

MANAGEMENT AGREEMENT

City of Dunnellon, Florida

This MANAGEMENT AGREEMENT is made and entered into this ____ day of November 2022, by and between SafeParc Inc., a Florida incorporated company (hereinafter called "Manager"), and CITY OF DUNNELLO, FLORIDA], a _____ (hereinafter called "Client").

WHEREAS, Client owns the boat launch Ramp in the City of Dunnellon, Florida (herein collectively called the "Boat Launch Ramp"),

WHEREAS, Client desires to engage Manager to collect and manage "Launch" revenue at the Boat Launch Ramp, and Manager desires to manage the Boat Launch Ramp Revenue collection;

NOW, THEREFORE, Client and Manager agree as follows:

1. Engagement:

1.1 Client hereby engages, to manage revenue controls at the Boat Launch Ramp in accordance with the terms and conditions hereinafter set forth. Manager shall carry out Client's policies and execute directives pertaining to Boat Launch Ramp in matters not specifically provided for herein, including, without limitation, Launch fees, number of users, terms, and conditions of The Boat Launch revenue collection, and annual and monthly pass arrangements for Client.

2. Term and Termination:

2.1 The term of this Agreement shall be for five (5) years from January 1 2023 (the "Commencement Date") until January 31, 2028, unless terminated earlier as permitted in this Agreement. Upon the expiration of the initial term or any renewal term hereof, this Agreement shall automatically extend for an additional one (1) year period unless either party notifies the other at least ninety (90) days prior to the expiration of the then-current term. Each twelve (12) consecutive month period beginning on the first day of January and continuing through the last day of the following December during the term of this Agreement shall be referred to as an "Operating Year."

2.2 Either party shall have the right to terminate this Agreement in the event the other party has failed to perform any of the terms and conditions specified herein if said failure has been called to the attention of the responsible party in writing via certified mail and if party has not corrected said failure within forty-five (45) days or such additional time as is reasonably necessary, of its receipt of written notice. In the event of such termination, this Agreement shall terminate immediately, and all compensation and other fees shall be paid through the termination date.

3. Management Fee

3.1 As compensation for the services rendered by Manager, Client will pay manager

(a) a net revenue fee of 40% of the total Gross Revenue deducting operating expenses for

all Launch payments collected by Manager and/or Managers revenue control equipment.

(b) a per transaction fee paid by the parking customer on each parking transaction at the Boat Launch Ramp which will be in addition to any credit card fee paid by the parking customer (the "Transaction Fee") (the Gross Revenue Fee, and the Transaction Fee are hereinafter collectively referred to as the "Management Fee").

3.2 Manager shall collect the Gross Revenue and pay the Net Revenue to Client on a monthly basis. Manager will deduct the Management Fee and Operating Expenses for the operation of the Boat Launch Ramp.

3.3 On or before the 20th day of each month, Manager will give Client a statement for the preceding calendar month setting out the Gross Revenue, Net Revenue, Management Fee, and Operating Expenses for such month (the "Statement"), together with:

(a) a check or ACH for the Net Revenue of the Boat Launch Ramp for such month after deduction of the Management Fee and Operating Expenses; or

(b) an invoice for any unpaid amounts owed to Manager. Client shall pay such amount within ten (10) days after receipt of Manager's invoice. In the event, Client fails to reimburse Manager within said ten (10) day period, and Client does not remedy such failure within five (5) days of receipt of written notice from Manager, then Manager shall have the right to terminate this Agreement with immediate effect.

(c) Certain costs, as set forth on Schedule B, are specifically excluded from the definition of Operating Expenses for the purpose of this Agreement and shall be borne by Client.

3.4 In this Agreement:

(a) "Gross Revenue" means all revenue, whether hourly, daily or monthly, collected by the Manager in connection with the operation of the Boat Launch Ramp, excluding the Transaction Fee and the credit card fee.

(b) "Net Revenue" means Gross Revenue minus Operating Expenses and the Management Fee. Net Revenue shall be remitted to Client on a monthly basis and shall be accurately reported to Client on a monthly basis.

(c) "Taxes" means all transaction value, sales, and any other taxes, rates, charges, or assessments levied, rated, charged or assessed or required to be collected or paid (or both collected and paid) in the operation of the Boat Launch Ramp. Taxes, if any, will be paid by Client out of the Net Revenue.

(d) "Operating Expenses" means those expenses reasonably necessary to operate the Boat Launch Ramp including, but not limited to, those expenses set out in Schedule A hereto.

(e) "Enforcement Net Revenue" means all of the enforcement revenue collected by Manager or their vendor, less all of the expenses incurred by Manager to collect the enforcement revenue.

3.5 All Taxes, if any, separately stated as required by law, shall be paid by Manager to the taxing authority as required and

3.6 If this Agreement commences on any date other than the first of the month, then the parties shall adjust all revenues, expenses, deposits, and accounts receivable as of midnight the evening before the Commencement Date.

5. Compliance With Laws: Manager shall comply with all federal, state and municipal laws, ordinances and regulations pertaining to the Boat Launch Ramp revenue collection or the business conducted therein by Manager including, without limitation, laws relating to equal opportunity employment and federal, state and municipal tax withholding laws. Any reasonable expense incurred by Manager by reason of this section shall be included as Operating Expenses.

6. Maintenance:

6.1 Client agrees to maintain the sidewalks and curb cuts adjacent to the Boat Launch Ramp in accordance with applicable municipal statutes. Client shall also be responsible for all Boat Launch Ramp repairs of a structural or capital nature, including, but not limited to: pavement repair, sinkholes, and lighting. Any structural, mechanical, electrical or other installations or any alterations required by statutes or regulations pertaining to air quality, environmental protection, provisions for persons with disabilities or other similar governmental requirements shall be the sole responsibility of Client. It is agreed that any actions, costs, claims, losses, expenses, and/or damages resulting from design or structural faults or defects are the responsibility of the Client.

7. Gross Revenue, Cash Deposits and Disbursements and Controls: Manager shall install and maintain a system of internal controls covering income and expenses.

(i) Gross Revenue: Client shall collect all of the Gross Revenue of the Boat Launch Ramp. Manager shall collect all Enforcement Revenue from the Boat Launch Ramp and will maintain the records pertaining thereto.

(ii) Disbursements: Manager shall install and maintain at its main office in an accurate and efficient accounting system for disbursements of the Boat Launch Ramp. Such system shall evidence all monies disbursed by Manager with respect to the management of the Boat Launch Ramp. All records pertaining to disbursements shall be maintained by Manager but shall be available to Client and its authorized representatives for examination and audit upon ten (10) days written notice by Client to Manager.

8. Insurance:

8.1 Client and Manager shall obtain and maintain the following types of insurance in not less than the indicated amounts in companies authorized to do business in the state where the Boat Launch Ramp is located:

(i) Manager shall obtain and maintain commercial general liability (CGL) (including bodily injury and property damage) insurance and shall include Client as an additional insured, in the amount of \$1,000,000 combined single limit each occurrence, \$2,000,000 aggregate.

(ii) Manager shall obtain and maintain garagekeeper's legal liability (GKLL) insurance and shall include Client as an additional insured, in an amount of \$1,000,000 per location.

(iii) Manager shall obtain and maintain excess liability insurance over the CGL, GKLL and Employer's Liability coverages and shall include client as an additional insured in the amount of \$5,000,000 combined single limit each occurrence and \$5,000,000 policy aggregate.

8.2 Certificates evidencing such insurance shall be furnished by Client and Manager, as the case may be, upon request and such certificates shall contain an endorsement requiring the insurance carrier to provide thirty (30) days written notice in the event of cancellation. Premiums with respect to the policies which Manager must obtain shall be paid by Manager and shall constitute Operating Expenses. Such policies shall be subject to the reasonable approval of Client for adequacy and form of protection. All insurance coverages carried by Manager are subject to a deductible amount of \$5,000.00 per occurrence, except Workers' Compensation which deductible shall be \$0. The payment of the deductible amount will be an Operating Expense of the Boat Launch Ramp. Any losses not covered by the above insurance shall constitute expenses of the Client.

9. Indemnities:

9.1 Except for items otherwise herein designated as Operating Expenses, Manager shall, at its own cost and expense, defend, indemnify and hold Client harmless from and against any and all actions, costs, losses, expenses, and/or damages sustained by Client by reason of claims of third parties and attributable to the negligence or willful misconduct of Manager or any of its agents, servants or employees, including, without limitation, property damage and injury or death to any person.

9.2 Client shall, at its own cost and expense, defend, indemnify and hold Manager harmless from and against any and all actions, costs, claims, losses, expenses and damages sustained by Manager and attributable to the negligence or wilful misconduct of Client or any of its agents, servants or employees or attributable to the improper construction or design of Boat Launch Ramp including, without limitation, property damage and injury or death to any person.

10. Security: Client expressly acknowledges that Manager's obligations in connection with the management, operation and promotion of the Boat Launch Ramp, and employment of persons in connection therewith, do not include the rendition of service, supervision, or furnishing of personnel in connection with the personal safety and security of employees, tenants, customers, or other persons within and about the Boat Launch Ramp. Manager does not have knowledge or expertise as a guard or security service, and does not employ personnel for that purpose, nor do Manager's employees undertake the obligation to guard or protect customers against the intentional acts of third parties. Client shall determine, at Client'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 Boat Launch Ramp.

11. Meetings: Client shall appoint an individual to serve as liaison with Manager for the purpose of reviewing all matters under this Agreement. At least once a month, virtually or in person, at a mutually agreeable time and place, Client's and Manager's representatives shall meet to carry out these purposes.

12. Permits and Licenses: Manager shall apply for and secure, in its own name, all municipal permits and licenses required for the Boat Launch Ramp and carry out the responsibility under all such permits and licenses to the public and to the agencies having jurisdiction. Any expenses incurred by Manager in discharging its responsibilities under this Section shall be Operating Expenses.

13. Attorney Fees. If a party defaults in the performance of its obligations herein described, the other party may seek appropriate legal relief and in connection therewith the prevailing party shall be entitled to recover, in addition to any other remedy available to it, its reasonable attorneys' fees and costs, including, but not limited to, its reasonable collection fees and costs.

14. Notices: Any notice, approval or other communication required hereunder shall be deemed given if sent by certified mail, return receipt requested, to the address set forth below or to such other address as was last designated by a written notice of the other party:

If to Client:

If to Manager:

Jonathan Lee, Vice President
SafeParc Inc.
101 SE 2nd Place,
Gainesville, FL 32601
And a copy to:

SafeParc, Inc.
3091 Governors Lake Dr Suite 410
Peachtree Corners, GA 30071

16. Modification: This Agreement shall constitute the entire agreement between the parties hereto, and it may not be amended except in a written document signed by each party.

17. Benefits and Burdens: The terms and conditions hereof shall be binding upon and shall inure to the benefit of Client, Manager and their respective successors and assigns.

18. Independent Contractor: Manager is an independent contractor; nothing herein shall be construed to create a fiduciary relationship, partnership, joint venture or other business relationship between the parties.

19. Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the state in which the Boat Launch Ramp is located.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Client and Manager have caused this Agreement to be executed as of the date first set forth above.

MANAGER:

CLIENT:

SafeParc Inc.

City of Dunnellon, Florida

By: _____

By: _____

Signatory: _____

Signatory: _____

Title: _____

Title: _____

SCHEDULE A

LIST OF REIMBURSED OPERATING EXPENSES

See attached budget

- (i) Wages of supervisory personnel assigned to the Boat Launch Ramp, clerical and audit staff including monetary fringe benefits such as worker's compensation insurance at the state manual rate for Launch Ramp ambassadors, unemployment insurance, social security, hospital and sickness insurance, and pension costs as those personnell are requested by the Client
- (ii) General repair and maintenance of the Boat Launch Ramp including signs and revenue control equipment
- (iii) Insurance costs, including premiums and loss control measures, and the cost of any claims, including deductible or reimbursement clause amounts and including settlements, judgments, court appearances, and reasonable legal fees and related costs and disbursements
- (iv) License and permit fees
- (v) Data processing expense
- (vi) Credit card fees and expenses
- (vii) Accounting fees
- (viii) Bank charges
- (ix) Miscellaneous or indirect expenses
- (x) T2 unit operating costs and fees, and decals

SCHEDULE B

CLIENT'S EXPENSES

- I. Sign and Boat Launch Ramp equipment and its installation or rental
- II. Security service contract, if applicable
- III. Utilities charges
- IV. Power and hand sweeping, and cleaning, trash removal, and line painting as required
- V. Real and personal property taxes of Client's property
- VI. Cost of premiums for fire and extended coverage insurance
- VII. Capital expenditures, improvements, alterations, additions, and all costs associated with structural repairs and improvements made to the Boat Launch Ramp.
- VIII. General supplies, ticket supplies, receipts, receipt printer, ink, signs, cards, T2 units