CITY COUNCIL AGENDA REQUEST FORM

Today's date: 1 / 25 / 18

Date of meeting 2 / 7 / 18

(City Council meetings are held the 1st and 3rd Wednesday of each month.)

Name of Citizen, Organization, Elected Official, or Department Head making request:
Lake Pend Oreille Cruises / Kim Parks and Rec

Address: 427 Fry Creek Road - Sagle, ID 83860

Phone number and email address: Linda 255-5253 linder@lakependoreillecruises.com

Authorized by: Kim
name of City official — *City official's signature*

(Department Heads, City Council members, and the Mayor are City officials.)

Subject: City Beach - Tour Boat Lease 2016

Summary of what is being requested: Please see attached Memo

The following information MUST be completed before submitting your request to the City Clerk:

1. Would there be any financial impact to the city? **Yes** ☑ **or No** ☐

   If yes, in what way? Revenue

2. Name(s) of any individual(s) or group(s) that will be directly affected by this action: — Have they been contacted? **Yes or No**

   n/a

3. Is there a need for a general public information or public involvement plan? **Yes** ☐ **or No** ☑

   If yes, please specify and suggest a method to accomplish the plan:

4. Is an enforcement plan needed? **Yes** ☐ **or No** ☑ Additional funds needed? **Yes** ☐ **or No** ☑

5. Have all the affected departments been informed about this agenda item? **Yes** ☑ **or No** ☐

This form must be submitted no later than 6 working days prior to the scheduled meeting. All pertinent paperwork to be distributed to City Council must be attached.

ITEMS WILL NOT BE AGENDIZED WITHOUT THIS FORM

CITY OF SANDPOINT
AGENDA REPORT

DATE: 1/25/2018

TO: MAYOR AND CITY COUNCIL

FROM: Kim

SUBJECT: City Beach Tour Boat Lease 2018

DESCRIPTION/BACKGROUND:

Please see attached Memo

STAFF RECOMMENDATION:
Please see attached Memo

ACTION:

Please see attached Memo

WILL THERE BE ANY FINANCIAL IMPACT? No HAS THIS ITEM BEEN BUDGETED?

ATTACHMENTS:
Please see attached documents

No: 18-
Date: February 7, 2018

RESOLUTION
OF THE CITY COUNCIL
CITY OF SANDPOINT

TITLE: LAKE PEND OREILLE CRUISES MOORAGE LEASE 2018

WHEREAS: Curtis Pearson and Linda Mitchell, d/b/a Lake Pend Oreille Cruises, desire to renew their lease to operate a tour boat from the Sandpoint City Beach boat basin from May 1, 2018, through September 30, 2018;

WHEREAS: This leasehold has not created any problems for the City in the past and has been mutually beneficial; and

WHEREAS: The 2018 rental fee for use of the tour boat moorage is $3,236.42, which reflects a $63.46 (2%) CPI increase over the previous year's rental fee.

NOW, THEREFORE, BE IT RESOLVED THAT: The lease between the City of Sandpoint and Lake Pend Oreille Cruises, a copy of which is attached hereto and made a part hereof by reference as if fully incorporated herein, is hereby approved.

BE IT FURTHER RESOLVED THAT: The Mayor and City Clerk are hereby authorized to execute the lease on behalf of the City.

_____
Shelby Rognstad, Mayor

ATTEST:

_____
Maree Peck, City Clerk

City Council Members:

	YES	NO	ABSTAIN	ABSENT
1. Eddy				
2. Aitken				
3. Williamson				
4. Ruehle				
5. Aispuro				
6. Darling				

MEMO

TO: City Council
FROM: Kim, Parks and Rec K.
DATE: 1/25/2018
RE: Tour Boat Lease 2018

The City offers moorage for Lake Pend Oreille Cruises to operate out of our City Beach Marina. We maintain an excellent working relationship with the owner / operators and are happy for the affordable opportunity it provides our citizens and visitors a Lake experience.

This lease is the same as the one approved last year with the exception of appropriate date changes and Lease consumer price index (CPI) adjustment.

CPI, as determined by the U.S. Department of Labor, U.S. City Average, ending October of 2017 was 2.0%, an increase of $63.46. The new seasonal rental is $3,236.42.

ACTION

Please authorize the Mayor to sign this Lease on behalf of the City. If deemed appropriate, consideration to the Consent Calendar would be appreciated.

LEASE

This Lease is entered into between **THE CITY OF SANDPOINT, IDAHO,** a municipal corporation at 1123 Lake Street, Sandpoint, Idaho 83864 (hereinafter "CITY"), and Curtis Pearson and Linda Mitchell, d/b/a **LAKE PEND OREILLE CRUISES**,427 Fry Creek Road, Sagle, ID 83860 (hereinafter "LESSEE").

WITNESSETH: That CITY, for and in consideration of the fees and covenants hereinafter mentioned to be paid and performed by LESSEE, does hereby lease and let unto LESSEE the following described moorage along the Sandpoint City Beach boat basin, to-wit:

> "Tour Boat moorage area" as shown on the map marked
> Exhibit "A" and attached hereto as if fully incorporated herein.

1. TERM: The term of this Lease shall be from May 1, 2018, through September 30, 2018.

2. RENEWAL: Notification of LESSEE'S desire to renew for the following year must be delivered to the City Clerk on or before September 30th. LESSEE agrees that any option to renew shall be at CITY'S discretion, following a review by CITY of performance by LESSEE during the previous term and subject to an amendment of the fees to adjust for Consumer Price Index (CPI), as determined by U.S. Department of Labor, U.S. City Average, ending October of the current lease year or, should such Consumer Price Index, Department of Labor, U.S City Average no longer be in existence, a similar index and/or covenants of the lease as may be agreed upon between the parties. CITY may, at its discretion, grant renewal with an appropriate CPI adjustment and notify LESSEE on or before December 31st. The CPI ending October 2017 was 2% - resulting in total annual increase of $63.46.

3. RENTAL: LESSEE agrees to pay, as **rental** for the right to use such Tour Boat moorage area, the sum of THREE THOUSAND TWO HUNDRED AND THIRTY-SIX DOLLARS AND FORTY TWO CENTS ($3236.42)- in lawful money of the United States of America, payable to the CITY and delivered to the Parks and Recreation Department by May 1, 2018.

4. SECURITY AND DAMAGE DEPOSIT: LESSEE agrees to pay, as a **security and damage deposit**, the sum of **FIVE HUNDRED DOLLARS AND NO CENTS ($500.00),** payable on execution of lease, in lawful money of the United States of America to the Parks and Recreation Department, which deposit, less any amounts withheld for damages, shall be refunded to LESSEE upon the expiration or termination of the lease.

5. USE OF THE LEASED PREMISES: It is understood and agreed that LESSEE will use the leased space only for the moorage and the loading and unloading of passengers on The Shawnodese, a Coast Guard certified passenger watercraft with dimensions of forty feet (40') by fourteen feet (14'). The City of Sandpoint Parks, Buildings and Grounds Supervisor shall approve the manner of moorage of the craft. The leased area is to be operated by LESSEE for public outdoor recreation purposes in compliance with the provisions of the Land and Water Conservation Fund Act and implementing guidelines.

LESSEE agrees to provide the Parks and Recreation Department with a copy of the Coast Guard certification for both craft and operator(s).

It is further understood and agreed that the general public shall, during times when the City Beach is open to the public, be able to patronize LESSEE and shall have free access to and from the dock and the use thereof without charge by LESSEE. It is further understood that LESSEE and all passengers shall adhere to parking regulations at the City Beach and will park only in designated areas.

LESSEE agrees that no fuel, other than fuel tanks on board the watercraft used for the operation of the watercraft, shall be stored on the watercraft or on the leased premises. Storage of fuel in tanks off the watercraft must be approved by the Sandpoint Fire Chief, in writing, prior to the initiation of such use. Fueling of craft at moorage site is prohibited.

6. INTERFERENCE WITH USE BY OTHER LESSEES: LESSEE shall in no way and at no time hamper or interfere with the use of the dock or moorage space leased by CITY to other lessees or use by the general public. To provide for safety, LESSEE may restrict the public's use of the dock or moorage space during the arrival and departure of their craft.

7. FILING OF SCHEDULES AND CHARGES: LESSEE shall, at all times during the term of this lease, keep on file with the Parks and Recreation Department of Sandpoint a current schedule of hours of operation and charges to the public. All fees charged by LESSEE to the public must be competitive with similar private facilities.

8. SIGNS AND ACCESS: Signs shall be limited to one sign at the north end of the City Beach parking lot, not to exceed eighteen inches by twenty-four inches (18" x 24"), one fixed sign in the Tour Boat moorage area, not to exceed four feet by four feet (4' x 4'), and one sandwich board sign, not to exceed three feet by two feet (3'x 2'), properly secured, per City Code, in the Tour Boat moorage area, with location approved by Parks Building and Grounds Supervisor. No other signs for advertising purposes or otherwise shall be displayed, attached to or affixed in the area without the prior written consent of CITY.

LESSEE shall be provided with one key to the City Beach entrance gate to assure access to craft at all times. LESSEE agrees to secure all locked gates if access is needed during hours the City is closed. LESSEE shall not duplicate the key under any circumstances. Loss of the key will result in LESSEE paying for all costs associated with changing the lock system and keys.

9. UTILITIES: For consideration of the seasonal rental fee, CITY shall provide access to shared potable water, 30amp/110 electrical hookup, and access to the pump station located at City Beach Marina.

CITY is willing to provide access to garbage disposal at the City Beach dumpster, provided that LESSEE'S waste volume does not require more than one (1) additional dumpster pick-up per month. The cost of any additional pickups shall be at the expense of LESSEE.

10. LOADING ZONE: CITY and LESSEE will work together to agree on a temporary five-minute loading and unloading zone near the boat ramp area, which CITY will mark and post. LESSEE understands and agrees that this loading and unloading zone is open to all public with no priority awarded to LESSEE.

11. ALCOHOLIC BEVERAGES: LESSEE shall not dispense by gift or sale, or otherwise allow anyone else on the craft for which the space is leased to dispense by gift or sale or otherwise allow, any alcoholic beverage, including beer, wine, or liquor, within the city limits of the City of Sandpoint (1,320 feet of the ordinary high water mark of Lake Pend Oreille). Patrons shall not be permitted to leave the craft with alcoholic beverages; LESSEE shall retain all alcohol on the craft.

12. SOLE FOOD CONCESSION: LESSEE understands and agrees that CITY is the sole owner and operator of the concession operation at the Sandpoint City Beach. Food shall not be catered or served within the city limits of the City of Sandpoint (1,320 feet of the ordinary high water mark of Lake Pend Oreille) with the exception of paid passengers waiting on board for departure.

13. IMPROVEMENTS: Any permanent improvements (i.e., docks) by LESSEE to the Tour Boat Moorage Area shall have the prior written approval of CITY'S Parks, Buildings and Grounds Supervisor shall meet all local, state, and federal requirements and shall become the property of CITY at the conclusion of the lease.

Temporary improvements (i.e., ramps and floating docks) that are needed for safe operation may be retained by LESSEE, provided all associated costs for construction and upkeep shall be borne solely by LESSEE. Such temporary improvements shall be removed by LESSEE at the end of the lease period, and their removal shall leave no structural or visual damage to the dock, boardwalk, or adjacent areas, as determined by the Parks, Buildings and Grounds Supervisor. Upkeep and maintenance of all temporary structures shall meet the standards of the Parks and Recreation Department as determined by the Parks, Buildings and Grounds Supervisor.

14. MAINTENANCE: LESSEE shall keep the leased premises in neat, orderly and business-like condition and appearance. LESSEE has inspected the premises and accepts them as being in good and sanitary order, condition and repair. LESSEE shall promptly repair any damage done to the moorage area caused by LESSEE, its employees, agents or patrons. LESSEE shall, on the last day of the term or sooner termination of this Lease, surrender the premises to CITY in the same condition as when received, reasonable use and wear thereof excepted. Upkeep and maintenance of all permanent and temporary structures shall meet the standards of the Parks Department and determined by the Parks, Buildings and Grounds Supervisor.

15. INSURANCE: LESSEE shall, at its own expense, maintain such premises liability insurance as will protect CITY from any claim for property damage or personal injury, including death, which may arise from LESSEE'S lease of the premises. Such insurance must be in the amount of at least One Million Dollars ($1,000,000) and be of a type and placed with a company acceptable to the insurance agent for CITY. CITY shall be named as an additional insured, and such insurance

shall provide for a thirty (30) day prior written notice of any change or cancellation of the policy by the insurer. A certificate of such insurance shall be filed with the Parks and Recreation Department, and such insurance shall be kept in full force and effect at all times during the term of this Lease.

16. INDEMNITY: LESSEE hereby agrees to indemnify, to hold CITY harmless, and to defend the CITY from any claim for damages to property or injury to any person arising from the use of the premises by LESSEE, or from the failure of LESSEE to keep the premises maintained.

17. INSPECTION: CITY reserves the right to enter onto such leased premises, including the vessel, at all reasonable times and intervals for the purpose of inspecting the same to ensure conformity with the safety provisions of this Lease.

18. ASSIGNMENT: LESSEE shall not assign this Lease, or any interest therein, or any right or privilege appurtenant to the interest therein, or suffer any other person, except for the employees, agents or patrons of LESSEE, to occupy or use the premises, or any portion thereof.

19. STATE AND FEDERAL REQUIREMENTS: LESSEE acknowledges that CITY must receive approval from the Idaho Department of Parks and Recreation before CITY can enter into this lease. LESSEE agrees to comply with all requirements which have been imposed, or that may be imposed, upon CITY by grant funding agencies or state or federal regulatory agencies. Compliance with all Civil Rights legislation (e.g., Title VI of the Civil Rights Act) is required, and such compliance will be indicated by signs posted in visible public areas, statements in public information brochures, etc.

20. DEFAULT: In the event LESSEE fails, neglects or refuses to perform any covenant or condition required of it herein or fails, neglects or refuses to perform the purposes of the Lease according to the charges and schedules filed with the Parks and Recreation Department, or in the event of the appointment of a receiver to take possession of the assets of LESSEE, a general assignment for the benefit of LESSEE'S creditors, any action taken or allowed to be taken by LESSEE under any bankruptcy act, or the failure of LESSEE to fully comply with this agreement, CITY, may, after ten (10) days written notice, terminate this Lease and re-enter and retake possession of the leased space, retaining any and all payments make by LESSEE as liquidated damages, or CITY may, at its option, enforce the specific performance of the terms hereof or take such other recourse as may be open to it in law or in equity. In any such events, LESSEE agrees to pay all expenses, including reasonable attorney fees, in any suit or action brought by CITY.

21. NOTICES: All notices to be given to either party shall be given in writing, personally or by depositing the same in the United States Mail, postage prepaid and addressed to the party at the address noted above, or at such other address as may be in writing designated by one party to the other.

22. NON-WAIVER: The waiver by CITY of any breach of any term, covenant or condition of this Lease shall not be deemed to be a waiver of such term, covenant or condition with regard to

any subsequent breach of the same or any other term, covenant or condition. The subsequent acceptance of rent by CITY shall not be deemed to be a waiver of any preceding breach by LESSEE of any term, covenant or condition of this Lease, other than the failure of LESSEE to pay the particular rental so accepted, regardless of CITY'S knowledge of such preceding breach at the time of acceptance of the rent.

23. BINDING EFFECT: This agreement shall be binding upon the heirs, legal representatives, successors and assigns of these parties.

24. TIME: Time is of the essence of this agreement.

25. CAPTIONS: The captions to the paragraphs of this agreement are for convenience only and shall not be deemed to enlarge, diminish, explain or in any manner affect the meaning of those paragraphs. In the event of any suit or proceeding by either party against the other, or in the event of any enforcement action in any way arising out of this lease, the prevailing party shall be entitled to costs and attorneys fees.

IN WITNESS WHEREOF, the parties have caused their names to be subscribed.

CITY OF SANDPOINT

_____
Shelby Rognstad, Mayor

ATTEST:

_____
Maree Peck, City Clerk

LAKE PEND OREILLE CRUISES

_____
Curtis Pearson
Date of Signature: _____

_____
Linda Mitchell
Date of Signature: _____

DESIGNATED REPRESENTATIVE FOR LAKE PEND OREILLE CRUISES

NAME: Curtis and Linda MitchellEMAIL: linder@lakependoreillecruises.com

Mailing Address: 427 Fry Creek Rd. Sagle, ID 83860

Phone: (208) 255-5253

LEASE