Mankas Inverness Lodge
- The Inn at the Tides

### Rate Changes

Rates may be changed depending on market demand so long as they are reasonable and appropriate for the type of quality, size and services provided. Sub-Operator may lower rates as demand falls and raise rates as demand rises. Sub-Operator may provide reduced rates in the low season or special reduced rates (ie, for California Residents, non-profits, locals, MCCOC members, or other select groups)

### Reduced Rates

The Sub-Operator may grant complimentary or reduced rates under such circumstances as are customary in businesses of the character conducted under this Contract.

### Cancellations

Sub-Operator may set cancellation deadlines from 1 - 180 days prior to the event date and communicate it to the guest at time of reservation. A refund for the full deposit is made if the guest cancellation complies with this policy. If a reservation is made within the established cancellation window, and the guest cancels the reservation, Sub-Operator may require the guest to forfeit the entire advance deposit provided that the "no refund" policy was communicated to the guest at the time of the reservation. The Sub-Operator's cancellation and refund policy is documented with the reservation confirmation. Sub-Operator must determine what adjustment must be made if a guest cancels after the deadline due to a personal emergency and demonstrated in written materials.

## **6. Personnel**

### Staffing Levels

All facilities and services are properly staffed so as to prevent undue delays, e.g., registration areas, etc. In determining what constitutes undue delay, consideration is given to the kinds and types of service rendered and situations or conditions beyond the control of the Sub-Operator such as unanticipated influxes of visitors, facility or equipment breakdowns or sudden weather changes. The reasonableness of the delay, based on the above, is the determining factor. All lodging facilities have a general manager or manager on duty at all times.

### Employee Attitude

Each employee projects a friendly, hospitable, helpful, positive attitude and is capable and willing to answer visitors' questions (about both job and general park information). Additionally, employees are particularly proactive in solving guest's issues, ensuring the highest level of guest satisfaction and anticipation of guest's needs.

### Employee Appearance

Each employee wears a uniform, tag, or pin item identifying them as a Sub-Operator employee. The uniform is commensurate with the type of service provided. Employees present a neat, clean and otherwise attractive professional appearance.

### Employee Training Programs

An active training program for the development of the necessary skills and techniques is provided for all employees. These sessions stress work performance and, as appropriate to the position, also includes technical training for specific equipment, first aid, AED, fire and life safety, product and service presentation, cleanliness, employee attitudes, State Parks philosophy and policy and any other training requirements.

### Hiring and Termination

The Sub-Operator shall establish pre-employment screening, hiring, training, employment, termination and other policies and procedures for the purpose of providing visitor services

through its employees in an efficient and effective manner and for the purpose of maintaining a healthful, law abiding, and safe working environment for its employees. The Sub-Operator shall conduct appropriate background reviews of applicants to whom an offer for employment may be extended to assure that they conform to the hiring policies established by the Sub-Operator

### Drug Free Workplace

The Sub-Operator shall maintain, to the greatest extent possible, a drug free environment, both in the workplace and in any Sub- Operator employee housing, within the Area. The Sub-Operator shall publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and in the Area, and specifying the actions that will be taken against employees for violating this prohibition.

The Sub-Operator shall take appropriate personnel action, up to and including termination or requiring satisfactory participation in a drug abuse or rehabilitation program which is approved by a Federal, State, or local health, law enforcement or other appropriate agency, for any employee that is found to be in violation of the prohibition on the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance.

### Employee Housing and Recreation

If the Sub-Operator provides employee housing under this Contract, the Sub-Operator's charges to its employees for this housing must be reasonable.

## **7. Transition Plan**

### Existing Bookings and Reservations

All events that have paid a deposit shall be honored at the contracted rate for services of similar quality as furnished prior to the transition to new management. Existing clients with executed contracts will not face a rate change to their contract price. The Sub-Operator

however may offer additional add on and upgrade services for an additional charge but in no event shall the Sub-Operator provide services that are of lesser quality than what was originally expected. Moreover, the operator will work with to accommodate the preferred date expressed by the client, subject to availability and operator's ability to perform per federal, state, and local regulations; and any renovation closures anticipated

MCCOC shall not book any future events without knowledge of Sub-Operator. MCCOC shall provide Sub-Operator a list of all bookings made prior to the transition including the contracts, group name, the dates originally contracts, any new dates contracted, services provided, deposits made, and services owed.

#### Staffing during Transition Period

The Sub-operator shall make best efforts to retain all current and furloughed employees subject to staffing needs, background checks, prior performance reviews and market compensation for similar positions. Prior to the transition period, MCCOC shall provide Sub-Operator with a current list of all employees, including job title, years worked, benefits, pay, and both performance reviews and write ups.

For the first 180 days, facilities shall be staffed in a manner consistent with a seasonal upper upscale hotel and conference facility. In the event that there continues to be a lack of demand for the hotel and conference services, the property shall be staffed in a manner no less than how it was staffed 90 days prior to the transition. Furthermore, equipment breakdowns or weather conditions may impact staffing and service levels. Notwithstanding the above, the property will have a manager on duty during normal operating hours and at least one employee housed on property overnight.

#### Food & Beverage Services

The Sub-operator may bring in outside caterers to furnish food and beverages until such time as Sub-operator has hired, trained, and staffed a full-scale on-site food service program. The Sub-operator will contract a maximum of 5 outside caterers during the transition period to ensure consistency of service until sub-operator builds its own unique program.

#### Service Interruption during construction

Prior to renovation, Sub-operator shall block the event and room calendar to allow for construction to occur. Currently, we anticipate six months during which time the Park shall remain open to daily visitors but the event and lodging facilities are closed for renovations. During this time, the Sub-Operator may choose not to host events or overnight guests. Moreover, staffing levels shall be determined based on need and duration of construction timeline.

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## **Exhibit H– Sub-Operator’s Facility Improvement Plan**

### Overview

#### **1. General Objectives:**

- a. Preserve Natural Resources and the environment
- b. Enhance Facilities for Small + Medium Sized Events and Meetings
- c. Provide accommodations for travelers and event attendees
- d. Restore Historic Structure and Interpret History

#### **2. Master Plan:**

- a. Renovate the existing 40 existing hotel rooms
- b. Add up to 52 new cabin accommodations
- c. Convert Pinecrest and Bayview Cottages back to use as room suites
- d. Renovate the historic Marconi Hotel
- e. Renovate Buck, Redwood, Pine and Cypress Halls
- f. Convert operations building to wellness use
- g. Use Activity Meadow and historic tennis court for a semi-permanent tent structure

#### **3. Programming Use Objectives:**

- a. Small to medium corporate, not for profit and social events
- b. Overnight accommodations
- c. Onsite catering and food offerings
- d. Nature trail access
- e. Wellness and relaxation
- f. Public Access
- g. Natural Preservation and Historic Interpretation

Facility Improvements to be accomplished in phases according to the following schedule and scope of work:

#### **1. Phase 1**

- a. Scope:
  - i. Renovate 40 hotel rooms with the Heron, Pelican, Sandpiper and Seagull buildings
    1. Restore ADA site access and convert a room to meet ADA compliance

2. Improve and upgrade exterior and interior finishes, safety features and energy consumption/conservation features of all existing guest rooms
  - ii. Modernize Cypress, Pine and Redwood Halls and deck
  - iii. Complete select deferred maintenance required to operate scope items i, ii, and iii.
- b. Costs: \$4,000,000 (projected)
- c. Schedule: Barring any regulatory or permitting delays, renovations anticipated to be completed within 36 months from the execution date of the Sub-Agreement.
- d. Plans to be established pursuant to and in accordance with Section 27 of the Sub-Agreement.

**2. Phase 2 (concurrent with Phase 3 below, and subject to Phase 3 regulatory approvals)**

- a. Scope:
  - i. Capitalize and complete select deferred maintenance (page 11 of sub-operating agreement) in phase 1:
    1. Upgrade site sanitary system utilizing funding approved and allocated by DPR.
    2. Repair/replace roofs on lodging buildings
    3. Repair cracks/repaint Buck Hall
    4. Repairs of Historic Bayview Cottage
    5. Develop an historic landscape plan to manage future landscape improvements.
    6. Trail maintenance
- b. Costs: \$2,000,000 (projected)
- c. Schedule: Barring any regulatory or permitting delays, renovations anticipated to be completed within 36 months from the execution date of the Sub-Agreement
- d. Plans to be established pursuant to and in accordance with Section 27 of the Sub-Agreement.

**3. Phase 3**

- a. Scope:
  - i. Construct up to 52 new cabins onsite including associated infrastructure
  - ii. Build new onsite employee housing
  - iii. Renovate/restore Pinecrest and Bayview cottages as lodging units



- iv. Renovate and convert the Operations building to a wellness facility
  - 1. Resurface road access
  - 2. Add outdoor activity wellness amenities
- v. Renovate Buck Hall (At discretion of Sub Operator)
  - 1. Remove or reimagine non historic interior partitions
  - 2. Expand open space for large event use
  - 3. Add kitchen facility annex
- b. Costs: \$7,000,000 (projected)
- c. Schedule (projected):
  - i. Assessment of Scope of Project: 9 months
    - 1. Defining or redefining historical resources
    - 2. Host Community Charrettes
  - ii. Design Phase: 8 months
    - 1. Creation of Site and Building Renderings based on desirable uses.
    - 2. Design and Construction Cost Estimating
  - iii. Approvals Required and Public Stakeholder Outreach: 28 months
    - a. Tomales Bay, Marshall Communities
    - b. MALT
    - c. Marin County Planning
    - d. DPR - State Parks
    - e. CEQA
    - f. California Coastal Commission
  - iv. Construction: 18 months
  - v. Barring any regulatory or permitting delays, renovations anticipated to be completed within 60 months from the execution date of the Sub-Agreement.
- d. Plans to be established pursuant to and in accordance with Section 27 of the Sub-Agreement.

#### **4. Phase 4**

- a. Scope:
  - i. Historic renovation of Marconi Hotel
    - 1. Fulfill objective of the General Plan
    - 2. Place Operation Offices, Marconi Wireless Museum and event hall on 1<sup>st</sup> floor
    - 3. Place staff quarters, hostel style accommodations and or meeting rooms on the 2<sup>nd</sup> floor
  - ii. Restore historic tennis court

- b. Costs: \$10,000,000 - \$20,000,000 (projected)
- c. Schedule:
  - i. Post stabilization of efforts in Phase 3:
    - 1. Defining or redefining historical resources.
    - 2. Host Community Charrettes.
  - ii. Design Phase: 8 months
    - 1. Creation of Site and Building Renderings based on desirable uses.
    - 2. Design and Construction Cost Estimating
  - iii. Approvals Required and Public Stakeholder Outreach: 28 months
    - 1. Tomales Bay, Marshall Communities
    - 2. MALT
    - 3. Marin County Planning
    - 4. DPR - State Parks
    - 5. CEQA
    - 6. California Coastal Commission
  - iv. Funding: 28 months
    - 1. Begin Grant Funding Sources
    - 2. Research of Mills Act
    - 3. Historic Tax Credits
    - 4. Seeking of Various Grants: Historic Preservation, California History, Forestry, Fire Prevention, Runoff Prevention and Stabilization Begin Philanthropic Campaign:
    - 5. Technology Community, Italian investment, California History, California Coastal Tourist Village
  - v. Construction: 18 months

**Exhibit I – Sub-Operator’s Interpretive Plan**

EXHIBIT I

Initial Interpretive Plan  
Marconi Hospitality, LLC  
February 19, 2021

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## **Background**

The Marconi State Historic Park Interpretive Plan (plan) provides guidance for the Marconi Historic State Park and envisions quality interpretive services and visitor opportunities at the park. The plan encourages consistent messaging and a cohesive approach to programming. The park's significance and core interpretive themes identified in the plan will guide the Sub-Operator in finding ways to bring the stories of the park back to life. The plan encourages intellectual and emotional connections between unique sites and associated history. Ultimately, these personal connections can inspire residents and visitors to become stewards of the park's cultural and natural heritage.

This plan is a general guide to help the Sub-Operator develop interpretive programs, services and media that matches their site-specific assets to the types of audiences they serve and connect their places to park's larger themes and to other geographic regions.

The plan envisions a collaboration of parks, MCCOC, the Sub-Operator and other public partners working together to interpret the park's cherished assets and advocate for their protection.

### **Vision Statement:**

To inform and inspire visitors and guests through natural beauty

### **Mission Statement:**

To provide for the health, inspiration and education of the people of California by helping to preserve the park's extraordinary biological diversity, protecting its most valued natural and cultural resources, and creating opportunities for high-quality outdoor recreation.

### **Sub-Operator Obligations:**

1. Sub-Operator shall provide all visitor services in a manner that is consistent with and supportive of the interpretive themes, goals and objectives of the area as reflected in the mission statement.
2. State Parks may assist in Area interpretation at the request of Sub-Operator to enhance visitor enjoyment of the Area.
3. The Sub-Operator will develop interpretive materials or means to educate visitors about environmental and or historical programs or initiatives implemented.

### **Interpretive Themes:**

1. Nature & Wildlife Viewing
2. Outdoor Activities & Attractions
3. Natural Environment
4. Park History Through Time

### Nature & Wildlife Viewing

1. Trails
  - a. Marconi offers a variety of well maintained walking trails. The Lower Tower Hill Trail takes you into a California Bay Forest. The Meadow Trail, along our southern border, climbs through grasslands and coyote brush, with spectacular views across Tomales Bay to Inverness Ridge. Shorter trails loop through the stately forest in the central part of the property or follow the old highway grade that parallels the bayshore.
2. Birding
  - a. Shorebirds, songbirds, and birds of prey can be seen in all seasons. Guests spot waterfowl, herons, egrets, pelicans, gulls, and osprey from the trails above Tomales Bay — woodpeckers, owls, and songbirds in the forest — quails, swallows, hawks, and bluebirds on the grasslands — and always hummingbirds among the garden flowers.
3. Wildlife Habitat
  - a. Colorful wildflowers border our trails and blanket the springtime hillsides. We regularly see several beautiful types of butterflies, including the spectacular Monarchs on their annual migration. You are also likely to encounter the Jack Rabbits, Western Gray Squirrels, Ravens, and Mule Deer that make their homes here.

## Outdoor Activities and Attractions

1. Outdoor recreational diversions
  - a. hiking trails, volleyball and basketball courts, horseshoe pits, bicycling on nearby country roads, bird-watching, and fishing in Tomales Bay.
2. Regional attractions
  - a. Point Reyes National Seashore, Sonoma Valley wine country, historic Petaluma, Tomales Bay State Park, coastal redwood groves, golf courses, and riding stables.

## Natural Environment

1. Geology
  - a. Marconi State Historic Park lies on the north end of the Bolinas ridge along the Marin Peninsula, adjoining Tomales Bay. Some time after the Pleistocene glacial epoch, the bay was formed by rising sea waters along the active San Andreas fault line, which runs through Tomales Bay to Bolinas. The soils here are decomposed bedrock: serpentinite, shale, chert and sandstone.
2. Flora
  - a. The area's native coastal terrace prairies were grazed grassland when the Marconi Company purchased the land — ideal for erecting towers to receive long radio waves.
  - b. Today's vegetation communities are closed-cone pine forest, eucalyptus, coastal scrub and annual grassland. The older Monterey pine trees were most likely planted after Marconi Company construction; the eucalyptus and younger pines were planted in the Synanon era.
  - c. Native plants include stands of California Bay and northern coyote brush scrub with California sagebrush, bush monkeyflower, coffeeberry and toyon.
3. Fauna
  - a. Birders may see house finches, mourning doves, wrentits, ravens, California quail, Brewer's blackbirds and western bluebirds. Red-tailed hawks circle above the ridge; nocturnal strollers may spot a great horned owl out hunting.
  - b. Migratory waterfowl and shorebirds include great blue herons and great egrets along Tomales Bay. The California clapper rail, a federally endangered species, has been seen along the bay's eastern shore.
  - c. Common animals include the black-tailed jackrabbit, brush rabbit, mule deer, California vole, pocket gopher, gray fox and western fence lizard.
  - d. Park History Through Time
4. The Coastal Miwok
  - a. Marconi State Historic Park has a rich human history that dates back hundreds of years. The Tomales Bay ecosystem has supported the livelihoods of people— from the prehistoric villages of the Coastal Miwok to the farming communities of today. Amazingly, Tomales Bay has maintained its pristine waters and rural charms.

- b. Marconi lies in the ethnographic territory of the Coastal Miwok. In the latter part of the 18th century, this tribe occupied most of Marin and part of Sonoma county. Their population was estimated, by early explorers, to be between 1,500 to 2,000 members. The remains of several villages, scattered along the shores of Tomales Bay, attest to the abundance of natural resources that the bay afforded. The prehistoric tribal village of “ec-a kulum” is located just south of the current community of Marshall. Until the early 1800’s the Miwok were effective in preventing Spanish and Russian settlement of the Marin Peninsula.

#### 5. European Settlement

- a. In 1817, the growing Russian presence to the north and the desire to recruit new converts motivated the Franciscans to move across the San Francisco Bay and establish Mission San Rafael. The land claimed by the friars included most of the Marin peninsula with the exception of Point Reyes. General Mariano Vallejo also established a fort in the North Bay and provided the military authority for the Spanish frontier.
- b. With the secularization of the missions in 1835, the converted Miwok were granted a large inland tract of land known as Rancho Nicasio. The land grant extended westward to include the eastern edge of Tomales Bay. Two years later, Vallejo concluded that the natives were “...not as a rule, making good use of their liberty...” and collected their land, promising to redistribute it when circumstances were more favorable.
- c. By 1843, such favorable circumstances having failed to materialize, Governor Micheitorenno divided the natives’ grant among Mexican and Anglo claimants. Ten leagues of land (7,598 acres) along Tomales Bay, including the land now occupied by Marconi, were granted to William Reynolds and Daniel Frink, early California settlers.

#### 6. The Marconi Wireless Era

- a. In 1894, across the Atlantic in Bologna, Italy, a young man by the name of Guglielmo Marconi began experimenting with Electromagnetic Waves (Radio Waves). In an unused portion of his parents’ attic, Marconi constructed devices for sending and receiving Morse code across the room without the use of wires. Through trial and error he steadily improved the distances he was able to send a signal, and soon outgrew his attic laboratory.
- b. Within a year, Marconi was able to transmit a telegraph signal a distance of two miles. By 1897, he had increased the distance to 15 miles, proving that man-made and natural obstacles did not interfere with the transmission of radio waves.
- c. Professor Hugh Aitken succinctly describes Marconi’s pivotal achievement in the development of radio: “...he was at the culmination of the process whereby a major scientific advance was translated into practical use. Scientific theorem had already been translated into apparatus ... [which] could be used for tests and demonstrations...Marconi carried it one step further. He translated laboratory hardware into a technological system that could serve practical needs.”
- d. In Aitken’s view, although many of Marconi’s contemporaries were experimenting with the waves discovered by physicist Heinrich Hertz, Marconi’s genius was in foreseeing the practical potential of radio transmission.

- e. In 1896, Marconi returned to his mother's native England, and established the Wireless Telegraphic and Signaling Company of England. His company provided Ship-to-Ship and Ship-to-Shore Wireless Telegraphy, the principal application of Marconi's wireless, which was immediately recognized as significantly increasing the safety of marine transportation.
- f. Marconi's successes were rapid. In 1899, he successfully transmitted radio waves across the English Channel. In the same year, he was granted the English patent number 7777, the first radio patent ever issued. Marconi then sailed to the United States and used a ship-based wireless transmitter to report on the America's Cup race.
- g. Soon after his arrival in the US, he established the Marconi Wireless Telegraph Company of America and pursued two major goals. His first goal, a commercial radio empire, was achieved through a series of successful patent lawsuits against his competitors. As a result, the Marconi Company emerged as the dominant player in this new field of Radiotelegraphy.
- h. Marconi's second goal was to push the boundary of accepted scientific theory and transmit radio signals across the Atlantic. From his bases in Cape Cod and Cornwall, Marconi labored to span the Atlantic. He succeeded in 1901 by moving his receiving base to Newfoundland and using a kite-supported antenna. Over the next several years, Marconi endeavored to not only improve reliability and continuity of this signal, but also to increase transmission distances even further. By 1907, the Americas and Europe were in regular commercial communication.
- i. The success of his transoceanic experiments led to the American and British companies' ambitious plan to establish a worldwide, high-power communications system. These high-power stations would girdle the world and provide virtually instantaneous communications to every point on the globe. In 1909, Marconi was awarded the Nobel Prize for Physics adding to his already substantial fame. Three years later Marconi would be credited with saving the 712 survivors of the Titanic disaster.
- j. In 1912, a lawsuit against United Wireless resulted in the merger of the two companies. Among the assets acquired by Marconi were 70 land stations and more than 500 ship-board installations. One of these stations was Station KPH, San Francisco's first radio station. In 1913, a new site was purchased and construction begun for the station's new home

#### 7. The Marshall Receiving Station

- a. In order to achieve a signal powerful enough to cross the Pacific Ocean, a new, more powerful station was built on the Marin Coast. This station was designed and constructed by J.G. White, a New York engineering firm. All Marconi's transoceanic stations were "duplex" stations, geographically separated complexes for transmitting and receiving. The geographic separation was necessary because the noise of transmission obstructed clear reception.
- b. All these stations were nearly identical in construction. The imposing, two-story staff and visitors' hotel with its wide veranda is the centerpiece of the receiving station. In addition to its thirty-five rooms – ten complete with private baths – the hotel boasted such comforts as a library, game room, lounge, and dining hall. Flanking the hotel to the left are two single-story bungalows for the chief and



assistant engineers. To the right lies the powerhouse (now [Buck Hall](#)) that contained the boiler, transformers, storage batteries and a workshop. The operations building, located a short distance from the bungalows, housed the receiving and printing equipment as well as the station's administrative offices.

- c. All the buildings are similar in architectural style, which might be described as Mediterranean Revival with Craftsman allusions. The steel, concrete, and tile materials were selected to ensure "... minimum charge for maintenance" and "maximum fire protection." The Mediterranean stylistic elements include the extensive use of tile, the verandas, the symmetrical treatment of the fenestration, and the formal approach to the hotel.
  - d. The Craftsman style, popular at the time of construction, can be seen in the decorative treatment of the eaves, the use of dormers (unusual in Mediterranean buildings), and employment of multi-panel upper sash windows. The Craftsman influence predominates in the interior of the hotel, with its restrained, rectilinear millwork, natural wood finishes and five cross-panel doors with transoms. Notable are the two massive first floor masonry fireplaces with their rustic half-log mantels. Early interior photographs show the rooms furnished with Craftsman furniture and ornamentation.
  - e. In addition to the permanent buildings, the American Marconi Company constructed several small wooden cottages. These served as housing for married employees and their families. On the hills above the operations building, stood the 270-foot towers that held aloft the mile-long antenna. Guide wires attached to four concrete anchors supported the masts.
8. WWI & the RCA Takeover
- a. During World War I, the United States Government appropriated control of this technology. The Marconi Company, deprived of its commercial wireless operations, pursued lucrative contracts to provide the Navy with new and upgraded submarine and shipboard transmitters.
  - b. After the war, the Marshall/Bolinas Station was returned to the Marconi Company and again became Station KPH. The experience of the war and the recognition of the strategic importance of radio communication led to subsequent government actions to secure control over radio communication.
  - c. Accordingly, in 1920, the Radio Corporation of America (RCA) was formed which bought the holdings of the American Marconi Company. At the time, RCA was headed by a number of former Marconi officials, notably General David Sarnoff, who began his career in the mailroom of the Marconi Company. RCA soon sold the majority of undeveloped land at the Marshall site, retaining only 62.7 acres surrounding the station buildings.
  - d. Although Marconi's dream of heading a worldwide communication empire was over, he none-the-less continued experimenting with improving radio communications. In 1923, he developed a short-wave beam system. This system could not only be used for better long distance communication, but also for guiding ships safely into port even in dense fog. With the implementation of short-wave signals, the operation at Marshall, which was a long-wave station, was relocated across Tomales Bay to the Point Reyes Peninsula for superior short wave reception. RCA records indicate that while international radio

communications ceased at the Marshall Station at that time, maritime service continued until 1939.

9. Synanon

- a. RCA continued to hold title to the Marshall site until 1947. In the ensuing years, the property changed hands several times before it was acquired by the Synanon Foundation, then a Santa Monica based drug rehabilitation organization. Shortly afterward, the Marconi property became the “world headquarters” of Synanon, which also acquired other nearby ranch properties.
- b. In the late 1960’s, Synanon began to de-emphasize its rehabilitation programs, and became a self-declared “alternative lifestyle community.” At its height, it had about 1700 members, a large number of whom lived at the Marshall property. In 1975, Synanon underwent another transformation, declaring itself a “church” and amassing a large cache of weapons. In 1979, a series of Pulitzer Prize-winning articles by the local newspaper, The Point Reyes Light, began to expose Synanon’s finances, internal practices and abuses in the local community. The state of California launched a special investigation into Synanon’s affairs and in 1980 Charles Dedrich, long-time leader of the organization, was convicted of conspiracy to commit murder. As one of the largest, longest-lived, and certainly the most economically successful group of its kind, it should be recognized that Synanon will be the subject of scholarly interest and research.
- c. During Synanon’s occupation of the property, several buildings were constructed, as well as a variety of landscape elements added. The buildings include a series of contemporary coastal shed-style residences and several corrugated metal structures scattered about the property. The pond next to the tennis courts and the vegetation planted close to the hotel and other buildings are the most notable of the landscape elements added.

10. The Park Today

- a. The antennas at the Bolinas Transmitting Station are silent; their last commercial message was sent in 1997. The Marshall Receiving Station, last used as a radio station in 1939, was purchased by the San Francisco Foundation from Synanon in 1980 with the help of the Buck Trust. Four years later they transferred the property to the California State Parks Foundation, which in turn gifted the property to the State of California as a conference center in 1989. The Marconi Conference Center opened its doors in January of 1990.
- b. Today this historic State Park is a place where communications of a difference sort echo thought through the halls of the grand buildings. Marconi continues in the tradition of communication by providing meeting and retreat services for the Bay Area.

## Plan Objectives

1. Learn about specific areas of the park through exploration
2. Have fun, enjoy time with friends and family, work on health and fitness; and see new things

3. Learn about Northern California Flora, Fauna and Geology
4. Learn and understand the importance of the park's history through time

### **Interpretive Goals**

1. Visitors will want to come back year after year and locals will utilize the park more often
2. Visitors will become better local and global citizens towards each other and among nature
3. Visitors become stewards of the park's cultural and natural heritage.

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**Exhibit J – Pest Control Recommendation Form (DPR 191)**

EXHIBITJ

Integrated Pest Management Program (IMP), and  
Pesticide Management Program

Marconi Hospitality, LLC

February 19, 2021

DRAFT

## **Integrated Pest Management Program (IPM)**

IPM, is an approach to solving pest problems by applying science-based knowledge about pests to prevent them from harming plants, landscapes, buildings or people while minimizing risks to people and the environment.

Sub-Operator will use four key components of IPM:

1. Mechanical and physical control:
  - a. This strategy uses tactics to remove or block a pest, like a mouse trap or mulch that smothers weeds.
2. Cultural control:
  - a. These methods include choosing pest-resistant plant cultivars, improving soils, and fertilizing to support healthy plants.
3. Biological control:
  - a. These strategies protect, conserve and introduce natural enemies – like predators and parasites to keep pest populations in balance and prevent significant damage.
4. Chemical control:
  - a. This strategy includes conventional and organic products to reduce damaging pest populations. Effective products are applied using techniques that minimize harm to people, non-target organisms, and the environment.

Sub-Operator will utilize IPM programs, combining a variety of management practices for greater effectiveness, including:

1. Monitoring plant health for early detection of pests.
2. Assess pest population levels to determine damage potential and treatment thresholds.
3. Identifying, conserving, introducing and protecting biological control organisms.
4. Optimizing timing of control measures based on season, pest life cycle, and environmental conditions.
5. Selecting pesticides (organic or conventional) with low human risk that: are short-lived in the environment, are proven to effectively control the specific pest or

pathogen, pose little threat to natural enemies and non-target species and are rotated with pesticides of different resistance classes.

6. Choosing equipment, nozzle and application techniques to optimize control, reduce pesticide quantity and minimize drift to prevent off-target effects.
7. Review and evaluate treatment efficacy; modify as needed

### **Pesticide Management Plan**

The term "pesticide" reflects the definition of pesticide given by the Federal Insecticide, Fungicide, and Rodenticide Act. The term "pesticide" broadly includes all substances or mixtures of substances that are intended for use in any manner to destroy, control the growth of, or repel any viral, microbial, plant, or animal pest or otherwise noxious or unwanted species.

#### Pesticide Use:

Chemical pesticides of any type will be used only where feasible alternatives are not available or acceptable. The Sub-Operators use of all pesticides shall be approved by State Parks. Application shall be in accordance with applicable laws, Departmental and Service guidelines; Environmental Protection Agency and Occupational Safety and Health Administration regulations.

#### Who this applies to:

1. Sub-Operator employees (non-employees) who apply pesticides.
2. Vendors who the Sub-Contractor contracts with for pesticide applications.

#### Requirements

1. Vendors must have a business license as a certified public applicator.
2. Sub Operator must:
  - a. Identify the individuals at their facility that need training and ensure they are trained.
  - b. Provide safety equipment and Personal Protective Equipment (PPE) and ensure that it is worn by employees.
3. Applicators must:
  - a. Read and follow pesticide label directions.

- b. Maintain records of pesticide applications.
  - c. Ensure proper notification of appropriate parties before application.
  - d. Dispose of pesticide waste properly.
4. Training requirements:
- a. Ensure certified applicators are trained
  - b. Provide applicators with specific hands-on training for pesticide application equipment.
  - c. Ensure Worker Protection Standard training for employees is provided every 5 years.
5. Self-inspection requirements:
- a. Inspect pesticide storage areas annually.
6. Regularly scheduled program components:
- a. Inventory all pesticides at your facility annually.
7. Recordkeeping Requirements:
- a. Maintain pesticide application records for 3 years.
  - b. Maintain Worker Protection Standard training records for 5 years.

Who this does not apply to:

1. Applications of pesticides for personal use by employees in residences and by individuals in community gardens.
2. The personal use of repellents applied directly to the body or clothing
3. Applications of pesticides in and around buildings for typical commercial pesticide applications against rodents, ants, termites, and other vermin.

Approval Procedures:

1. After considering all other alternatives, if a chemical pesticide must be used, then approval must be secured by State Parks.
2. The Sub-Operator will contact State Parks by email. Email Approval, conditional approval, or disapproval of the project will be given within 5 days.

5. State Parks shall provide Sub-Operator:

1. A list of products not to be used
2. Season or Planned use of Application:
  - a. Use either months or seasons to complete
3. Areas to be avoided:
  - a. List any areas which should be avoided
4. Areas to be treated with caution:
  - a. List any areas that should be treated with caution
5. Person to Contact:
  - a. List the name and phone number of the State Park Coordinator who can answer technical questions about the project and use of pesticides.

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## Exhibit K – License/Permission for Use of Trademarks

### LICENSE/PERMISSION FOR USE OF TRADEMARKS

State of California - The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION

REQUESTER NAME <b>Marconi Hospitality, LLC</b> hereafter called the "Licensee."			
Subject to the terms and conditions of this Agreement, the California Department of Parks and Recreation (the "Department") grants permission to use certain trademarks (the "Mark(s)"), created and owned by the Department, in accordance with the terms and conditions of this License, identified as follows:			
<b>California State Parks logo USPTO Reg. No. 2437051</b>			
See Attachment 1" for additional provisions regarding use of the logo, including specifications, registration, and logo usage guidelines.			
The Department hereby grants to the Licensee the non-exclusive, non-transferable, non-sublicenseable right and license to use, reproduce, duplicate and distribute the Marks pursuant to the terms and conditions of this license for a term of 55 year(s) from the date of execution by both parties but not to exceed the duration of the operating agreement between the Department and Licensee. This License is intended to run concurrently with the operating agreement and shall automatically terminate upon early termination of said agreement. Licensee shall own all right, title and interest in and to the new works created; provided, however, that the Department shall retain all right, title and interest in and to the Marks provided hereunder.			
This license shall authorize the use of the Marks and associated goodwill, in connection with the following only:			
<b>Operating Agreement #P</b>			
Any additional use shall require written permission and/or the payment of fees. This permission is non-transferable and non-sublicenseable (except as described above). This is not an exclusive privilege to the user, and the Department reserves the right to make the Marks available to others.			
One copy of any published work or product using the Marks pursuant to this grant of license must be provided to the Department at no cost to the Department unless agreed otherwise in writing. Licensee shall not modify or alter the Marks in any way without prior written approval from the Department.			
All uses of the Trade Mark must be accompanied by the trademark symbol TM until such time that Licensee is notified by the Department that the federal registration symbol (®) should be used. All uses of the California State Parks logo must be accompanied by the trademark symbol ®.			
IN NO EVENT SHALL THE DEPARTMENT BE LIABLE FOR ANY DAMAGES ARISING FROM OR RELATED TO THIS AGREEMENT. THE DEPARTMENT EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. PERMISSION TO USE THE MARKS IS GRANTED "AS IS."			
Licensee agrees to indemnify, protect, hold harmless, and defend the Department from and against any liability that might arise from any and all use of the Marks by Licensee, its licensees, successors or assigns.			
Licensee agrees to pay the Department, upon acceptance of this Agreement, all expenses as follows:			
<u>Goodwill and Quality Control</u>			
A. Licensee recognizes the great value and goodwill associated with the Marks and acknowledges that such goodwill belongs to the Department. Licensee further acknowledges that the Marks have acquired a secondary meaning among the public. Licensee agrees not to take any action that could be detrimental to the goodwill associated with the Marks or to the Department.			
B. The Department shall have the right to approve the quality of any reproduction of the Marks on any materials, as well as the associational use or co-joining of the Marks with any event, cause, or third party. The Department shall not unreasonably withhold such approval.			
C. Licensee agrees to inspect and approve its own sponsored uses of the Mark(s) to ensure quality and content of materials, consistent with the good will represented by the Mark(s).			
<u>Third Party Infringement</u>			
The Department, at its sole discretion, shall take whatever action it deems advisable in connection with any unauthorized use of the Marks by a third party. The Department shall bear the entire cost and expense associated with any such action, and any recovery or compensation that may be awarded or otherwise obtained as a result of any such action shall belong to the Department.			
<b>The provisions above constitute page 1 of 2 of this agreement. Page 2 must be initialed by both parties for this agreement to be valid.</b>			
<b>AGREED AND ACCEPTED</b>			
State of California Department of Parks and Recreation		LICENSEE	
BY 	DATE	BY 	DATE
PRINTED NAME OF PERSON SIGNING <b>Armando Quintero</b>		PRINTED NAME AND TITLE OF PERSON SIGNING	
TITLE <b>Director</b>	DISTRICT/SECTION <b>California State Parks</b>	ADDRESS	
PHONE NO. <b>916 651-1153</b>	EMAIL	PHONE NO.	EMAIL

**LICENSE/PERMISSION FOR USE OF TRADEMARKS**

State of California - The Resources Agency  
 DEPARTMENT OF PARKS AND RECREATION

**The provisions below constitute page 2 of 2 of this agreement. This page must be initialed by both parties for this agreement to be valid.**

Ownership Rights

Licensee acknowledges the Department's exclusive right, titles and interest in and to the Marks. Licensee further covenants that it shall not at any time challenge or contest the validity, ownership, title and registration of the Department in and to the intellectual property or the validity of this License. Licensee's use of the Marks shall inure to the benefit of the Department. If Licensee acquires any trade rights, trademarks, equities, titles, or other rights in and to the Marks, by operation of law, usage, or otherwise, Licensee shall, upon the expiration of this License, assign and transfer the same to the Department without any consideration other than the consideration of the License. All rights not specifically transferred by this License are reserved to the Department.

Termination

A. The Department shall have the right to terminate the License without cause upon sixty (60) days notice, whereupon all rights granted herein shall revert immediately to the Department.  
 B. Upon early termination by the Department or by expiration of the License, the License shall terminate, Licensee's rights shall cease immediately and Licensee shall discontinue all use of the Marks and/or other licensed property at once. Licensee shall dispose to the Marks in accordance with the Department's instructions.

No Partnership or Agency Created

Nothing herein shall be construed to constitute the parties hereto as partners or joint venturers, nor shall any similar relationship be deemed to exist between them. Further, nothing in this License shall make one party the agent of the other, and neither party has power or authority to bind the other.

Applicable Law

This License shall be construed in accordance with the laws of the State of California; Licensee consents to jurisdiction of the courts of Sacramento, California.

Integration

This License, the operating agreement, and Attachment 1, attached hereto constitute the entire agreement between the parties hereto and shall not be modified, amended, or changed in any way except by written agreement signed by both parties hereto. This License shall be binding upon and shall inure to the benefit of the parties, their successors, and assigns.

Notices

All notices and reports to be sent to the Department shall be in writing and shall be mailed or delivered to California Department of Parks and Recreation, Partnerships Office, PO Box 942896, Sacramento, CA 94296-0001. All notices to be sent to Licensee shall be mailed or delivered to the address specified on the first page of the License form. All notices and reports shall be deemed delivered immediately upon personal delivery, or, if mailed, three (3) days after being deposited in the United States mail system, postage prepaid, first class mail, and properly addressed. The Department and Licensee shall provide notice to the other of any change in address.

Modifications

This License may not be modified except by a written instrument, signed by both parties, making specific reference to this License by date, parties and subject matter.

Severability

The invalidity or unenforceability of any provision of this License, or the invalidity or unenforceability of any provision of this License as applied to a particular occurrence or circumstance, shall not affect the validity or enforceability of any of the other provisions of this License or any other applications of such provisions, as the case may be.

Attorneys Fees

If litigation becomes necessary to secure compliance with the terms and conditions of this License, to recover damages and/or to terminate the License, the prevailing party in any legal action shall be entitled to recover reasonable attorney fees and expenses incurred.

**AGREED AND ACCEPTED**

LICENSOR'S INITIALS ▷	DATE	LICENSEE'S INITIALS ▷	DATE
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03/2005

## **Exhibit K, Attachment 1 – License/Permission for Use of Trademarks**

### **Logo Use by External Entities**

Use of the logo is restricted to Department publications and activities, unless the Department allows otherwise. Use of the logo by external entities must not be allowed unless any association created through use of the logo is consistent with promoting the goodwill of the Department and the Department's goals. Logo use by external entities must be documented with specific licensing language, signed by both parties, either as part of a contract or as a stand-alone licensing agreement. When the Department allows the logo to be used by an external entity on material not copyrighted to the Department, the following policies apply:

- A written license agreement must be executed by the Department and the third party entity, confirming the terms and conditions of use. This may be incorporated into an existing agreement (e.g., a cooperating association contract, concession contract, or donor agreement) or may be crafted as a separate license agreement. Separate license agreements must be approved by the Interpretation and Education Division.
- The logo may not be the most prominent design element (unless the license agreement states otherwise, such as when the logo is used on uniforms and merchandise).
- The logo may not be used in a manner that implies editorial content has been authored by or represents the views or opinions of the Department.
- The logo may not be used in any venue that displays adult content, promotes gambling, involves the sale of tobacco or alcohol, or otherwise violates applicable law.
- The logo may not be used in a manner that is determined by the Department in its sole discretion to be misleading, defamatory, infringing, libelous, disparaging, obscene, or otherwise objectionable.
- For each specific use of the logo (except in the cases of use by cooperating associations and concessionaires), advance approval must be obtained from the Chief of the Interpretation and Education Division.

### **Visual Display of the Logo**

Unless otherwise authorized by the Chief of the Interpretation and Education Division, use the logo only as represented in these Guidelines.

#### **Registration Symbol**

- Because the logo is a trademark registered with the U.S. Patent and Trademark Office, the registration symbol ® must be used in connection with each use of the logo, unless it is infeasible from a design or fabrication standpoint (such as for patches or decals).

#### **Logo Components**

- Do not alter the logo components or use the components of the logo separately. For instance, the bear cannot be used alone or replaced with another element and/or the lettering cannot be used without the bear or replaced with different words.
- The font used for the text in the logo is Lithos. The text in the logo has been converted so that users do not need to have this font loaded on their computers in order to reproduce the logo.

#### **Colors**

- It is best to reproduce the logo using the Pantone (PMS) colors shown below. When reproducing these colors in four-color process inks (CMYK), or on screen (RGB), the screen tints listed below should be used. The following Pantone colors are used in the design of the logo: PMS 123-Yellow, PMS 281-Blue, PMS 364-Green, PMS 490-Brown, PMS 4715 Brown (outline). The yellow background is a gradation of PMS 123. No other colors may be used in the four-color version of the logo.

PMS 123-Yellow

CMYK: C-0, M-21, Y-88, K-0

RGB: R-253, G-200, B-47

PMS 281-Blue	CMYK: C-100, M-85, Y-5, K-20	RGB: R-0, G-38, B-100
PMS 364-Green	CMYK: C-73, M-9, Y-94, K-39	RGB: R-66, G-119, B-48
PMS 490-Brown	CMYK: C-29, M-85, Y-54, K-72	RGB: R-91, G-43, B-47
PMS 4715-Brown	CMYK: C-13, M-47, Y-43, K-38	RGB: R-150, G-109, B-91

- Do not convert the four-color logo to grayscale. Instead use the black-and-white version of the logo.
- Do not copy the four-color logo on a black ink photocopier (except in the case of providing printouts of presentations that use the logo). Instead the black-and-white version of the logo should be used.
- The logo, in both four-color and black-and-white, may be used on colored paper and fabric.
- When printing in one or two colors, use the black-and-white version of the logo in a color being used for printing. When printing in two colors, the logo should be printed in the darker of the two colors.
- When embroidering the logo or screening it onto fabric, use the four-color version of the logo or reproduce the logo in any single color. Do not reproduce the logo in any two- or three-color combinations.

#### Appearance

- The logo must always appear clear and crisp. In order to meet this requirement, it should be printed at a minimum of 300 DPI.
- Do not tilt, skew, or distort the logo.
- In order to maintain clarity, do not use the logo at a size smaller than 5/8" in diameter.
- Reproduce the logo only from camera-ready proofs or electronic printing files. Do not redraw or trace the logo.
- Do not download and use the logo from the Department's web site. It is not suitable due to its low resolution.

#### Placement

- Do not crop, overprint, screen or superimpose the logo or print it behind art or copy.
- To make sure the logo stands out clearly, it must be placed within an area of unobstructed space. This also applies to the placement of the logo relative to the edge of a page or screen. There are two ways to determine the clear zone around the logo:
  1. The space must be the height of the letter "I" in the word "CALIFORNIA" in the logo.
  2. The space must be approximately 1/8 of the width of the logo. For example, if the logo is 2 inches across, then the clear zone would measure 1/4 of an inch.



## Exhibit L – Project Evaluation Form (PEF)

State of California – Natural Resources Agency  
DEPARTMENT OF PARKS AND RECREATION

Project ID No. \_\_\_\_\_

### PROJECT EVALUATION (PEF)

PCA No. \_\_\_\_\_

PROJECT CONCEPT																																																														
PROJECT TITLE	PARK UNIT NAME																																																													
DISTRICT NAME	FACILITY NO.																																																													
PROJECT MANAGER	PHONE NO.	EMAIL																																																												
DISTRICT PROJECT MANAGER	PHONE NO.	EMAIL																																																												
PROJECT BID DATE	CONSTRUCTION START DATE	FUNDING SOURCE																																																												
<p><b><u>PROJECT DESCRIPTION</u></b></p> <p><i>Identify the scope of the project in detail, including its purpose, location, and potential impacts. If the ground is to be disturbed, describe the depth and extent of excavation. Describe the existing site conditions, including previous development. Note if work will impact or extend beyond park property. Indicate if work will be done in conjunction with, or as part of, other projects. (Use additional pages if necessary.)</i></p>																																																														
<p><b><u>DOCUMENTS ATTACHED</u></b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> 7.5 minute (quad) map of project area (<b>Required</b>)</li> <li><input type="checkbox"/> Site Map (<b>Required</b> - Scale should show relationship to existing buildings, roads, landscape features, etc.)</li> <li><input type="checkbox"/> DPR 727 Accessibility Review and Comment Sheet (<b>Required</b> – Attach DPR 727 or emailed project exemption from the Accessibility Section.)</li> <li><input type="checkbox"/> Sea-level Rise Worksheet (for coastal park units)</li> <li><input type="checkbox"/> Graphics (Specify - photos, diagrams, drawings, cross-sections, etc.):</li> <li><input type="checkbox"/> Other (Specify):</li> </ul>																																																														
<p><b><u>REGULATORY REQUIREMENTS</u></b></p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; font-weight: normal;">IS AN APPLICATION, PERMIT, OR CONSULTATION REQUIRED?</th> <th style="text-align: center; font-weight: normal;">YES</th> <th style="text-align: center; font-weight: normal;">MAYBE</th> <th style="text-align: center; font-weight: normal;">NO</th> <th style="text-align: center; font-weight: normal;">CONTACT</th> </tr> </thead> <tbody> <tr> <td>Coastal Development Permit</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>DFG Stream Alteration Permit</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>State &amp; Federal Endangered Species Consultation</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Corps of Engineers 404 Permit</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>RWQCB or NPDES Permit</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>DPR Right to Enter or Temporary Use Permit</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>PRC 5024 Review</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Stormwater Management Plan</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Encroachment Permit (Specify Agency):</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Native American Consultation</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Other (Specify):</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </tbody> </table> <p>COMMENTS:</p>			IS AN APPLICATION, PERMIT, OR CONSULTATION REQUIRED?	YES	MAYBE	NO	CONTACT	Coastal Development Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	DFG Stream Alteration Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	State & Federal Endangered Species Consultation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Corps of Engineers 404 Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	RWQCB or NPDES Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	DPR Right to Enter or Temporary Use Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	PRC 5024 Review	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Stormwater Management Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Encroachment Permit (Specify Agency):	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Native American Consultation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Other (Specify):	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Other (Specify):	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																																																										

Project ID No. \_\_\_\_\_

## PROJECT EVALUATION (PEF)

PCA No. \_\_\_\_\_

<b>DEPARTMENT POLICY COMPLIANCE</b>			YES	NO
<i>HAS A GENERAL PLAN BEEN APPROVED FOR THE UNIT?</i>			<input type="checkbox"/>	<input type="checkbox"/>
If YES, is the project consistent with the GP?			<input type="checkbox"/>	<input type="checkbox"/>
If NO, what is the project justification?				
Is it a temporary facility? (No permanent resource commitment)			<input type="checkbox"/>	<input type="checkbox"/>
Health and Safety?			<input type="checkbox"/>	<input type="checkbox"/>
Is it a Resource Management Project?			<input type="checkbox"/>	<input type="checkbox"/>
Is it repairing, replacing, or rehabilitating an existing facility?			<input type="checkbox"/>	<input type="checkbox"/>
 <i>IS THE PROJECT WITHIN A CLASSIFIED SUBUNIT?</i>				
Natural Preserve			<input type="checkbox"/>	<input type="checkbox"/>
Cultural Preserve			<input type="checkbox"/>	<input type="checkbox"/>
State Wilderness			<input type="checkbox"/>	<input type="checkbox"/>
 <i>IS THE PROJECT CONSISTENT WITH THE DEPARTMENT'S CULTURAL RESOURCE MANAGEMENT DIRECTIVES?</i>			<input type="checkbox"/>	<input type="checkbox"/>
 <i>IS THE PROJECT CONSISTENT WITH THE DEPARTMENT'S OPERATIONS MANUAL CHAPTER 0300?</i>			<input type="checkbox"/>	<input type="checkbox"/>
 <i>COMMENTS:</i>				
DISTRICT SUPERINTENDENT PROJECT CONCEPT APPROVAL OR DESIGNEE			TITLE	DATE
<b>RESOURCES</b> <i>Explain all 'Yes' or 'Maybe' answers in the "Evaluation and Comments" section (reference by letter and number). Attach additional pages, if necessary.</i>				
YES	MAYBE	NO	<b>A. EARTH – WILL THE PROJECT:</b>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1. Create unstable soil or geologic conditions?	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2. Adversely affect topographic features?	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3. Adversely affect any unusual or significant geologic features?	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4. Increase wind or water erosion?	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5. Adversely affect sand deposition or erosion of a sand beach?	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6. Expose people, property, or facilities to geologic hazards or hazardous waste?	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7. Adversely affect any paleontological resource?	
YES	MAYBE	NO	<b>B. AIR – WILL THE PROJECT:</b>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1. Adversely affect general air quality or climatic patterns?	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2. Introduce airborne pollutants that may affect plant or animal vigor or viability?	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3. Increase levels of dust or smoke?	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4. Adversely affect visibility?	
YES	MAYBE	NO	<b>C. WATER – WILL THE PROJECT:</b>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1. Change or adversely affect movement in marine or fresh waters?	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2. Change or adversely affect drainage patterns or sediment transportation rates?	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3. Adversely affect the quantity or quality of groundwater?	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4. Adversely affect the quantity or quality of surface waters?	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5. Expose people or property to flood waters?	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6. Adversely affect existing or potential aquatic habitat(s)?	

Project ID No. \_\_\_\_\_

**PROJECT EVALUATION (PEF)**

PCA No. \_\_\_\_\_

YES <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	MAYBE <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<b>D. PLANT LIFE – WILL THE PROJECT:</b> 1. Adversely affect any native plant community? 2. Adversely affect any unique, rare, endangered, or protected plant species? 3. Introduce a new species of plant to the area? 4. Adversely affect agricultural production? 5. Adversely affect the vigor or structure of any tree? 6. Encourage the growth or spread of alien (non-native) species? 7. Interfere with established fire management plans or practices?
YES <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	MAYBE <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<b>E. ANIMAL LIFE – WILL THE PROJECT:</b> 1. Adversely affect any native or naturalized animal population? 2. Adversely affect any unusual, rare, endangered, or protected species? 3. Adversely affect any animal habitat? 4. Introduce or encourage the proliferation of any non-native species?
YES <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	MAYBE <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<b>F. CULTURAL RESOURCES – WILL THE PROJECT:</b> 1. Adversely affect a prehistoric or historic archeological site, or tribal cultural resource? 2. Adversely affect a prehistoric or historic building, structure, or object? 3. Cause an adverse physical or aesthetic effect on an eligible or contributing building, structure, object, or cultural landscape? 4. Diminish the informational or research potential of a cultural resource? 5. Increase the potential for vandalism or looting? 6. Disturb any human remains? 7. Restrict access to a sacred site or inhibit the traditional religious practice of a Native American community?
YES <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	MAYBE <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<b>G. AESTHETIC RESOURCES – WILL THE PROJECT:</b> 1. Adversely affect a scenic vista or view? 2. Significantly increase noise levels? 3. Adversely affect the quality of the scenic resources in the immediate area or park-wide? 4. Create a visually offensive site? 5. Be incompatible with the park design established for this unit or diminish the intended sense of "a special park quality" for the visitor?
YES <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	MAYBE <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<b>H. RECREATIONAL RESOURCES – WILL THE PROJECT:</b> 1. Be in a public use area? 2. Have an adverse effect on the quality of the intended visitor experience? 3. Have an adverse effect on the quality or quantity of existing or future recreational opportunities or facilities? 4. Have an adverse effect on the accessibility of recreational facilities (e.g., ADA requirements)?
YES <input type="checkbox"/> <input type="checkbox"/>	MAYBE <input type="checkbox"/> <input type="checkbox"/>	NO <input type="checkbox"/> <input type="checkbox"/>	<b>I. SEA-LEVEL RISE AND EXTREME EVENTS (COASTAL UNITS ONLY):</b> 1. Has this project been evaluated for potential impacts from sea-level rise, coastal storm surge, and other extreme events, using the Department's Sea-Level Rise and Extreme Events Guidance Document or an equivalent process? <i>Please attach the Sea-Level Rise Worksheet (provided in the guidance document) or other detailed evaluation.</i> 2. Based on the evaluation described above, will the project be adversely impacted by frequent flooding or permanent inundation during its expected lifetime?  <input type="checkbox"/> Non-coastal unit
<b>EVALUATION AND COMMENTS</b>   			

Project ID No. \_\_\_\_\_

PCA No. \_\_\_\_\_

## PROJECT EVALUATION (PEF)

<b>ENVIRONMENTAL REVIEW</b> <i>To Be Completed by Qualified Specialist(s) ONLY.</i> <i>Attach additional reviews or continuation pages, as necessary.</i>	
<b>TRIBAL LIAISON COMMENTS AND SIGNATURE (REQUIRED FOR ALL FINDINGS)</b> <input type="checkbox"/> Reviewer is Designated District/Service Center/Division Tribal Liaison or Designee <input type="checkbox"/> NAHC Listed Tribe(s) contacted (attach correspondence record for contact and findings) <div style="margin-left: 20px;"> <input type="checkbox"/> DN 2007-05 Tribal Consultation Only  <input type="checkbox"/> AB52 Consultation Initiated                 </div> <p><b>Findings:</b></p> <input type="checkbox"/> Project action does not have potential to affect "tribal cultural" resources (explain) <b>Check more than one box if tribes provide differing responses, and describe all consultations below.</b> <input type="checkbox"/> Tribe(s) did not respond <input type="checkbox"/> Tribe(s) approved project as written <input type="checkbox"/> Tribe(s) approved project with treatments or conditions <input type="checkbox"/> Tribe(s) and DPR unable to reach mutual agreement on project treatments or conditions <p><b>Explain</b></p>	
SIGNATURE 	PRINTED NAME
TITLE	DATE
<b>ARCHEOLOGIST COMMENTS AND SIGNATURE (REQUIRED FOR ALL FINDINGS)</b> <p><b>Findings:</b></p> <input type="checkbox"/> No PRC 5024 necessary ( <u>provide justification</u> ) <input type="checkbox"/> PRC 5024 attached; project approved as written <input type="checkbox"/> PRC 5024 attached, conditions necessary <input type="checkbox"/> PRC 5024 attached, mitigations and/or potential significant impacts <p><b>Explain</b></p>	
SIGNATURE 	PRINTED NAME
TITLE	DATE



Project ID No. \_\_\_\_\_

PCA No. \_\_\_\_\_

## PROJECT EVALUATION (PEF)

<b>HISTORIAN COMMENTS AND SIGNATURE (REQUIRED FOR ALL FINDINGS)</b>		
<b>Findings:</b> <input type="checkbox"/> No PRC 5024 necessary ( <u>provide justification</u> ) <input type="checkbox"/> PRC 5024 attached, project approved as written <input type="checkbox"/> PRC 5024 attached, conditions necessary <input type="checkbox"/> PRC 5024 attached, mitigations and/or potential significant impacts		
<b>Explain</b>		
SIGNATURE 	PRINTED NAME	
TITLE	DATE	
<b>ENVIRONMENTAL SCIENTIST COMMENTS AND SIGNATURE (REQUIRED FOR ALL FINDINGS)</b>		
<b>Findings:</b> <input type="checkbox"/> No Impact <input type="checkbox"/> Impact(s), see conditions/mitigations below or on attached page(s) <input type="checkbox"/> Potential Significant Impact		
<b>Explain</b>		
SIGNATURE 	PRINTED NAME	
TITLE	DATE	
<b>MAINTENANCE CHIEF/SUPERVISOR (REQUIRED FOR ALL FINDINGS)</b>		
COMMENTS:		
SIGNATURE 	PRINTED NAME	
TITLE	DATE	

Project ID No. \_\_\_\_\_

### PROJECT EVALUATION (PEF)

PCA No. \_\_\_\_\_

<b>OTHER COMMENTS (COMMENTER MUST INCLUDE TITLE AND SIGNATURE)</b>		
SIGNATURE ✍		PRINTED NAME
TITLE		DATE
<b>OTHER COMMENTS (COMMENTER MUST INCLUDE TITLE AND SIGNATURE)</b>		
SIGNATURE ✍		PRINTED NAME
TITLE		DATE
<b>OTHER COMMENTS (COMMENTER MUST INCLUDE TITLE AND SIGNATURE)</b>		
SIGNATURE ✍		PRINTED NAME
TITLE		DATE

Project ID No. \_\_\_\_\_

**PROJECT EVALUATION (PEF)**

PCA No. \_\_\_\_\_

ENVIRONMENTAL COORDINATOR REVIEW			
YES <input type="checkbox"/>	MAYBE <input type="checkbox"/>	NO <input type="checkbox"/>	<p><b>CUMULATIVE IMPACTS</b></p> <ol style="list-style-type: none"> <li>1. Will the project be conducted in conjunction with or at the same time as other projects at the park?</li> <li>2. Will the project be part of a series of inter-related projects?</li> <li>3. Are there any other projects that must be completed for any part of this project to become operational?</li> <li>4. Are there any other projects (including deferred maintenance) that have been completed or any probable future projects that could contribute to the cumulative impacts of this project?</li> <li>5. Are any of the projects that relate to the proposed work outside the General Plan?</li> </ol> <p>COMMENTS:</p>   <p><b>RECOMMENDATION:</b></p> <input type="checkbox"/> Not a project for the purposes of CEQA compliance. <input type="checkbox"/> Project is covered activity under DOM 0600 (Figure F) that does not require a Notice of Exemption; <input type="checkbox"/> Project is covered activity under previously prepared CEQA Document (internal or external); SCH number: _____ <input type="checkbox"/> The project is exempt. File a Notice of Exemption. <input type="checkbox"/> A Negative Declaration should be prepared. <input type="checkbox"/> A Mitigated Negative Declaration should be prepared. <input type="checkbox"/> An EIR should be prepared.
SIGNATURE 		PRINTED NAME	
TITLE		DATE	
DISTRICT SUPERINTENDENT REVIEW			
COMMENTS:			
<p><i>I acknowledge any constraints placed on the project as a result of the specialists' comments above and recommend the project proceed.</i></p>			
DISTRICT SUPERINTENDENT APPROVAL SIGNATURE 		TITLE	DATE

**Exhibit M – List of Eligible or Potentially Eligible Historic Properties**

<b>Facility Number</b>	<b>Description</b>	<b>Date of Construction</b>	<b>Listed Historic Property</b>
213-A-1-02-0-001	Barn A	unknown	Appears ineligible, unclear if associated with Synanon Era
213-A-1-04-0-003	Unknown facility		
213-A-1-05-0-001	Powerhouse/Buck Hall	1913	Listed as contributor to Marconi Wireless Telegraph National Register District, potentially also eligible as part of Synanon Era
213-A-1-04-0-002	Sewage Plant	1969	Potentially eligible as contributor to Synanon Era
213-A-1-05-0-002	Pine Lodge/Synanon Super Cave	1969	Potentially eligible as contributor of Synanon Era
213-A-1-05-0-003	Cypress Lodge/Synanon Super Cave	1969	Potentially eligible as contributor of Synanon Era
213-A-1-10-0-001	Pelican/Synanon Cave	1969	Potentially eligible as contributor of Synanon Era
213-A-1-12-0-001	Maintenance Shop	1971?	Unclear if associated with Synanon Era
213-A-1-13-2-001	Landscape Storage	1971?	Unclear if associated with Synanon Era
213-A-2-03-0-001	Sandpiper/Synanon Cave	1969	Potentially eligible as contributor of Synanon Era
213-A-2-03-0-002	Seagull/Synanon Cave	1969	Potentially eligible as contributor of Synanon Era

213-A-2-03-0-003	Heron/Synanon Cave	1969	Potentially eligible as contributor of Synanon Era
213-A-2-06-0-001	Redwood Dining Hall/Synanon Super Cave	1969	Potentially eligible as contributor of Synanon Era
213-A-3-05-2-001	A-Frame House	1971	Potentially eligible as contributor of Synanon Era
213-A-3-06-0-001	Trailer Residence 1	modern	Appears ineligible
213-A-3-06-0-002	Trailer Residence 2	modern	Appears ineligible
213-A-4-03-0-001	Operations Building/Synanon Cliff House	1913	Listed to National Register, contributor to Marconi Wireless Telegraph District, potentially also eligible as part of Synanon Era
213-A-4-03-0-002	Pinecrest Cottage/McCargo Hall	1913	Listed to National Register, contributor to Marconi Wireless Telegraph District, potentially also eligible as part of Synanon Era
213-A-4-03-0-003	Bayview Cottage	1913	Listed to National Register, contributor to Marconi Wireless Telegraph District
213-A-4-04-0-001	Marconi Hotel/Synanon Inn	1913	Listed to National Register, contributor to Marconi Wireless Telegraph District, potentially also eligible as part of Synanon Era, potentially also eligible as part of Synanon Era
n/a	Remains of tennis court	1913	Eligible as contributor to Marconi Wireless District

n/a	Remains of volleyball court	1950s	Potentially eligible as contributing element
n/a	Tower remains (7 locations)	1913	Eligible as contributor to Marconi Wireless District
n/a	Monterey pines east of historic core	1913-1919	Potentially eligible as contributor to Marconi Wireless District
n/a	County Route 56		Potentially eligible for association with early transportation and contributor to Marconi Wireless District

DRAFT

**Exhibit N – Drug-Free Workplace Certification (STD 21)**

STATE OF CALIFORNIA

**DRUG-FREE WORKPLACE CERTIFICATION**

STD. 21 (Rev. 12/93)(CA ST PKS, EXCEL 4/9/1999)

**CERTIFICATION**

*I, the official named below, hereby swear that I am duly authorized to legally to bind the contractor or grant recipient to the certification described below. I am fully aware that this certification, executed on the date below, is made under penalty of perjury under the laws of the State of California.*

CONTRACTOR/BIDDER FIRM NAME		FEDERAL ID NUMBER
BY (Authorized Signature)		DATE EXECUTED
PRINTED NAME AND TITLE OF PERSON SIGNING		TELEPHONE NUMBER (Include Area Code)
TITLE		(      )
CONTRACTOR/BIDDER FIRM'S MAILING ADDRESS		

The contractor or grant recipient named above hereby certifies compliance with Government Code Section 8355 in matters relating to providing a drug-free workplace. The above named contractor or grant recipient will:

1. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355(a).
2. Establish a Drug-Free Awareness Program as required by Government Code Section 8355(b), to inform employees about all of the following:
  - (a) The dangers of drug abuse in the workplace,
  - (b) The person's or organization's policy in maintaining a drug-free workplace,
  - (c) Any available counseling, rehabilitation and employee assistance programs, and
  - (d) Penalties that may be imposed upon employees for drug abuse violations.
3. Provide as required by Government Code Section 8355(c), that everyone who works on the proposed contract or grant:
  - (a) Will receive a copy of the company's drug-free workplace policy statement, and
  - (b) Will agree to abide by the terms of the company's statement as a condition of employment on the contract or grant.
4. At the election of the contractor or grantee, from and after the "Date Executed" and until \_\_\_\_\_ (NOT TO EXCEED 36 MONTHS), the state will regard this certificate as valid for all contracts or grants entered into between the contractor or grantee and this state agency without requiring the contractor or grantee to provide a new and individual certificate for each contract or grant. If the contractor or grantee elects to fill in the blank date, then the terms and conditions of this certificate shall have the same force, meaning, effect and enforceability as if a certificate were separately, specifically, and individually provided for each contract or grant between the contractor or grantee and this state agency.

## Exhibit O – Sub-Operator’s Financial Statement

State of California - Natural Resources Agency  
DEPARTMENT OF PARKS AND RECREATION

### OPERATOR/SUB-OPERATOR FINANCIAL STATEMENT

*Confidential*

OPERATOR/SUB-OPERATOR NAME	OPERATOR/SUB-OPERATOR NAME
PARK UNIT NAME	REPORTING PERIOD
From: _____ To: _____	

#### A. CASH FLOW STATEMENT

**GROSS SALES/RECEIPTS**

		\$	
Less Returned Sales and Allowances	\$		
Less Sales Taxes			
Net Sales for Period		\$	
Cost of Goods Sold:			
Inventory at Beginning of Period	\$		
Add Purchases During Period			
Merchandise Available for Sale			
Less Inventory at Close of Period			
Less Cost of Goods Sold		\$	
<b>GROSS PROFIT</b>		<b>\$</b>	

**LESS EXPENSES**

Salaries & Wages <i>(do not include Concessionaire salaries)</i>	\$		
Rent to State			
Insurance			
Materials & Supplies			
Maintenance & Repairs			
Utilities <i>(including telephone)</i>			
Advertising			
Taxes & Licenses <i>(other than income &amp; sales)</i>			
Legal & Accounting			
Travel & Transportation			
Interest			
Security			
Administrative Overhead			
Depreciation <i>(equipment)</i>			
Amortization <i>(improvements)</i>			
Other: _____			
Other: _____			
Other: _____			
Other: _____			
<b>TOTAL EXPENSES</b>		<b>\$</b>	

**NET PROFIT FROM OPERATIONS** \$ \_\_\_\_\_  
*(before income taxes)*



**OPERATOR/SUB-OPERATOR FINANCIAL STATEMENT**

***Confidential***

Page   B   -         

OPERATOR/SUB-OPERATOR NAME	OPERATOR/SUB-OPERATOR NAME
PARK UNIT NAME	REPORTING PERIOD From: _____ To: _____

<b>B. SCHEDULE OF DEPRECIATION</b> <i>Columns 5, 8, and 9 must add to the total shown in Column 4. If you need more space to list all equipment, use additional pages and number B-2, B-3, etc. Use reverse side for remarks.</i>									
DESCRIPTION OF EQUIPMENT (1)	DATE ACQUIRED (2)	CONDITION (3)		ACQUISITION COST (4)	PRIOR YEARS' DEPRECIATIO (5)	RATE (%) (6)	LIFE (7)	DEPRECIATIO THIS PERIOD (8)	BALANCE TO BE DEPRECIATED (9)
		New	Used						
<b>TOTALS</b>									

**OPERATOR/SUB-OPERATOR FINANCIAL STATEMENT**

*Confidential*

OPERATOR/SUB-OPERATOR NAME	OPERATOR/SUB-OPERATOR NAME
PARK UNIT NAME	REPORTING PERIOD From: _____ To: _____

**C. BALANCE SHEET**

**ASSETS**

**CURRENT ASSETS**

Cash \$ \_\_\_\_\_  
 Accounts Receivable \_\_\_\_\_  
 Merchandise Inventory \_\_\_\_\_  
 Notes Receivable (Less than 1 year) \_\_\_\_\_

**TOTAL CURRENT ASSETS \$ \_\_\_\_\_**

**NONCURRENT ASSETS**

Equipment/Property \$ \_\_\_\_\_  
 Less Depreciation Reserve \_\_\_\_\_  
 Net Equipment/Property Cost \_\_\_\_\_  
 Prepaid Expenses \_\_\_\_\_  
 Other: \_\_\_\_\_  
 Other: \_\_\_\_\_

**TOTAL NONCURRENT ASSETS \$ \_\_\_\_\_**

**TOTAL ASSETS \$ \_\_\_\_\_**

**LIABILITIES**

**CURRENT LIABILITIES**

Accounts Payable \$ \_\_\_\_\_  
 S & W Payable \_\_\_\_\_  
 Short-Term Notes Payable \_\_\_\_\_  
 Interest Payable \_\_\_\_\_  
 Short-Term Loan Payable \_\_\_\_\_  
 Other: \_\_\_\_\_  
 Other: \_\_\_\_\_

**TOTAL CURRENT LIABILITIES \$ \_\_\_\_\_**

**OTHER LIABILITIES**

Other: \_\_\_\_\_ \$ \_\_\_\_\_  
 Other: \_\_\_\_\_

**TOTAL OTHER LIABILITIES \$ \_\_\_\_\_**

**TOTAL LIABILITIES \$ \_\_\_\_\_**

**CAPTIAL**

**OWNER'S EQUITY**

Capital \$ \_\_\_\_\_  
 Less Personal Drawing \$ \_\_\_\_\_  
 Net Addition \$ \_\_\_\_\_  
 Stockholder's Equity \$ \_\_\_\_\_  
 Other: \_\_\_\_\_ \$ \_\_\_\_\_

**TOTAL CAPITAL \$ \_\_\_\_\_**

**TOTAL LIABILITIES AND CAPITAL \$ \_\_\_\_\_**

When entering dollars on e-form, always enter positive amount. Built in formulas automatically subtract amounts as needed.

**Exhibit P – Revenue and Expenditure Report**

Annual Revenue and Expenditure Report

Sub-Operating Agreements

Park Unit: \_\_\_\_\_

Sub-Operator: \_\_\_\_\_

State's Fiscal Year: \_\_\_\_\_ to \_\_\_\_\_

Estimated Total Visitors: \_\_\_\_\_

	Revenue	Expenditures	Balance
Visitor Entrance Fees			
Separate Parking Fees			
Special Events			
Revenue			
Total Annual Revenue			
Salaries & Wages			
Maintenance & Housekeeping			
Utilities			
Capital Improvement Projects			
Miscellaneous Expenses			
Total Annual Expenditures			
Grand Totals			

Preparer Name \_\_\_\_\_ Date \_\_\_\_\_

Phone Number \_\_\_\_\_

## Exhibit Q – Performance Evaluation form

### SUB-OPERATION PERFORMANCE RATING

State of California - The Resources Agency  
CALIFORNIA STATE PARKS

DISTRICT		PARK UNIT		DATE			
SUB-OPERATOR							
CATEGORIES	EXCELLENT (E)	SATISFACTORY (S)	NEEDS IMPROVEMENT (NI)	NONCOMPLIANCE/ UNACCEPTABLE (NON)	COMPLIANCE (COM)	NOT APPLICABLE (NA)	COMMENTS
REPORTS	ANNUAL REVENUE AND EXPENDITURE REPORT	8	6	2	0		
	ANNUAL ATTENDANCE REPORT	4	3	1	0		
	ANNUAL OPERATIONS REPORT	4	3	1	0		
	OTHER:				0	4	
					0	4	
BONDS/INSURANCE	PERFORMANCE BOND				0	4	
	LIABILITY INSURANCE				0	4	
	FIRE INSURANCE				0	4	
	AUTOMOBILE INSURANCE				0	4	
	OTHER:				0	4	
CONSTRUCTION	REQUIRED IMPROVEMENTS				0	4	
	TIME SCHEDULE				0	4	
	PAYMENT BOND				0	4	
	OTHER:				0	4	
USE OF PREMISES	OPERATING DAYS/HOURS	4	3	1	0		
	AUTHORIZED GOODS/SERVICES	4	3	1	0		
	APPROPRIATE SIGNAGE/ADVERTISING	4	3	1	0		
	OTHER:	4	3	1	0		
QUALITY ASSURANCE	GOODS	8	6	2	0		
	SERVICES	8	6	2	0		
	PRICES (COMPETITIVE/POSTED)	4	3	1	0		
	CUSTOMER SERVICE	8	6	2	0		
	OTHER:	4	3	1	0		
TOTAL POINTS PER COLUMN					0		
PAGE 1 ONLY							

CATEGORIES		E	S	NI	NON	COM	NA	COMMENTS
SAFETY	FIRE SAFETY/PREVENTION	4	3	1	0			
	GAS/ELECTRIC	4	3	1	0			
	GENERAL SAFETY	4	3	1	0			
	OTHER:	4	3	1	0			
FACILITY MAINTENANCE	INTERIOR - HOUSEKEEPING/CLEANLINESS	4	3	1	0			
	INTERIOR - FACILITY MAINTENANCE	4	3	1	0			
	EXTERIOR - HOUSEKEEPING/CLEANLINESS	4	3	1	0			
	EXTERIOR - FACILITY MAINTENANCE	4	3	1	0			
	GROUNDS - HOUSEKEEPING/CLEANLINESS	4	3	1	0			
	GROUNDS - FACILITY MAINTENANCE	4	3	1	0			
	MAINTENANCE PLAN	4	3	1	0			
	OTHER:	4	3	1	0			
INTERPRETIVE PROGRAM <i>(When Applicable)</i>	COSTUMES	4	3	1	0			
	MERCHANDISE AND INTERPRETIVE PLAN	4	3	1	0			
	FURNISHINGS AND INTERPRETIVE PLAN	4	3	1	0			
	EVENTS/ACTIVITIES AND INTERPRETIVE PLAN	4	3	1	0			
	IMPLEMENTATION OF INTERPRETIVE PLAN	4	3	1	0			
	OTHER:	4	3	1	0			
<b>TOTAL POINTS PER COLUMN PAGE 2 ONLY</b>					0	0		
<b>TOTAL POINTS PER COLUMN PAGE 1 + PAGE 2</b>					0			
TOTAL POINTS RECEIVED FROM ALL CATEGORIES		MAXIMUM POINTS POSSIBLE FOR RATED CATEGORIES			PERCENT RATING		WAS THERE ANY NONCOMPLIANCE OR UNACCEPTABLE RATINGS IN ANY CATEGORY?*	
(		)			x 100 = #DIV/0!		<input type="checkbox"/> Yes <input type="checkbox"/> No	
OVERALL RATING <i>(Based on percent rating)</i>								
<input type="checkbox"/> EXCELLENT (90% to 100%) <input type="checkbox"/> SATISFACTORY (70% to 89%) <input type="checkbox"/> NEEDS IMPROVEMENT (60% to 69%) <input type="checkbox"/> UNACCEPTABLE (less than 60%)								
RATER'S SIGNATURE			TITLE		DATE		RATER DISCUSSED REPORT WITH SUB-OPERATOR?	
							<input type="checkbox"/> Yes. Date: _____ <input type="checkbox"/> No	
<i>In signing this report I do not necessarily agree with the conclusion of the rater.</i>								
SUB-OPERATOR'S SIGNATURE			TITLE		DATE			

\*NOTE: A rating of UNACCEPTABLE or NONCOMPLIANCE in any category will result in an overall rating of no higher than NEEDS IMPROVEMENT.

Original -- MCCOC; Copies to Sup-Operator and Sate

PAGE 2 of 2

## **Exhibit R – Signage and Marketing Plan**

### EXHIBIT R

#### WAYSIDE SIGNAGE

##### **PROJECT STARTUP**

- Establish the project team
  - Identify the project lead, subject matter experts, project reviews, park partners and media specialists
- Review foundation documents
  - Gather and review master plan, long-range interpretive plans, historic structures report
- List of potential signage sites and subjects
- Begin Research
  - Identify resource materials and bibliographies
  - Gather potential site-specific graphic resources
  - Develop graphics
- Plan site visit

##### **SITE ANALYSIS**

- Conduct startup meeting
  - Review what makes effective signage, the work process, accessibility requirements, panel and base material choices, resources gathered, and team roles and responsibilities.
- Analyze signage sites
  - Visit potential exhibit sites with subject-matter experts.
  - Identify site-specific significance and meaning and relevant graphic materials.

- Identify each sign's purpose, orientation, panel size, and site conditions.
- Develop sketches to facilitate discussions and agreement.
- Photograph sites and site-specific features.
- Gather Reference and Graphic Material
  - Based on site discussion, gather graphic source materials relevant to signage content.
- Conduct close-out meeting
  - Review graphic direction for the signage
- Review revised schedule, budget, and next steps.
  - Summarize decisions made and any outstanding issues.

## **PROJECT PROPOSAL**

- Prepare proposal
  - Document the selected exhibit locations and purposes, panel and base selections, and map and graphic needs.
  - Create site map of signage locations.
  - Refine thumbnail sketches.
  - Develop detailed cost estimate.
- Proposal review, revision, and approval
  - Submit proposal, cost estimate, and project agreement for review and approval.
  - Park staff, including maintenance, review the proposal to confirm all decisions.
- Reference and graphics package
  - Based on the approved signage proposal, identify, gather, and organize reference and graphic materials.

## **SIGNAGE PLAN**

- Develop Signage Plan
  - Read and review references and graphics.
  - Organize the content, establish hierarchy.
  - Prepare draft interpretive exhibit text.
  - Create draft maps.
  - Draw sketches of new art.

- Draw sketches of tactile elements.
- Create draft layouts.
  
- Signage Plan review and approval Procure approved graphics and use-rights
  - Secure use-rights for the life of the signage and document use-rights agreements.
  - Acquire high-resolution graphics.
  
- Develop original art
  - Develop detailed sketches.
  - Place detailed sketches in layout and adjust both for fit, legibility, size, margins, bleed.
  - Develop final art and get high-resolution scan.
  
- Create maps
- Use signage guidelines and starter map files to create actual-size digital maps.
  - Procure second-language translations
  - Procure tactile elements

#### **FINAL SIGNAGE PLAN**

- Complete editorial review and make all text changes to exhibit layouts
  - Place second-language text in layouts.
  
- Place all final graphics in layouts
  - Final approved art.
  - Final approved maps.
  - Final high-resolution photos.
  - Detail position of tactile elements.
  
- Final signage plan review and approval
  - Make any minor final adjustments.
  - Secure final approval to go into production.



**Exhibit S – Competitive Projects**

Bodega Bay Lodge & Spa

103 Coast Highway One

Bodega Bay, CA 94923

Big Sur Lodge

47225 Highway One

Big Sur, CA 93920

Timber Cove Resort

21780 North Coast Highway 1

Jenner, CA 95450

Cavallo Point – The Lodge at the Golden Gate

601 Murray Cir

Sausalito, CA 94965

Nick's Cove

23240 CA-1

Marshall, CA 94940

Any three of the five competitively situated lodges to be used to benchmark annual rate structure and budget.

**Operating Agreement, Exhibit B**  
**Sub-Operating Agreement Proposal Questionnaire**

**MARCONI CONFERENCE CENTER**

**Please provide answers and supplemental information on separate paper as required. This information will be used to determine if the potential sub-operator is a qualified candidate.**

- I. POTENTIAL SUB-OPERATING COMPANY'S NAME AND CONTACT INFORMATION  
(Include street mailing address)
  
- II. POTENTIAL SUB-OPERATING COMPANY'S EXECUTIVE PERSONNEL or TEAM MEMBERS (Provide resumes for each team member, indicate the primary team contact)
  
- III. POTENTIAL SUB-OPERATING COMPANY'S BUSINESS INFORMATION
  - A. Potential Sub-Operating Company's Business Model (Provide a description of the current business model along with relevant history and experience)
  
  - B. Intent of Potential Sub-Operating Company (Describe the potential sub- operating company and the overall intent, goals, and aspirations of pursuing the sub-operations agreement)
  
  - C. Statement of Financial Capability (Describe types, amounts, and timing of funding and investments)
  
  - D. Financial Reports (Submit potential sub-operating company's most current financial statement)

**Certificate Of Completion**

Envelope Id: 9BB7B7E24717458684936ACDD4E0729B	Status: Completed
Subject: 30 JLBC Notice for Signature - Marconi Conference Center SHP	
Source Envelope:	
Document Pages: 227	Signatures: 1
Certificate Pages: 5	Initials: 1
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Dellene Kirschman
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	1416 9th Street, Room 950
	Sacramento, CA 95814
	Dellene.Kirschman@parks.ca.gov
	IP Address: 13.88.65.97

**Record Tracking**

Status: Original	Holder: Dellene Kirschman	Location: DocuSign
8/26/2021 8:33:45 AM	Dellene.Kirschman@parks.ca.gov	
Security Appliance Status: Connected	Pool: StateLocal	
Storage Appliance Status: Connected	Pool: California State Department of Parks and Recreation	Location: DocuSign

**Signer Events**

Elizabeth McGuirk  
 Liz.McGuirk@parks.ca.gov  
 Chief Deputy Director  
 Security Level: Email, Account Authentication (None)

**Signature**

DocuSigned by:  
  
 CBA9195DD11C4CB...  
 Signature Adoption: Pre-selected Style  
 Using IP Address: 104.220.19.50

**Timestamp**

Sent: 8/26/2021 11:04:45 AM  
 Viewed: 8/26/2021 11:08:29 AM  
 Signed: 8/26/2021 11:11:23 AM

**Electronic Record and Signature Disclosure:**  
 Accepted: 8/26/2021 11:08:29 AM  
 ID: 79a9a344-a141-408d-8cd1-ada8bbb45755

**In Person Signer Events**

**Signature**

**Timestamp**

**Editor Delivery Events**

**Status**

**Timestamp**

**Agent Delivery Events**

**Status**

**Timestamp**

**Intermediary Delivery Events**

**Status**

**Timestamp**

**Certified Delivery Events**

**Status**

**Timestamp**

Deborah Krajewski  
 Deborah.Krajewski@parks.ca.gov  
 California State Department of Parks and Recreation  
 Security Level: Email, Account Authentication (None)

**VIEWED**  
 Using IP Address: 174.208.68.12  
 Viewed using mobile

Sent: 8/26/2021 8:54:14 AM  
 Viewed: 8/26/2021 9:00:09 AM

**Electronic Record and Signature Disclosure:**  
 Not Offered via DocuSign

Elizabeth McGuirk  
 Liz.McGuirk@parks.ca.gov  
 Chief Deputy Director  
 Security Level: Email, Account Authentication (None)

**VIEWED**  
 Using IP Address: 104.220.19.50

Sent: 8/26/2021 9:00:10 AM  
 Viewed: 8/26/2021 11:04:44 AM

**Electronic Record and Signature Disclosure:**  
 Accepted: 8/26/2021 11:04:44 AM  
 ID: dccddd3c-1e49-4073-93a0-c4a7be386021

Carbon Copy Events	Status	Timestamp
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Marivel Barajas  
marivel.barajas@parks.ca.gov  
California State Department of Parks and Recreation  
Security Level: Email, Account Authentication  
(None)

**COPIED**

Sent: 8/26/2021 8:54:13 AM  
Viewed: 8/26/2021 9:04:20 AM

**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

Megan Florida  
megan.florida@parks.ca.gov  
California State Department of Parks and Recreation  
Security Level: Email, Account Authentication  
(None)

**COPIED**

Sent: 8/26/2021 8:54:13 AM  
Viewed: 8/26/2021 11:36:24 AM

**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

Witness Events	Signature	Timestamp
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Notary Events	Signature	Timestamp
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Envelope Summary Events	Status	Timestamps
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Certified Delivered	Security Checked	8/26/2021 11:08:29 AM
Signing Complete	Security Checked	8/26/2021 11:11:23 AM
Completed	Security Checked	8/26/2021 11:11:23 AM

Payment Events	Status	Timestamps
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Electronic Record and Signature Disclosure
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## **ELECTRONIC RECORD AND SIGNATURE DISCLOSURE**

From time to time, California State Department of Parks and Recreation (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through your DocuSign, Inc. (DocuSign) Express user account. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

### **Getting paper copies**

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. For such copies, as long as you are an authorized user of the DocuSign system you will have the ability to download and print any documents we send to you through your DocuSign user account for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

### **Withdrawing your consent**

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

### **Consequences of changing your mind**

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of your DocuSign account. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use your DocuSign Express user account to receive required notices and consents electronically from us or to sign electronically documents from us.

### **All notices and disclosures will be sent to you electronically**

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through your DocuSign user account all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

**How to contact California State Department of Parks and Recreation:**

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: [marlene.sheufelt@parks.ca.gov](mailto:marlene.sheufelt@parks.ca.gov)

**To advise California State Department of Parks and Recreation of your new e-mail address**

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at [marlene.sheufelt@parks.ca.gov](mailto:marlene.sheufelt@parks.ca.gov) and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in DocuSign.

**To request paper copies from California State Department of Parks and Recreation**

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to [marlene.sheufelt@parks.ca.gov](mailto:marlene.sheufelt@parks.ca.gov) and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.

**To withdraw your consent with California State Department of Parks and Recreation**

To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your DocuSign account, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an e-mail to [marlene.sheufelt@parks.ca.gov](mailto:marlene.sheufelt@parks.ca.gov) and in the body of such request you must state your e-mail, full name, IS Postal Address, telephone number, and account number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

**Required hardware and software**

Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above)
Email:	Access to a valid email account
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	<ul style="list-style-type: none"> <li>•Allow per session cookies</li> <li>•Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection</li> </ul>

\*\* These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

**Acknowledging your access and consent to receive materials electronically**

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