



SCHOOL BOARD ACTION REPORT

DATE: October 22, 2020
FROM: Ms. Denise Juneau, Superintendent
LEAD STAFF: Fred Podesta, Chief Operations Officer
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Frank Griffin, Facility Operations Director
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For Introduction: November 18, 2020
For Action: December 2, 2020

1. TITLE

Approval of Management and Operations Agreement for Memorial Stadium Parking Lot

2. PURPOSE

The purpose of this action is to execute a service contract with Republic Parking for the management and operation of the Memorial Stadium parking lot. Board approval of the contract will compensate Republic Parking with 5% of generated revenue (projected to be \$400,000 over the term of the contract) as payment for these services.

3. RECOMMENDED MOTION

I move that the School Board authorize the Superintendent to execute a contract with Republic Parking for management and operation of the Memorial Stadium parking lot, for a projected amount of \$400,000 over a five-year term, in the form of the draft agreement attached to the School Board Action Report, with any minor additions, deletions, modifications or actions deemed necessary by the Superintendent to implement the contract.

4. BACKGROUND INFORMATION

a. Background

The district owns a paid parking lot at Memorial Stadium. Its revenue, in excess of expenses, is used to support academic activities of the district. The current management contract with Republic Parking expires December 31, 2020. For that contract, the district utilized a competitive request for proposal (RFP) process, and a committee evaluated each proposal based on established criteria to select the most financially beneficial proposal from the firm most qualified to manage the lot. Over the last 15 years the RFP's proposals have proposed payment for services ranging from 5.5% to 30% of revenue generated.

The district utilized a similar RFP process to select Republic Parking for the upcoming contract. Contracting Services received three qualified proposals on October 13, 2020. The selection committee reviewed and recommended the award of the contract to Republic Parking.

In the near term, the annual gross revenue generated from the operation of the parking lot is estimated to be considerably less than historical revenues, due to the current pandemic. The first year of the management fee is predicted to be about \$12,000. As Seattle re-opens to pre-pandemic levels of public activity, the management fee is estimated to be over the entire contractual period as much as \$400,000.

The initial contract is for a three-year period from January 1, 2021 through December 31, 2024, with option to renew, upon mutual agreement, for up to two additional one-year terms. The total amount estimated to be paid to the selected agency over the entire five-year period is \$400,000. This is based on a management fee of 5% of an estimated revenue received by the district of \$8,000,000.

b. Alternatives

Do not approve the agreement. Failing to engage a parking operator would require the district to manage the parking lot itself, which is not a core competency.

c. Research

Not applicable.

5. FISCAL IMPACT/REVENUE SOURCE

Based on projected gross revenue of \$8,000,000 over the entire contract, the management fee will be \$400,000, resulting in a projected profit of \$7,600,000 (before taxes and credit card fees are deducted) to the district.

The revenue source for this motion is the operation of the parking lot.

Expenditure: One-time Annual Multi-Year N/A

Revenue: One-time Annual Multi-Year N/A

6. COMMUNITY ENGAGEMENT

With guidance from the District's Community Engagement tool, this action was determined to merit the following tier of community engagement:

Not applicable

Tier 1: Inform

Tier 2: Consult/Involve

Tier 3: Collaborate

7. EQUITY ANALYSIS

An equity analysis was not performed for this action.

8. STUDENT BENEFIT

By approving this agreement, the district will be able to receive revenue on an asset that can then be used for academic activities, which benefits students.

9. WHY BOARD ACTION IS NECESSARY

Amount of contract initial value or contract amendment exceeds \$250,000 (Policy No. 6220)

Amount of grant exceeds \$250,000 in a single fiscal year (Policy No. 6114)

Adopting, amending, or repealing a Board policy

Formally accepting the completion of a public works project and closing out the contract

Legal requirement for the School Board to take action on this matter

Board Policy No. _____, [TITLE], provides the Board shall approve this item

Other: _____

10. POLICY IMPLICATION

Per Board Policy No. 6220, Procurement, any contract over \$250,000 must be brought before the School Board for approval.

11. BOARD COMMITTEE RECOMMENDATION

This motion was discussed at the Operations Committee meeting on November 5, 2020. The committee reviewed the motion and moved the item forward with a recommendation for approval by the full Board.

12. TIMELINE FOR IMPLEMENTATION

Upon approval of this motion, the Memorial Stadium Parking Lot Management and Operation Agreement will be executed.

13. ATTACHMENTS

Memorial Stadium Parking Lot-Management and Operation Agreement (Draft contract for reference)

**MEMORIAL STADIUM PARKING LOT
MANAGEMENT AND OPERATION AGREEMENT**

This Agreement is made by and between Seattle School District No. 1, a municipal corporation (hereinafter “District”) and Republic Parking (hereinafter “Contractor”).

I. SCOPE OF WORK

Contractor shall provide at its own cost all labor, materials, supplies, equipment and management support services necessary to manage and operate a public parking lot on the front concourse area of the High School Memorial Stadium located at 401 Fifth Avenue North, Seattle, Washington, 98109 (“Parking Lot”), which site plan is included in this Agreement as Attachment A.

II. AGREEMENT PERIOD

The Agreement shall be in effect from June 1, 2020 through May 31, 2023. This Agreement may, with the mutual approval of both parties, be extended under the same terms and conditions for two additional one-year terms. In the event either party decides not to renew this Agreement or its extension thereof, such decision should be given in writing to the other party no later than one hundred and twenty (120) days prior to the expiration of the agreement.

III. GENERAL TERMS

The Parking Lot are to be used only for the purposes of a parking facility for motorized vehicles and for no other business or purpose without the written consent of District, which it may give or withhold at its sole discretion. Contractor may propose other income generating activities for District’s consideration.

Contractor shall become familiar with all events scheduled in the Memorial Stadium, Seattle Center and facilities in the vicinity and shall provide a sufficient number of properly trained and supervised attendants to service the anticipated parking activities.

Parking rates charged shall be geared to the level of activity associated with the Parking Lot. It is understood that parking rates will vary depending on the demand and anticipated usage.

Contractor shall ensure that all employees are trained to serve the public in a courteous and efficient manner and shall maintain exemplary conduct throughout the course of this Agreement. Acts or language by any employee not in keeping with District standards shall be cause for immediate removal of said offending person and/or persons from the Parking Lot by Contactor, upon District request.

Contactor acknowledges that District may have unforeseen parking needs that are not

specified in this Agreement. Contractor and District agree to work cooperatively to resolve conflicts that may arise due to these unforeseen needs.

The Request for Proposal RFP032066 and Contractor's response to RFP032066 dated October 7, 2020 including all promises, warranties, commitments and representations are herein incorporated as part of this Agreement as Attachment B (hereinafter "Proposal").

IV. RESERVED PARKING/RESTRICTIONS

District may restrict, limit or prohibit parking on the Parking Lot. Parking may be reserved for District sponsored events such as School District-wide meetings and events which require the concourse to be free of vehicles. Contractor will **NOT** be compensated for these restrictions provided that such restrictions do not occur more than three (3) times per year. In addition, Contractor shall provide to District personnel or authorized agents without fee or compensation to Contractor, the following:

- A. Four (4) permanently reserved parking spaces immediately adjacent to the North end of the Athletic Building.
- B. Stickers or other means to provide six additional parking spaces within the lot, Monday through Friday, from 7 a.m. to 6 p.m.
- C. Twenty Eight (28) parking permits for School District staff parking on a first-come, first-served basis, Monday through Friday, from 7 a.m. to 5 p.m. according to the District's school-year calendar, which generally begins about September 3rd to about June 20th excluding school breaks and legal holidays.
- D. Upon authorization of District Central Administration, stickers or other means to be used in lieu of parking fees when the above-mentioned parking stickers or permits is not adequate to serve the District's needs.

V. MANAGEMENT FEES

District agrees to pay Contractor a management fee, upon Contractor's fulfillment of its obligations under this Agreement, equal to (5%) of gross revenue generated from the Parking Lot. However, NSF checks, invalid credit/debit cards and other similar deductions from the revenue should reduce the amount of gross revenue base on which Contractor's management fees are based. Contractor shall furnish to District documents of gross revenue collected, related accounting statements and information and reconciliation of the gross revenue along with the monthly invoice.

Contractor shall invoice District for its management fees on or before the 15th day following the end of each month. District shall pay Contractor all sums due within 25 days of District's receipt of Contractor's invoice, provided revenue is satisfactorily verified by District. In the event that District disputes the invoiced amount, District shall promptly notify contractor.

Contractor shall mail invoices to the District at:

Property Management Office, MS 23-365
Seattle Public Schools
P. O. Box 34165
Seattle, Washington 98124

Or deliver to:

Property Management Office
Seattle Public Schools
2445 Third Avenue South
Seattle, WA 98134

Or to such other place as District may from time to time designate by notice to Contractor.

VI. CONTRACTOR AND DISTRICT RESPONSIBILITIES

A. Evaluation and Recommendation

Contractor shall evaluate the Parking Lot conditions and the general vicinities to recommend and implement the types of service, layouts, number of attendants, types of revenue collection mechanism, equipments, signs, marketing strategies etc. necessary to provide the most financially advantageous method of operating and managing the parking service. If any site changes are proposed, Contractor shall prepare a specific plan showing the parking lane configurations and indicating any devices, signs, gates, etc. to be installed. Contractor must obtain approval from the District prior to any changes.

B. Events Requiring Service

Contractor shall provide year-round 24 hour per day continuous parking management services at the Memorial Stadium Parking Lot and services during the hours indicated on the Proposal. Contractor shall provide sufficient personnel to maximize revenues, serve the public, provide industry standard parking lot services, and collect parking payments on-site or from the deposit boxes as often as necessary.

Contractor has provided a schedule in its Proposal with time and duration and the number of attendants that Contractor anticipates to provide services for various events and activities and to collect payments. It is recognized that service needs will vary and are therefore subject to modification as deemed necessary by Contractor. Contractor shall request in writing District's approval in advance if such modification is significant. Such request shall be subject to District's approval.

C. Revenue

Contractor shall deposit in a District approved financial institution in District's name once daily all gross revenue from parking receipts and other income as may be derived

through operation of the Parking Lot. Contractor agrees to provide, on a weekly basis, detailed and summary of transaction reports to the District pertaining to the gross revenue generated. Samples of such reports are attached hereto. In the event District has needs to change its requirements for the type of reports to be provided by Contractor, Contractor agrees to work with the District to provide reports needed by the District. Upon reconciliation of revenue records by District, if the District determined that Contractor did not deposit all the above-mentioned funds, Contractor shall reimburse District promptly upon notification and supply of supporting documentation. District reserves the right to change the revenue deposit policy and procedures.

Contractor shall not be responsible for “shortages” caused by NSF checks, invalid credit/debit cards; provided that Contractor performs its due diligence in screening out and denying repeated use of such checks, or credit/debit cards and that if the same customer commit such misuse more than twice, Contractor shall reimburse the District for the lost revenue due to such misuse. NSF checks, invalid credit/debit cards and other similar deductions from the revenue should reduce the amount of gross revenue base on which Contractor's management fees are based.

Regardless of whether the financial institution designated for the deposits of revenues is in the School District or the Contractor’s name, Contractor shall be responsible and pay for all banking fees charged by the financial institution, including, but not limited to, the cost of banking supplies, service fees and credit/debit card processing fees.

D. Expenses

The District shall be responsible and pay for only those expenses stated in the RFP032066. Contractor shall be responsible and pay for those expenses listed in the RFP and its Proposal.

E. Uniforms

Contractor shall provide and maintain at its own expense, distinctive uniforms for all parking lot attendants performing services at the Parking Lot. There shall be an identification badge for each employee and the uniform shall bear the Republic Parking company logo.

F. Operating Procedures

Contractor agrees to use operating procedures described in its Proposal.

G. Signage

Contractor shall take all reasonable steps necessary to promote use of the High School Memorial Stadium Parking Lot by placing professional signage on or about the Lot and using other strategies as Contractor deems appropriate. All signs and equipment currently owned by District shall remain the sole property of District, regardless of the contract term, extension or cancellation. Signs and equipment provided by Contractor shall remain

the sole property of Contractor, regardless of the contract term, extension or cancellation. Contractor shall notify District of all signs to be used or any intent to change existing signs at any time throughout the term of this Agreement, any of which being subject to the prior approval of District.

H. Supplies and Materials

Contractor agrees to provide adequate supplies, equipment and materials as may be required to assure proper operation of the Parking Lot and maximization of revenue from the Parking Lot. Contractor must provide at least one (1) ADA accessible ticket meter. Contractor shall permit no supplies, materials or other merchandise to be purchased in the name of or on the credit of District.

I. Maintenance

1. Contractor shall, at its own expense, make the site and configuration changes and to provide on-going maintenance to the Parking Lot as stated on its Proposal.
2. Equipment owned by Contractor shall be maintained by the same in an operable and safe condition.
3. Contractor shall maintain miscellaneous facilities or equipment used by Contractor but owned by District.
4. Contractor shall be responsible for restriping or spot painting of parking lanes as often as needed.
5. Contractor has inspected the Parking Lot and accepts the premises "AS IS" in its present condition. Contractor shall be responsible for routine minor asphalt repairs and maintenance. District shall be responsible for major asphalt repaving, if District determines that such repaving is needed, and flood lighting maintenance according to District's standard and schedule.
6. Contractor will promptly report to the District's Property Management Office any needed repair or maintenance work that are the responsibility of the District.

J. Sanitation

Contractor shall maintain the Parking Lot in a safe, clean, orderly, and sanitary condition. Contractor shall be responsible for removing all hazardous materials immediately, including all paper, glass, oil and gas spillage, food and other wastes on a daily basis by placing in the dumpster provided by the District. Contractor shall provide for any on-site storage it may require. District, at its own expense, shall provide a dumpster and disposal of trash from the Parking Lot.

District expressly acknowledges that Contractor's obligations in connection with the management, operation and promotion of the Parking Lot, and employment of persons in

connection therewith, do not include the rendition of service, supervision, or furnishing of personnel in connection with the personal safety and security of District employees, tenants, customers, or other persons within and about the Parking Lot. Contractor does not have knowledge or expertise as a guard or security service, and does not employ personnel for that purpose, nor do Contractor's employees undertake the obligation to guard or protect customers against the intentional acts of third parties. District shall determine, at District's discretion, whether and to what extent any precautionary warnings, security devices, or security services may be required to protect patrons in and about the Parking Lot. However, Contractor shall immediately report any safety or security issues to the appropriate authorities.

K. Snow Removal

Contractor shall be responsible for snow removal as needed. If Contractor cannot perform this service in a timely manner, District may perform this service for which Contractor will reimburse District's expense.

L. Taxes

District shall be responsible for payment of any and all taxes associated with the Parking Lot only, including property tax, special and general assessments, sales tax, and any taxes on parking. Contractor shall be responsible for payment of any and all taxes including B & O taxes, assessments, and license fees assessed or imposed upon Contractor's business, fixtures, furniture and personal property installed or located in the Parking Lot.

M. Utilities

District shall be responsible for providing electricity, garbage disposal, and if applicable, water and sewer, associated with the Parking Lot; provided that District shall not be liable for and Contractor shall not be entitled to terminate this Agreement by reason of District's failure to provide or furnish any of the foregoing utilities or services unless such failure was due to the gross negligence or intentional misconduct of District. District shall not be liable for loss or injury to persons or property, however arising, occurring in connection with or attributable to any failure to furnish such utilities or services, unless and only to the extent due to the gross negligence or intentional misconduct of District, and in no event shall District be liable for Contractor's consequential damages. Each party shall be responsible for its own telephone charges.

VII. PERMITS AND COMPLIANCE WITH LAWS

Contractor shall obtain all licenses and authorizations required by law to perform the services as specified. Contractor shall obtain and pay for the garage keeper's license. Contractor shall comply fully at its sole expense with all federal and state statutes and city ordinances now or hereafter in force in respect to the Parking Lot and Contractor's activities therein. Contractor shall be responsible for notifying the District of any new federal and state statutes and city ordinances hereafter in respect to the Parking Lot.

Contractor warrants and represents to District that Contractor shall use the Parking Lot only for lawful purposes. Structural, mechanical, or other installations and any alterations required by law or regulations pertaining to air quality, environmental protection, provisions required by the Americans with Disabilities Act, or other similar governmental rules or regulations shall remain the responsibility of District; however, if District determines that the cost to make any such installations or alterations creates an undue burden to the District, or rendering it no longer cost effective to continue the operation on the Parking Lot, District shall have the right to terminate this Agreement and both parties shall be relieved of all rights and obligations hereunder and such termination shall not be cause for Contractor to claim for any consequential damages.

VIII. FIXTURES AND EQUIPMENT

A. School District Facilities and Equipment

1. No alterations to buildings on the Parking Lot or grounds shall be made by Contractor except with written permission from District.
2. District, at its own expense, will supply electrical power to existing District owned equipment and fixtures, and if applicable, to the meters or electronic pay stations installed by Contractor. Additional fixtures must be approved by District prior to installation.
3. All equipment owned by District shall remain the property of District.

B. Contractor's Supplies and Equipment

1. All equipment furnished and installed by Contractor shall conform to any applicable Federal, State, County and City Codes or Regulations.
2. Contractor's equipment shall remain the property of Contractor.

IX INSURANCE AND BOND

Contractor shall, at its own expense, provide, secure and maintain the following for the duration of this Agreement:

- A. Fidelity bond (blanket employee dishonesty) insurance in the amount of \$200,000. Money and securities inside and outside coverage to be included in the amount of \$2,500. The Seattle School District shall be listed as the recipient of any insurance proceeds covering claims of any loss.
- B. Deposit with the Seattle School District \$5,000 as security for performance.
- C. Insurance against claims for injuries to persons or damage to property, which may arise from, or in connection with, the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

D. Contractor shall obtain insurance of the types and limits described below:

1. Comprehensive General Liability Insurance written on an occurrence basis including coverage for products and completed operations and blanket contractual. The amount of insurance shall be no less than:
 - \$1,000,000 each occurrence
 - \$2,000,000 general aggregate
 - \$5,000,000 each occurrence – umbrella/excess

General liability certificates shall name Seattle School District No.1 as an additional insured.

2. Automobile Liability Insurance covering all owned, non-owned, hired and leased vehicles. The amount of insurance shall be no less than:
 - \$1,000,000 each occurrence/accident
3. Workers' Compensation coverage as required by the Industrial Insurance Laws of the State of Washington.
4. Employers' Liability/Stop Gap Insurance in the amount of:
 - \$1,000,000 bodily injury/accident
 - \$1,000,000 bodily injury/disease – employee
5. Builder's Risk Insurance in the amount of the value of the project, if Contractor makes improvements to the Parking Lot.

E. Insurance companies providing coverage shall be licensed to do business in the State of Washington and carry a Best's rating of "A" or better.

F. The coverage afforded by the insurance carrier shall be primary and non-contributing with any insurance or self-insurance pool coverage carried by the District.

G. Policies shall provide that coverage shall not be canceled or materially altered without forty-five (45) days prior written notice to the District and shall also provide for ten (10) days written notice in the event of cancellation for non-payment of premium.

H. Contractor shall furnish the District with original certificates and a copy of any amendatory endorsements, including but not necessarily limited to the additional insured endorsement or equivalent. The Contractor shall supply such certificates prior to commencement of the work and at renewal of any policy.

X. ACCIDENTS AND INDEMNIFICATION

A. Contractor shall indemnify District and save it harmless from and against any and all suits, actions, damages, claims, liability, and expense in connection with loss of life, bodily or personal injury, or property damage arising from or out of any occurrence in,

upon, at or from the Parking Lot, or the occupancy or use by Contractor of the Parking Lot or any part thereof, or occasioned wholly or in part by any act or omission of Contractor, its agents, subcontractors, employees, servants, invitees, licensees, or concessionaires; provided that Contractor shall not be liable to District to the extent such damages, liability, claims or expenses are caused by or result from the negligence or intentional misconduct of District.

- B. Contractor hereby expressly waives claims against District, and District shall not be responsible or liable at any time, for any loss or damage to Contractor's personal property or to Contractor's business, including any loss or damage to either the person or property of Contractor that may be occasioned by or through the acts or omissions of persons occupying adjacent, connecting, or adjoining space, unless and only to the extent due to District's gross negligence or intentional misconduct, and in no event shall District be liable for Contractor's consequential damages. Contractor shall store its property in and shall use and enjoy the premises and improvements at its own risk, and hereby releases District, to the full extent permitted by law and except as expressly provided above, from all claims of every kind resulting in loss of life, personal or bodily injury, or property damage.
- C. In the event Contractor hires any agents or subcontractors ("Subcontractors") to perform work on the Parking Lot, Contractor shall include a provision in all contracts between Contractor and any Subcontractor that, to the fullest extent permitted by law, Subcontractor will defend, indemnify, and save District harmless from and against any and all claims, actions, lawsuits, damages, liability, and expense (including, without limitation, attorneys' fees) arising from loss, damage, or injury to persons or property or loss of use of the property occurring in, on, or about the Parking Lot, arising out of the work performed at the Parking Lot, or occasioned wholly or in part by any act or omission of Subcontractor, Subcontractor's agents, contractors, lower-tier subcontractors, customers or employees. Notwithstanding anything to the contrary herein, Subcontractor shall not be required to indemnify District for District's sole negligence or intentional misconduct.
- D. Solely for the purpose of effectuating the indemnification obligations under this Agreement, and not for the benefit of any third parties (including but not limited to employees of Contractor), Contractor specifically and expressly waives any immunity that may be granted it under the Washington State Industrial Insurance Act, Title 51RCW. Furthermore, the indemnification obligations under this Agreement shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable to or for any third party under Worker Compensation Acts, Disability Benefit Acts or other employee benefit acts. Contractor shall cause Subcontractors and their contractors and material suppliers to execute similar waivers of industrial insurance immunity. The parties acknowledge that the foregoing provisions of this Section have been specifically and mutually negotiated between the parties.

Seattle School District

Republic Parking

XI. WAIVER OF SUBROGATION

- A. District and Contractor do each herewith and hereby release and relieve the other from responsibility for, and waive their entire claim of recovery for, any loss or damage to the real or personal property of either located anywhere in the Parking Lot or the Building, arising out of or incident to the occurrence of any of the perils which are covered by any insurance policy obtained by Contractor or District. Each party shall obtain any special endorsements, if required by its insurer, to evidence this waiver of the insurer's right to subrogation against the other party.
- B. The mutual waivers and waivers of subrogation rights in Section XI.A above shall not apply to the extent Contractor self-insures for property damage, if allowed to do so by District. Additionally, the mutual waivers and waivers of subrogation in Section XI A above shall not apply for losses or claims for any one (1) property damage occurrence, in which the amount of damages is equal to or less than District's property damage deductible or self-insurance retention (collectively, the "Deductible"), which is, as of the date of execution hereof, \$100,000 ("Deductible"). For all such property damage losses equal to or less than the Deductible, District shall be the sole loss payee under the Contractor's property insurance, and any proceeds received therefrom shall be made payable by the insurance company directly to District. Contractor shall indemnify, defend and hold District harmless from and against any and all claims, demands, damages, injuries, losses, liens, costs or expenses (including attorneys' fees) incurred, claimed or arising out of any such property damage event or occurrence.

XII. CANCELLATION OF EVENTS

District assumes no liability for damages sustained by Contractor due to the cancellation of events at the Seattle Center and/or the Memorial Stadium, or anywhere, or the relocation of the same to other sites. Contractor shall not be liable to District by reason of being prevented from carrying on the business due to strike or other causes beyond its control.

XIII. ACCOUNTING AND RECORD KEEPING

Contractor shall provide the following at Contractor's own expense:

- A. Maintain daily detailed revenue records and forward such reports to District on a weekly basis.
- B. Keep all parking sales tickets and revenue records in good and safe storage.
- C. All the sales tickets and revenue records made available at any time at District's request for review and audit purposes.
- D. District reserves the right to specify (and/or to change) the forms and procedures for the accounting of parking lot revenues. District agrees to pay for the cost of printing new forms if District requests such changes.

E. District shall have the privilege of conducting a separate and independent audit at its own expense and Contractor agrees to make all receipts, books, accounts, invoices, and other papers related to this Agreement available for such audit.

XIV. ACCESS

District shall have the right to inspect the Parking Lot at all reasonable times and enter the same for purposes of repairing, altering, improving the Parking Lot or the Building, but nothing contained in this Agreement shall be construed so as to impose any obligation on District to make any repairs, alterations or improvements.

XV. DEFAULT

Time is of the essence to this Agreement. In the event Contractor fails to make timely deposits and/or transfer of revenue collected when same are due, Contractor shall have two (2) business days to cure such alleged default upon notice by District to Contractor of such default. If the default by Contractor pertains to any of the other covenants or agreements herein, Contractor shall have 15 days to cure such alleged default upon notice by District to Contractor. If Contractor fails to cure the alleged defaults as stated in this section, it shall be lawful for District to assume operation of the Parking Lot with or without process of law, and District shall not be liable for damages solely by reason of such re-entry. District may also avail itself of any other remedy provided by law.

XVI. CONTRACTOR NOT AN EMPLOYEE

Contractor and its employees are not employees of the District. Contractor agrees to pay promptly when due, all wages occurring to its employees, and payment to its vendors, and shall not permit the same to become a charge against District.

XVII. NOTICES

All notices, statements, demands, requests, consents, approvals, authorization, offers, agreements, appointments, or designations under this Lease by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if personally delivered or sent by certified mail, return receipt requested, postage prepaid, and addressed as follows:

If to Contractor, addressed to:

Republic Parking
Attn: David Schilling
200 W Mercer St., Suite 103
Seattle, WA 98119

or to the last known post office address of Contractor or to the Parking Lot;

If to District, addressed to District at the address set forth in Section V of this Agreement, or to such other place as District may from time to time designate by notice to Contractor.

XVIII. TERMINATION

District may, at its option, terminate all or a portion of the services not then performed under this Agreement upon 60 days written notice. If the Agreement is terminated by District as provided herein, Contractor's compensation for the Services shall be (i) that portion of the compensation for services performed prior to termination, and (ii) proper compensation for reimbursable expenses, if any. District shall not be liable for any consequential or incidental damages, including, but not limited to, loss of profits on other projects or of reputation incurred by Contractor as a result of such termination.

At the expiration of the terms of the Agreement or at the earlier termination thereof, Contractor agrees to quit and surrender such premises and to redeliver such premises and property of District to District in as good state and condition as it was at date of Agreement beginning, ordinary wear and tear, and Acts of God excepted.

Contractor shall, at its own expense, purchase and install at the Parking Lot new parking equipment and signs (the "Parking Equipment"). Contractor shall, at its own expense, maintain the Parking Equipment as is necessary, to provide efficient and continual parking operations at the Parking Lot. In the event Contractor needs to purchase and install new parking equipment and signs for initial set up to operate the Parking Lot, District acknowledges that Contractor's initial investment in such Parking Equipment is significant and that it requires at least 3 years to amortize the investment; therefore, in the event District cancels this Agreement within 24 months of the initial Agreement due to no fault of Contractor, District agrees to reimburse Contractor for an amount up to \$5,000. Without limiting the generality of the foregoing, for the purposes of the Seattle Public Schools Personal Services Contract form completed by the Contractor in connection with the services to be provided hereunder, this payment shall be deemed to be a "reimbursable expense" in the event of a termination for convenience by the District.

XIX. ENTIRE AGREEMENT

This Agreement and the Services Contract ("Contract"), Exhibits, Riders, and/or Addenda, if any, attached hereto, represent the entire and integrated agreement between District and Contractor and supersede all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both District and Contractor. In the event of any conflict between this Agreement and the terms of the Contract, the terms of this Agreement shall control.

This Agreement shall be interpreted, construed, and enforced in all respects in accordance with the laws of the State of Washington. Venue in any litigation shall be in King County, Washington.

