

Project: Cachuma Lake Concession
APN: 145-160-072
Folio No.:

CONCESSION AGREEMENT

THIS CONCESSION AGREEMENT (hereinafter "Agreement") is made by and between the

COUNTY OF SANTA BARBARA, a political subdivision of the State of California, hereinafter referred to as "COUNTY,"

and

Chet Roberts operating Pyramid Enterprises dba Rocky Mountain Recreation Co., a Corporation; hereinafter referred to as "CONCESSIONAIRE,"

with reference to the following:

WHEREAS, the United States has constructed the Cachuma Project, (hereinafter the "Project,") including Bradbury Dam and Cachuma Reservoir (also known as "Lake Cachuma"), the Tecolote Tunnel, the South Coast Conduit, and related facilities and appurtenances, pursuant to section 9(a) of the Reclamation Project Act of 1939, for diversion, storage, conveyance and distribution of waters of the Santa Ynez River and its tributaries for irrigation, municipal, domestic, and industrial uses; additionally, non-reimbursable funds were allocated for providing flood control, recreation and fish and wildlife benefits; and

WHEREAS, the County of Santa Barbara has agreed to manage the recreation resources at Lake Cachuma pursuant to the Agreement Between the United States of America Department of the Interior, Bureau of Reclamation (hereinafter "Reclamation") and the County of Santa Barbara for the Administration, Operation, Maintenance, and Development of Recreation at Lake Cachuma (hereinafter "Master Agreement"), to promote the development and operation of recreation and fish and wildlife enhancement at Lake Cachuma (hereinafter "Park"), as shown on Exhibit "A", attached hereto and incorporated herein by reference; and

WHEREAS, the Master Agreement entered into on January 10, 2012 allows COUNTY to issue and administer concession contracts and third party permits to persons or associations for the purpose of providing appropriate and necessary services, goods, and facilities for the use of the visiting public consistent with the intent and conditions of the Master Agreement; and

WHEREAS, in accordance with the Master Agreement, COUNTY has solicited proposals in accordance with the Master Agreement, and has determined that the goods and

services provided by CONCESSIONAIRE will provide a benefit to the visiting public and are consistent with the directives and standards set forth in the Master Agreement; and

WHEREAS, Reclamation has approved this Agreement between COUNTY and CONCESSIONAIRE, subject to the terms, conditions, exceptions, and reservations in the Master Agreement.

NOW, THEREFORE, in consideration of the promises, covenants, and conditions contained herein, the parties agree as follows:

1. **ADMINISTRATION AND ENFORCEMENT:** The provisions of this Agreement shall be administered and enforced for the COUNTY through the Director of COUNTY'S Community Services Department (hereinafter "Director"). The Director, County Board of Supervisors, and United States Bureau of Reclamation shall have authority to issue or deny any COUNTY approvals required by this Agreement.

2. **RIGHTS GRANTED:** COUNTY hereby grants to CONCESSIONAIRE and CONCESSIONAIRE hereby takes from COUNTY the right to use the areas shown on Exhibit "B", attached hereto and incorporated herein by this reference (hereinafter "Premises"), including all facilities existing thereon at the time of execution of this Agreement. All rights granted herein shall be subordinate to the prior rights of Reclamation and its agents, to use any portion of the Park for the primary purposes of the Project pursuant to Federal Reclamation Law. Nothing contained in this Agreement shall be construed as purporting to transfer or convey any interest in the land, water or any public facilities to CONCESSIONAIRE. In addition, CONCESSIONAIRE shall, at all times, be subject to all requirements and provisions set forth in the various exhibits attached to this Agreement.

CONCESSIONAIRE shall have the obligation and the exclusive right to engage in all of the following activities in accordance with CONCESSIONAIRE'S operating plan (hereinafter "Operation and Maintenance Plan"), which is attached hereto as Exhibit "C", and incorporated herein by reference:

- a) The right and obligation to rent boats;
- b) The right and obligation to operate a marina including slip rentals;
- c) The obligation to store and sell gas;
- d) The right to locate two (2) trailers in the Park to be used for on site security;
- e) The right and obligation to operate a camp store.

Any products sold on the Premises shall comply in all respects with all applicable County, State and Federal laws, ordinances and regulations. In no event shall CONCESSIONAIRE sell any personal property (other than the approved concession inventory) such as vehicles, manufactured or mobile homes, travel trailers, boats, or personal watercraft within the Park. CONCESSIONAIRE agrees to make all facilities, as well as all products and services provided at the Premises available to the public without discrimination and at reasonable rates.

CONCESSIONAIRE has examined the Premises and has determined such to be suitable for the needs and operations of CONCESSIONAIRE. CONCESSIONAIRE hereby accepts the Premises.

3. **PURPOSE AND USE:** CONCESSIONAIRE shall have the right to use the Premises, subject to the Reservations set forth in Section 4 hereof, to operate, manage, maintain, and improve the Premises in accordance with the Operation and Maintenance Plan, for the purpose of providing Park guests with the opportunity to rent boats, purchase gasoline, store boats in the water, purchase goods in both the marina and camp store, and the right to collect fees for such goods and services in accordance with the pricing set forth in the Operation and Maintenance Plan. CONCESSIONAIRE shall pay all operating costs related to its use of the Premises, and hereby agrees that there is no guarantee of a profit from its provision of such goods and services. CONCESSIONAIRE shall not use the Premises for any other purpose without the express written consent of COUNTY.

CONCESSIONAIRE shall provide quality recreation facilities, appropriate visitor goods and services at reasonable rates and accessible to the visiting public, including persons with disabilities in accordance with the Americans with Disabilities Act, as it may be amended from time to time. Reasonable rates shall be based on charges for comparable goods and services provided by the private sector in similar situations. CONCESSIONAIRE shall use its best efforts to maximize income at the Premises and shall be open for business on a daily basis beginning when the lake opens in the morning until it is closed each night. CONCESSIONAIRE may close on Christmas Day. Notwithstanding, the proposed hours of operation may be amended from time to time by CONCESSIONAIRE and the Director.

CONCESSIONAIRE shall not install or construct any improvements on the Premises until such has been approved by COUNTY in accordance with Section 15, **IMPROVEMENTS/ALTERATIONS**, hereof. Operations at the Premises shall provide for the protection, conservation, and preservation of natural, historical, and cultural resources.

CONCESSIONAIRE shall require all employees to conduct themselves in a polite, professional and courteous manner when conducting business in the Park, and to comply with the Employee Conduct and Conditions detailed in Exhibit "D", attached hereto and incorporated herein by reference. CONCESSIONAIRE is responsible for providing and ensuring a safe and healthful environment for both the visiting public and employees by developing, implementing, and administering health, safety, and educational programs to ensure the Premises are managed in compliance with Federal, State, and local laws, rules and regulations.

4. **RESERVATIONS:** All activities conducted by CONCESSIONAIRE in the Park shall be subject to the following conditions and reservations:

a) Existing land uses, rights, or interests within the Park that are lawfully held by Reclamation or persons or entities not party to this Agreement, such as, but not limited to private rights, which have lawfully attached to all lands prior to the date of this Agreement; the rights-of-way for ditches and canals provided by the Act of August 30, 1890 (26 Stat 391); and the rights-of-way heretofore acquired or initiated for highways, railroads, irrigation works, or for any other purposes.

b) The right of Reclamation, its employees, agents and assigns, to enter the Park on official business without charge, for the purpose of enforcing, protecting, and exercising the rights of Reclamation and also to protect the rights of those not party to this Agreement.

c) The right of Reclamation, its agents, employees, assigns, contractors, lessees, or permittees, to remove from the Park, any and all materials necessary for the construction, operation, and maintenance of Project Works and facilities. All such removal activities shall not encroach on developed sites without mutual agreement of the parties hereto.

d) The right of Reclamation, and its assigns, permittees, or lessees to prospect for, extract, and carry on the management of oil, gas, coal, and other minerals, and the right to issue leases or permits to prospect for oil, gas, or other minerals under the Act of February 25, 1920

(41 Stat. 437), and amendatory acts, the Act of August 4, 1939 (53 Stat. 1187), as amended, and the Act of August 7, 1947, (61 Stat. 913).

e) The right of COUNTY and its successors and assigns to periodically access and inspect the Premises, and to monitor CONCESSIONAIRE'S operations at the Premises, in accordance with COUNTY'S reporting obligations to Reclamation under the Master Agreement.

5. **TERM**: The term of this Agreement shall commence upon final execution of this Agreement and CONCESSIONAIRE'S submittal of the deposits described in Section 11 hereof, and the Bond described in Section 12 hereof (hereinafter "Commencement Date"), and shall continue for a period of TEN (10) YEARS (hereinafter "Initial Term"), and upon approval of the County based on CONCESSIONAIRE'S prior performance and adherence and development of maintenance plan listed under section 17 extended for an additional TEN (10) Years, and upon approval of the County based on CONCESSIONAIRE'S prior performance and adherence and development of maintenance plan listed under section 17 extended for additional FIVE (5) years, unless otherwise terminated pursuant to the provisions hereof.

6. **ASSIGNMENT/SUBLEASE/SUBCONTRACT**: CONCESSIONAIRE shall not voluntarily assign, sublease, subcontract or otherwise encumber any rights granted hereunder, or allow any other person or entity to occupy or use all or part of the Premises without the written consent of COUNTY. Any attempt to assign, sublease, subcontract, hypothecate or otherwise encumber the rights granted hereunder without such consent shall be void and without legal effect, and render this Agreement terminable at the option of COUNTY.

In the event the Master Agreement is terminated, Reclamation shall not stand in the stead of COUNTY, and COUNTY shall have no further obligations hereunder. In such event, Reclamation may modify this Agreement, negotiate a new concession agreement with CONCESSIONAIRE, or take such other action as it deems appropriate in its sole discretion.

7. **ACCESS TO THE PREMISES**: CONCESSIONAIRE shall only access the Premises using the existing roads and parking lot in the Park. COUNTY shall not be responsible for maintaining access to the Premises and shall not be liable to CONCESSIONAIRE for lack of such access, however, in the event that the Premises becomes inaccessible as a result of natural causes, COUNTY shall, to the extent reasonably necessary, cooperate with CONCESSIONAIRE in restoring access in a timely fashion.

8. **NONINTERFERENCE**: CONCESSIONAIRE agrees to not use, nor permit those under its control, including, but not limited to, its employees, tenants, licensees, invitees, agents and/or contractors, to use any portion of the Premises in any way, which interferes with public use. Such interference shall be deemed a material breach, and CONCESSIONAIRE shall terminate said interference immediately upon notice from COUNTY. In the event CONCESSIONAIRE fails to stop such interference within FIVE (5) days of receipt of notice from COUNTY, this Agreement shall terminate at the option of COUNTY.

9. **SPECIAL USE FEES**: In consideration of the rights granted herein, CONCESSIONAIRE shall pay to COUNTY a monthly fee (hereinafter "Fee(s)") based on a percentage of CONCESSIONAIRE'S monthly income from the rights granted herein, or a monthly base fee, whichever is greater, according to the formula set forth in this Section. Concurrently with the payment of Fees, CONCESSIONAIRE shall submit to COUNTY, a written monthly report of all gross income derived from CONCESSIONAIRE'S operations at the Premises. Fees shall begin to accrue on the Commencement Date, and shall be due and payable for each month of the term. All

fees due to COUNTY shall be paid on a monthly basis, on or before the fifteenth (15th) day of the following month, and shall be delivered to COUNTY at the address stated herein in Section 32, NOTICES.

PERCENTAGE FEE MARINA: CONCESSIONAIRE shall pay to COUNTY a percentage of the gross income on all sales, income or receipts arising from CONCESSIONAIRE'S operations at the Premises. Gross income shall not include any amount collected for State or Federal taxes, or any amount collected from the sale of fishing licenses. To operate MARINA CONCESSION, the CONCESSIONAIRE shall pay to COUNTY TEN percent (10 %) of the gross income in any calendar month received from all of CONCESSIONAIRE'S operations on the Premises excluding gasoline sales. For each gallon of gasoline sold, CONCESSIONAIRE shall pay 3 cents to COUNTY. The CONCESSIONAIRE shall invest no less than two percent (2%) of the gross annual income received from all CONCESSIONAIRE'S operations on the Premises into upgrading operations based on the mutually approved Operations & Maintenance Plan. CONCESSIONAIRE agrees to gasoline sales made to County vehicles and equipment will be at cost plus two percent (2%). CONCESSIONAIRE shall provide a monthly financial report that includes gross receipts and a calculation of the percentage Fee.

PERCENTAGE FEE CAMPGROUND STORE: CONCESSIONAIRE shall pay to COUNTY a percentage of the gross income on all sales, income or receipts arising from CONCESSIONAIRE'S operations at the Premises. Gross income shall not include any amount collected for State or Federal taxes, or any amount collected from the sale of fishing licenses. To operate CAMPGROUND STORE CONCESSION, the CONCESSIONAIRE shall pay to COUNTY seven percent (7%) of the gross income in any calendar month received from all of CONCESSIONAIRE'S operations on the Premises, excluding gasoline sales. For each gallon of gasoline sold, CONCESSIONAIRE shall pay 3 cents to COUNTY. CONCESSIONAIRE agrees gasoline sales made to County vehicles and equipment will be at cost plus two percent (2%). CONCESSIONAIRE shall provide a monthly financial report that includes gross receipts and a calculation of the percentage Fee.

10. REIMBURSEMENT OF FEES: In no event shall COUNTY or Reclamation be responsible for reimbursement of any fees paid by CONCESSIONAIRE'S patrons, invitees or guests.

11. SECURITY DEPOSIT: CONCESSIONAIRE shall deposit with COUNTY the sum of TEN THOUSAND DOLLARS (\$10,000). This security deposit was received by the COUNTY on MAY 7, 2010, as part of a previous agreement and shall be returned upon termination of the current agreement.

CONCESSIONAIRE shall deposit with COUNTY the sum of THREE THOUSAND DOLLARS (\$3,000) which was received by the COUNTY on MAY 7, 2010, as part of a previous agreement. This deposit secures CONCESSIONAIRE'S last month's Fees. COUNTY shall retain the deposit toward last month's Fees throughout the term of this Agreement. Upon either party giving notice of termination of this Agreement, CONCESSIONAIRE may apply the deposit to the last month's Fees. In the event CONCESSIONAIRE owes more than THREE THOUSAND DOLLARS for the last month of the Term, CONCESSIONAIRE shall pay the difference according to this Section. In the event the entire deposit is not required for the last month's Fees, COUNTY shall return any unused portion to CONCESSIONAIRE.

12. TAXES AND ASSESSMENTS: This Agreement may confer A POSSESSORY INTEREST on CONCESSIONAIRE and CONCESSIONAIRE shall pay and discharge any and all property taxes and/or assessments, including special assessments and possessory interest taxes, if

any, which, due to CONCESSIONAIRE'S operations, may be levied upon the Premises during the term of this Agreement.

13. **ACCOUNTING:** CONCESSIONAIRE shall keep and maintain good and sufficient books and records of any and all business conducted under the terms of this Agreement, and shall keep financial records in accordance with generally accepted accounting principles. CONCESSIONAIRE shall keep such books of account, cash receipts and other pertinent data for a period of not less than six (6) years following the end of each year of the term of this Agreement. Such books and records shall be available for inspection by officers, employees and agents of COUNTY and/or Reclamation at all reasonable times. In addition, CONCESSIONAIRE shall complete (and submit to COUNTY) Reclamations' Annual Financial Report form(s).

CONCESSIONAIRE shall scrupulously endeavor to keep all receipts and accounts for the business conducted under the terms of this Agreement separate and apart from any other business enterprise. All business income derived from the operation of this concession shall be attributed to the gross income under this Agreement. Accounts for revenues from business enterprises owned by CONCESSIONAIRE at other locations than the Premises described herein shall be segregated from those of the Premises to allow accurate audit of income source, including provision of separate bank accounts.

PERCENTAGE FEE: For the purpose of ascertaining the amount payable as percentage Fees, CONCESSIONAIRE agrees to prepare accurate records showing inventories and receipts of merchandise at the Premises, and to show daily receipts from all sales and other transactions conducted from the Premises by CONCESSIONAIRE or any third party conducting business from the Premises. CONCESSIONAIRE shall record at the time of the sale and in the presence of the customer, all receipts from sales or other transactions for cash in a cash register that continuously records a cumulative total.

In addition to the monthly report required in Section 9 hereof, CONCESSIONAIRE shall submit, within thirty (30) days of the end of the fiscal year for each and every year of the term, including any extension thereof, an annual financial report that includes gross receipts and an accounting of all transactions, prepared by a licensed Certified Public Accountant (CPA), and certified to be correct by an officer of CONCESSIONAIRE.

COUNTY and/or Reclamation shall have the right, within twelve months after receipt of the annual financial report, to inspect all of the books of account and supporting data relating to gross receipts, and may, at COUNTY'S sole discretion, conduct an audit of CONCESSIONAIRE'S entire business affairs and records relating to CONCESSIONAIRE'S operations at the Premises. CONCESSIONAIRE, on fourteen days written notice, shall make all financial records available to COUNTY during regular business hours. In the event that any such inspection or audit discloses that CONCESSIONAIRE has not paid COUNTY the proper amount of Percentage Fees, CONCESSIONAIRE shall promptly pay the additional Fees due, together with interest computed from the date such Percentage Fee became due at the rate of TEN PERCENT (10%) per annum, or may conduct an independent audit of CONCESSIONAIRE'S entire business affairs and records relating to CONCESSIONAIRE'S operations at the Premises, certified by a CPA or licensed public accountant. In the event of such an audit, should the gross receipts shown by CONCESSIONAIRE for the period covered by such audit be found to be understated by more than FIVE PERCENT (5%), CONCESSIONAIRE shall pay to COUNTY and/or Reclamation any costs incurred by COUNTY and/or Reclamation as a result of such audit and/or inspection.

14. **FACILITIES:** CONCESSIONAIRE shall pay all costs of construction and installation of any and all improvements to the Premises incidental to the activities contemplated herein; including but not limited to landscaping and maintenance.

15. **IMPROVEMENTS/ALTERATIONS:** CONCESSIONAIRE agrees that any improvements, alterations, equipment, utilities, or utility infrastructure constructed or placed on the Premises, either permanent or temporary in nature, or any alterations or additions made to the Premises shall be subject to prior written approval by COUNTY. Concurrently, with CONCESSIONAIRE'S request for approval of any CONCESSIONAIRE-built fixed-asset improvements to the Premises, CONCESSIONAIRE may propose an amortization schedule be applied to such improvements. COUNTY and CONCESSIONAIRE shall agree to any amortization schedule proposed pursuant to this Section prior to COUNTY'S issuance of written approval of the improvements. All improvements or alterations must be harmonious in form, line, color and texture with the surrounding landscape.

If COUNTY approves any new proposed improvement plans, such approval shall be deemed conditioned upon CONCESSIONAIRE acquiring permits or clearances from the appropriate governmental agencies, and the submission of such to COUNTY prior to commencement of work. CONCESSIONAIRE shall comply with all conditions of said permits or clearances in a prompt and expeditious manner. Any and all permits or clearances required shall be granted only on the merits of the application thereof, and nothing in this Agreement shall be construed to require COUNTY, or any other governmental agency, to grant such permits or clearances.

CONCESSIONAIRE shall pay when due all claims for labor or materials furnished or alleged to have been furnished to CONCESSIONAIRE for use on the Premises, which claims are or may be secured by any liens on the Premises or any interest therein. CONCESSIONAIRE shall give COUNTY no less than ten days written notice prior to the commencement of any work on the Premises, and COUNTY shall have the right to post Notices of Non-responsibility in or on the property as provided by law. If CONCESSIONAIRE contests in good faith the validity of any such lien, claim or demand, CONCESSIONAIRE shall, at its sole cost and expense, defend itself and COUNTY against the same, and shall pay and satisfy any such adverse judgment that may be rendered therefrom. Upon request by COUNTY, CONCESSIONAIRE shall furnish COUNTY with a copy of a surety bond satisfactory to COUNTY in an amount equal to such contested lien claim or demand indemnifying COUNTY from liability for same, and holding the property free and clear of the effect of such lien or claim.

OWNERSHIP OF IMPROVEMENTS: COUNTY shall retain ownership of all improvements on the Premises.

CONCESSIONAIRE RIGHT TO REIMBURSEMENT: In the event this Agreement is terminated prior to CONCESSIONAIRE amortizing the cost of CONCESSIONAIRE-built fixed-asset improvements to the Premises, CONCESSIONAIRE may request partial reimbursement for such improvements pursuant to such prior agreement as may be reached between CONCESSIONAIRE and COUNTY in regard to an amortization schedule for each individual improvement. In no event shall any value be attributed to CONCESSIONAIRE'S ownership interest beyond the term of the Master Agreement, and no financial obligation or risk shall reside in Reclamation for reimbursement for fixed assets or personal property as a result of this Agreement. In the event the Master Agreement expires or is terminated, CONCESSIONAIRE'S fixed assets and personal property must be removed from the Park unless an agreement is reached between Reclamation and CONCESSIONAIRE for a new concession agreement and Reclamation decides to keep the fixed assets.

16. **MAINTENANCE:** CONCESSIONAIRE agrees to keep the Premises, including all buildings, improvements, landscaping, and any CONCESSIONAIRE-installed infrastructure in good maintenance and repair, at CONCESSIONAIRE'S sole cost and expense. The Premises shall

be maintained in a sanitary, orderly, attractive and safe condition. CONCESSIONAIRE shall coordinate all door and gate locks or combination codes with COUNTY, and keep the garbage area clean and all garbage containers closed to prevent birds and other animals from gaining access to the garbage.

CONCESSIONAIRE shall provide, prior to performing any work under this Agreement, an annual operation and maintenance plan to be approved by COUNTY. The parties agree that this Agreement is intended to be at no cost to COUNTY and that COUNTY shall have no obligation to maintain the Premises nor any improvements or landscaping thereon. Notwithstanding, COUNTY reserves the right to enter the Premises at any time for emergency purposes or any other purpose related to the Park.

17. **UPDATE TO OPERATION AND MAINTENANCE PLAN:** On January 1 of each and every year, CONCESSIONAIRE shall provide COUNTY with an update to the Operation and Maintenance Plan (described in Section 2, and attached hereto as Exhibit C). The updated Operation and Maintenance Plan will contain a description of any changes in CONCESSIONAIRE'S intended business operations for the ensuing year, as well as a description of proposed improvements, repairs, and general maintenance plans, including facilities, equipment and landscaping. The description of business operations will include any changes in goods or services offered at the Park by CONCESSIONAIRE, a price list detailing the costs for all goods and services offered, an estimate of gross revenues for the ensuing calendar year, and a list of current officers or principals conducting business on behalf of CONCESSIONAIRE. CONCESSIONAIRE shall include proposed measures to be taken for the protection, conservation, and preservation of natural, historical, and cultural resources in the Park.

18. **UTILITY CHARGES:** Subject to COUNTY approval, CONCESSIONAIRE shall have the right to install any and all additional utility installations within the Premises that are required by the purposes contemplated herein. CONCESSIONAIRE shall arrange to separately meter and pay all charges for all CONCESSIONAIRE'S utilities such that all utility charges for CONCESSIONAIRE'S operations are independent of utility charges for the Park. CONCESSIONAIRE shall be responsible for maintaining any and all utilities to the Premises, and shall pay when due all charges for utilities now on the Premises, or constructed or placed on the Premises, for use by CONCESSIONAIRE.

The fee charged for utility services provided by Reclamation shall be based on the recovery of full operating and replacement costs for utility capital investments and comparable utility rates. Utility services include, but are not limited to electricity, gas, water waste disposal and communication systems.

19. **SIGNS:** CONCESSIONAIRE shall not erect any signs in the Park without express written consent of COUNTY. Reclamation's name and COUNTY'S name shall be displayed at the entrance to the Leased Premises.

20. **TRASH DISPOSAL:** CONCESSIONAIRE shall be responsible for the removal of all refuse, waste and rubbish from the Premises resulting from CONCESSIONAIRE'S operations and depositing such in proper receptacle, which may be provided by COUNTY.

21. **WASTE:** No waste shall be committed in the Park, nor shall any nuisance or other acts be committed that disturb the enjoyment of the general public, the Park, its visitors, COUNTY, or any adjacent property owners.

22. **FIRE HAZARD:** CONCESSIONAIRE understands the Park covered herein is a “hazardous watershed fire area”, as the same is defined in the Uniform Fire Code compiled by the California Fire Chiefs Association and adopted with modifications and amendments thereto by COUNTY, and shall take all reasonable fire precautions. CONCESSIONAIRE understands that portions of the Park may become subject to the jurisdiction of the U.S. Forest Service and to all of the fire prevention, control, and suppression laws, rules, and regulations of the Forest Service.

23. **ENVIRONMENTAL IMPAIRMENT:** CONCESSIONAIRE shall comply with all applicable laws, regulations, rules, and orders regardless of when they become or became effective, including without limitation those relating to construction, grading, signing, health, safety, noise, environmental protection, waste disposal, water and air quality, and shall furnish satisfactory evidence of compliance upon request of COUNTY. In addition, CONCESSIONAIRE shall comply with the Environmental Requirements set forth in Exhibit “E”, attached hereto and incorporated herein by reference.

Should any discharge, leakage, spillage, emission, or pollution of any type occur on the Premises due to CONCESSIONAIRE'S use and occupancy, CONCESSIONAIRE shall clean all property affected to the satisfaction of COUNTY and any governmental body having jurisdiction thereover. CONCESSIONAIRE shall indemnify, hold harmless, and defend COUNTY from and against all liability, claim, cost, and expense (including without limitation any fines, penalties, judgments, litigation costs, attorney's fees, and consulting engineering and construction costs) incurred by COUNTY as a result of CONCESSIONAIRE'S breach of this Section, or as a result of any such discharge, leakage, spillage, emission or pollution due to CONCESSIONAIRE'S use and occupancy, regardless of whether such liability, cost or expense arises during or after the term of this Agreement.

24. **TOXICS:** CONCESSIONAIRE shall not manufacture or generate hazardous wastes on the Premises, including but not limited to pesticides, herbicides, sewer effluents, petroleum products, and liquid waste (grey water). CONCESSIONAIRE shall be fully responsible for any hazardous wastes, substances or materials as defined under federal, state or local law, regulation, or ordinance that are manufactured, generated, used, placed, disposed, stored, or transported by CONCESSIONAIRE, its agents, employees, or designees on the Premises during the term of this Agreement and shall comply with and be bound by all applicable provisions of such federal, state, or local law, regulation, or ordinance dealing with such wastes, substances, or materials. CONCESSIONAIRE shall notify COUNTY and the appropriate governmental emergency response agency(ies) immediately in the event of any release or threatened release of any such wastes, substances or materials.

COUNTY shall not manufacture or generate, nor allow others under its control to manufacture or generate hazardous wastes on the property. COUNTY shall notify CONCESSIONAIRE immediately in the event of any release or threatened release of any such wastes, substances or materials. In the event that such wastes, substances, or materials are released upon the property by COUNTY or others under its control, CONCESSIONAIRE may terminate this Agreement. Upon termination of this Agreement by CONCESSIONAIRE, all rights of CONCESSIONAIRE shall cease and CONCESSIONAIRE shall quietly and peacefully deliver to COUNTY, possession and interest in the property.

25. **COMPLIANCE WITH THE LAW:** CONCESSIONAIRE and CONCESSIONAIRE'S customers, licensees, invitees or guests shall comply with all local, County, State, and Federal laws, rules, regulations, Executive Orders, and Reclamation Policies affecting the

property, now or hereafter in effect. CONCESSIONAIRE'S occupancy shall at all times be subject to County Park rules, regulations, and restrictions per Santa Barbara County Code, Chapter 26. CONCESSIONAIRE shall make a copy of the County Park Rules, including any subsequent amendments thereto, available to each customer, licensee, invitee or guest.

26. **PROTECTION OF THE WATERS OF THE LAKE:** It is understood by the CONCESSIONAIRE that the waters of the Cachuma Reservoir are to be used as a domestic water supply for the south coastal section of Santa Barbara County and that the continued permitted use of the Cachuma Recreation Area depends on COUNTY adequately protecting the waters of the reservoir and the area adjacent thereto against pollution, contamination or unsanitary conditions. CONCESSIONAIRE covenants that, in the conduct of its business and operations hereunder, it will diligently guard against the contamination or pollution of the waters and adjacent land areas by CONCESSIONAIRE, its agents, servants or employees and by the general public.

27. **WATER LEVEL OF CACHUMA LAKE:** The water level of Cachuma Lake is subject to change and fluctuation from natural causes, and/or the use of waters for the reservoir for domestic water supply and other purposes. In the event that the Premises are permanently inundated, or imminently threatened with permanent inundation due to any cause whatsoever, such that the rights granted to CONCESSIONNER hereunder can no longer be exercised, CONCESSIONAIRE may remove, at no cost or expense to COUNTY, such improvements as CONCESSIONAIRE has constructed hereunder to an alternate site mutually agreed upon in writing by COUNTY and CONCESSIONAIRE and this Agreement shall remain in effect for the remaining portion of the term. In the event of inundation precluding exercise of the rights granted to CONCESSIONAIRE hereunder, and a mutually agreed upon site for relocation of CONCESSIONAIRE'S improvements is not found in the Cachuma Recreational Area, CONCESSIONAIRE may remove and relocate its improvements to a site other than the Cachuma Recreational Area, and CONCESSIONAIRE shall retain ownership of such improvements.

28. **INDEMNIFICATION:** CONCESSIONAIRE shall defend, indemnify and save harmless the COUNTY, its officers, agents, employees and volunteers, and Reclamation, including its officers, agents, employees, contractors and assigns from any and all claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities arising out of the activities described herein, caused in whole or in part by any alleged negligent or intentional act, or error or omission of the CONCESSIONAIRE, his tenants, licensees, invitees, or his agents, employees or other independent contractors directly responsible to him for whose acts any of them may be liable, except where caused by the active, sole negligence, or willful misconduct of the COUNTY or Reclamation.

CONCESSIONAIRE shall notify the COUNTY in writing immediately after the occurrence of any accident causing damage or injury.

29. **INSURANCE:** Without limiting CONCESSIONAIRE'S indemnification of the COUNTY or Reclamation, CONCESSIONAIRE shall procure the following required insurance coverage's at its sole cost and expense. All insurance coverage's are to be placed with insurers which (1) have a Best's rating of no less than A: VII, and (2) are admitted insurance companies in the State of California. All other insurers require the prior approval of the COUNTY. Such insurance coverage shall be maintained during the term of this Agreement. Failure to comply with the insurance requirements shall place CONCESSIONAIRE in default. Upon request by the

COUNTY, CONCESSIONAIRE shall provide a certified copy of any insurance policy to the COUNTY within ten (10) working days.

1. Workers' Compensation Insurance: Statutory Workers' Compensation and Employers' Liability Insurance shall cover all CONCESSIONAIRE'S staff while performing any work incidental to the performance of this Agreement. The policy shall provide that no cancellation, or expiration or reduction of coverage shall be effective or occur until at least thirty (30) days after receipt of such notice by the COUNTY. In the event CONCESSIONAIRE is self-insured, it shall furnish a copy of Certificate of Consent to Self-Insure issued by the Department of Industrial Relations for the State of California. This provision does not apply if CONCESSIONAIRE has no employees as defined in Labor Code Section 3350 et seq. during the entire period of this Agreement and CONCESSIONAIRE submits a written statement to the COUNTY stating that fact.

2. General and Automobile Liability Insurance: The general liability insurance shall include bodily injury, property damage, product liability, and personal injury liability coverage; shall afford coverage for all premises, operations, products and completed operations of CONCESSIONAIRE; and shall include contractual liability coverage sufficiently broad so as to include the insurable liability assumed herein by CONCESSIONAIRE, including, but not limited to Section 29, INDEMNIFICATION, hereof. The automobile liability insurance shall cover all owned, non-owned and hired motor vehicles that are operated on behalf of CONCESSIONAIRE pursuant to CONCESSIONAIRE'S activities hereunder. CONCESSIONAIRE shall require all subcontractors to be included under its policies or furnish separate certificates and endorsements to meet the standards of these provisions by each subcontractor. COUNTY and Reclamation, their officers, agents, and employees shall receive Additional Insured status on any policy. A cross liability clause, or equivalent wording, stating that coverage will apply separately to each named or additional insured as if separate policies had been issued to each shall be included in the policies. A copy of the endorsement evidencing that the policy has been changed to reflect the Additional Insured status must be attached to the certificate of insurance. The limit of liability of said policy or policies for general and automobile liability insurance shall not be less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate. Any deductible or Self-Insured Retention {SIR} over \$10,000 requires approval by the COUNTY.

Said policy or policies shall include a severability of interest or cross liability clause or equivalent wording. Said policy or policies shall contain a provision of the following form:

"Such insurance as is afforded by this policy shall be primary and if the COUNTY has other valid and collectible insurance, that other insurance shall be excess and non-contributory."

If the policy providing liability coverage is on a 'claims-made' form, CONCESSIONAIRE is required to maintain such coverage for a minimum of three years following completion of the performance or attempted performance of the provisions of this Agreement. Said policy or policies shall provide that the COUNTY shall be given thirty (30) days written notice prior to cancellation or expiration of the policy or reduction in coverage, and shall expressly state that the insurance carrier shall have no right of subrogation against the United States (including Reclamation,) or against COUNTY.

The above insurance requirements are subject to periodic review by COUNTY. The COUNTY'S Risk Manager is authorized to change the above insurance requirements, with the concurrence of County Counsel, to include additional types of insurance coverage or higher coverage limits, provided that such change is reasonable based on changed risk of loss or in light of past claims against the COUNTY or inflation. This option may be exercised during any amendment of the Agreement that results in an increase in the nature of COUNTY'S risk and such change of provisions will be in effect for the term of the amended Agreement. Such change

pertaining to types of insurance coverage or higher coverage limits must be made by written amendment to this Agreement. CONCESSIONAIRE agrees to execute any such amendment within thirty (30) days of acceptance of the amendment or modification.

30. **NONDISCRIMINATION:** CONCESSIONAIRE shall comply with COUNTY laws, rules and regulations regarding nondiscrimination as such are found in the Santa Barbara Code and as such may from time to time be amended. These provisions are incorporated herein as if they were fully set forth. CONCESSIONAIRE shall also comply with the Equal Opportunity requirements set forth in Exhibit "F", attached hereto and incorporated herein by reference, the requirements regarding non-segregated facilities set forth in Exhibit "G", attached hereto and incorporated herein by reference, and Title VI of the Civil Rights Act of 1964, set forth in Exhibit "H", attached hereto and incorporated herein by reference.

Noncompliance with provisions of this Section shall constitute a material breach of this Agreement and in addition to any other remedies provided by law, COUNTY shall have the right to terminate this Agreement and the interest hereby created without liability therefore.

31. **NOTICES:** Any notice to be given to the parties, by another, shall be in writing and shall be served, either personally or by mail to the following:

COUNTY: Santa Barbara County
Community Services Department
610 Mission Canyon Rd.
Santa Barbara, CA 93105
(805) 568-2461

CONCESSIONAIRE: Chet Roberts
Rocky Mountain Recreation Company
25574 Rye Canyon Road #B
Valencia, CA 91355
(661) 702-1420

or to the parties at such other place as may be designated in writing. Such notices shall be served by depositing them addressed as set out above, postage prepaid, in the U.S. mail or by personal delivery. The date of mailing, or in the event of personal delivery, the date of delivery shall constitute the date of service.

32. **ABANDONMENT:** If CONCESSIONAIRE abandons the Premises, COUNTY may continue this Agreement in effect after CONCESSIONAIRE'S abandonment and recover Fees as they become due. If COUNTY chooses to terminate this Agreement, COUNTY may, but shall not be obligated to, remove the personal property of CONCESSIONAIRE and store same, at CONCESSIONAIRE'S expense. Alternatively, COUNTY may dispose of said property and shall have no liability therefore.

33. **DESTRUCTION:** If the Premises are partially or totally destroyed by fire or other casualty, this Agreement, at the option of COUNTY shall terminate.

34. **DEFAULT BY CONCESSIONAIRE:** Except as otherwise required herein, should CONCESSIONAIRE at any time be in default hereunder with respect to any covenant

contained herein, COUNTY shall give notice to CONCESSIONAIRE specifying the particulars of the default and CONCESSIONAIRE shall promptly commence remedial action to cure the default. Should such default continue uncured for a period of thirty (30) calendar days from such notice, then, in addition to any other rights COUNTY may be entitled to at law, COUNTY may terminate the rights of CONCESSIONAIRE granted in this Agreement, unless the cure of such default shall reasonably take more than thirty (30) calendar days, in which case, CONCESSIONAIRE shall proceed with all due speed to cure the default and shall have a reasonable time to effectuate its cure.

35. **WAIVER:** It is understood and agreed that any waiver, express or implied of any term of this Agreement shall not be, nor construed to be a waiver of any subsequent breach of a like kind or of any other provision of this Agreement.

36. **TERMINATION:** This Agreement shall terminate and all rights of CONCESSIONAIRE shall cease and CONCESSIONAIRE shall quietly and peacefully deliver to COUNTY, possession and interest in the Premises:

- a) Upon expiration or earlier termination of this Agreement; or
- b) Upon expiration or earlier termination of the Master Agreement; or
- c) Upon abandonment of the Premises as provided in Section 32, ABANDONMENT, and COUNTY'S option to terminate this Agreement; or
- d) As provided for in Section 8, NONINTERFERENCE; or
- e) As provided for in Section 33, DESTRUCTION; or
- f) Upon COUNTY'S receipt of notice of CONCESSIONAIRE'S bankruptcy, insolvency, or the appointment of or taking possession by a bankruptcy trustee or custodian; or
- g) In the event CONCESSIONAIRE is found to be in non-compliance with any permits associated with this Agreement and such non-compliance is not resolved in a timely fashion; or
- h) Upon the failure of CONCESSIONAIRE to satisfy, observe or perform any of the covenants, conditions or reservations set forth in this Agreement and COUNTY'S exercise of its right to terminate.

RECLAMATION RIGHT TO TERMINATE: In addition to COUNTY'S rights to terminate this Agreement, Reclamation shall have the right to terminate this Agreement, for cause, upon sixty days written notice to CONCESSIONAIRE of a material breach of this Agreement, and the failure of CONCESSIONAIRE to cure such breach in a timely manner.

Upon expiration or termination of this Agreement, CONCESSIONAIRE shall return the Premises to COUNTY in the same condition as existed prior to the Commencement Date, ordinary wear and tear excepted. In the event this Agreement is terminated prior to CONCESSIONAIRE amortizing the cost of CONCESSIONAIRE-built fixed-asset improvements to the Premises, CONCESSIONAIRE may request from COUNTY partial reimbursement for such improvements, subject to the method for determining the amount of such reimbursement described in Exhibit C. In the event the Master Agreement expires or is terminated, CONCESSIONAIRE'S fixed assets and personal property must be removed from the Park unless an agreement is reached between Reclamation and CONCESSIONAIRE for a new concession agreement and Reclamation decides to keep the fixed assets.

37. **REMOVAL OF PROPERTY UPON TERMINATION:** Upon termination of this Agreement, CONCESSIONAIRE shall vacate and return possession of the Premises and those items listed in Exhibit C to COUNTY. COUNTY may require CONCESSIONAIRE to remove any and all CONCESSIONAIRE constructed improvements, alterations and equipment. However, any

improvements to the Premises that have been approved by COUNTY pursuant to Section 16 hereof, including utilities, shall remain property of the COUNTY. Any removal of property by CONCESSIONAIRE shall be completed within sixty (60) days of written request by COUNTY and shall be done at CONCESSIONAIRE'S sole cost and expense. CONCESSIONAIRE shall restore the Premises as nearly as possible to its original condition.

38. **AGENCY DISCLOSURE**: CONCESSIONAIRE acknowledges that the General Services Department, Facilities Services Division, Community Services Department of the COUNTY is the agent for the COUNTY exclusively, and is neither the agent for CONCESSIONAIRE nor a dual agent in this transaction.

39. **AMENDMENTS**: This Agreement may only be amended by written consent of the County Board of Supervisors and the United States Bureau of Reclamation and such changes shall be binding upon the heirs or successors of the parties.

40. **CAPTIONS**: The title or headings to the sections of this Agreement are not a part of this Agreement, and shall have no effect upon the construction or interpretation of any part hereof.

41. **SEVERABILITY**: If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal, or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

42. **CERTIFICATION OF SIGNATORY**: The signatories of this Agreement and each of them represent and warrant that they are authorized to execute this Agreement and that no additional signatures are required to bind COUNTY and CONCESSIONAIRE to its terms and conditions or to carry out duties contemplated herein.

43. **ENTIRE AGREEMENT**: The parties to this Agreement intend that their negotiations, conversations and statements made prior to execution of this Agreement are fully integrated and expressed herein, and no such negotiations, conversations, and statements shall be deemed to create rights or obligations other than those stated herein.

44. **CONSTRUCTION**: The parties to this Agreement agree that each party and its respective counsel have reviewed and approved this Agreement to the extent that each party in its sole discretion has desired, and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement. The terms and conditions of this Agreement embody the parties' mutual intent, and this Agreement shall not be construed more liberally in favor of, or more strictly against any party hereto.

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Project: Cachuma Lake Concession
APN: 145-160-072
Folio No.:

IN WITNESS WHEREOF, COUNTY and CONCESSIONAIRE have signed this Concession Agreement by the respective authorized officers as set forth below to be effective on the date executed by COUNTY.

ATTEST:
CHANDRA L. WALLAR
CLERK OF THE BOARD

By: [Signature]
Deputy

"COUNTY"
COUNTY OF SANTA BARBARA

By: [Signature]
DOREEN FARR, CHAIR
Board of Supervisors

Date: 3-6-12

"CONCESSIONAIRE"
Pyramid Enterprises, Inc., dba
Rocky Mountain Recreation Company

By: [Signature]
Chet Roberts, CEO

COUNTY DEPARTMENTAL APPROVALS

APPROVED:
[Signature]
Director of Community Services

APPROVED AS TO FORM:
DENNIS MARSHALL
COUNTY COUNSEL
By: [Signature]
Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:
ROBERT W. GEIS, C.P.A.
AUDITOR-CONTROLLER
By: [Signature]
Deputy Deputy Auditor-Controller
Gregory Eric Levin
Advanced and Specialty Accounting

APPROVED:
[Signature]
Ronh Carlentine, SR/WA
Real Property Manager

APPROVED:
[Signature]
Ray Aronatorio, ARM, AIC
Risk Manager

UNITED STATES OF AMERICA

[Signature]
Deputy Area Manager
South-Central California Area Office

for

EXHIBIT A
LAKE CACHUMA
“Park”

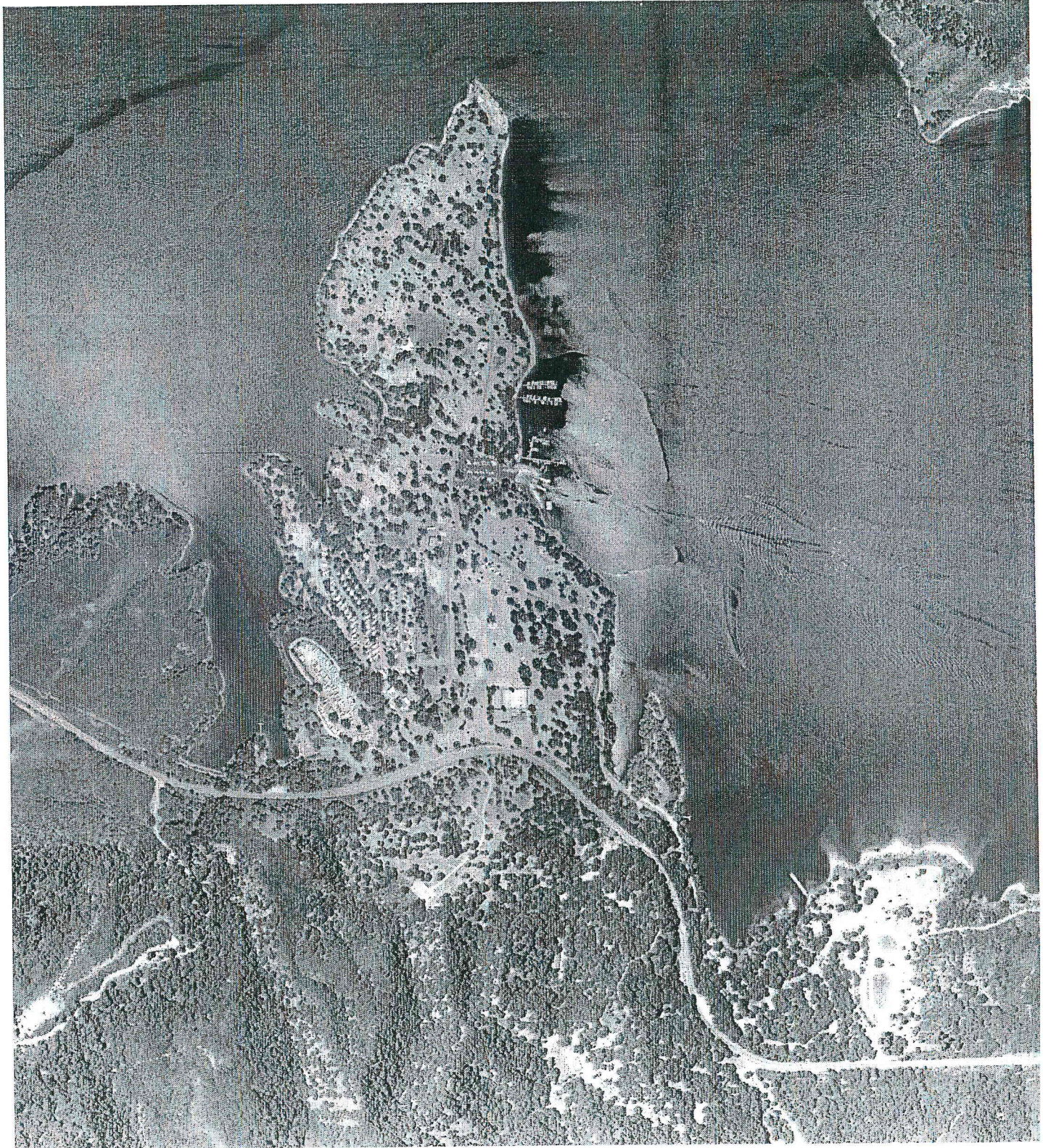


Exhibit – B- Marina/Boat Rental

PREMISES

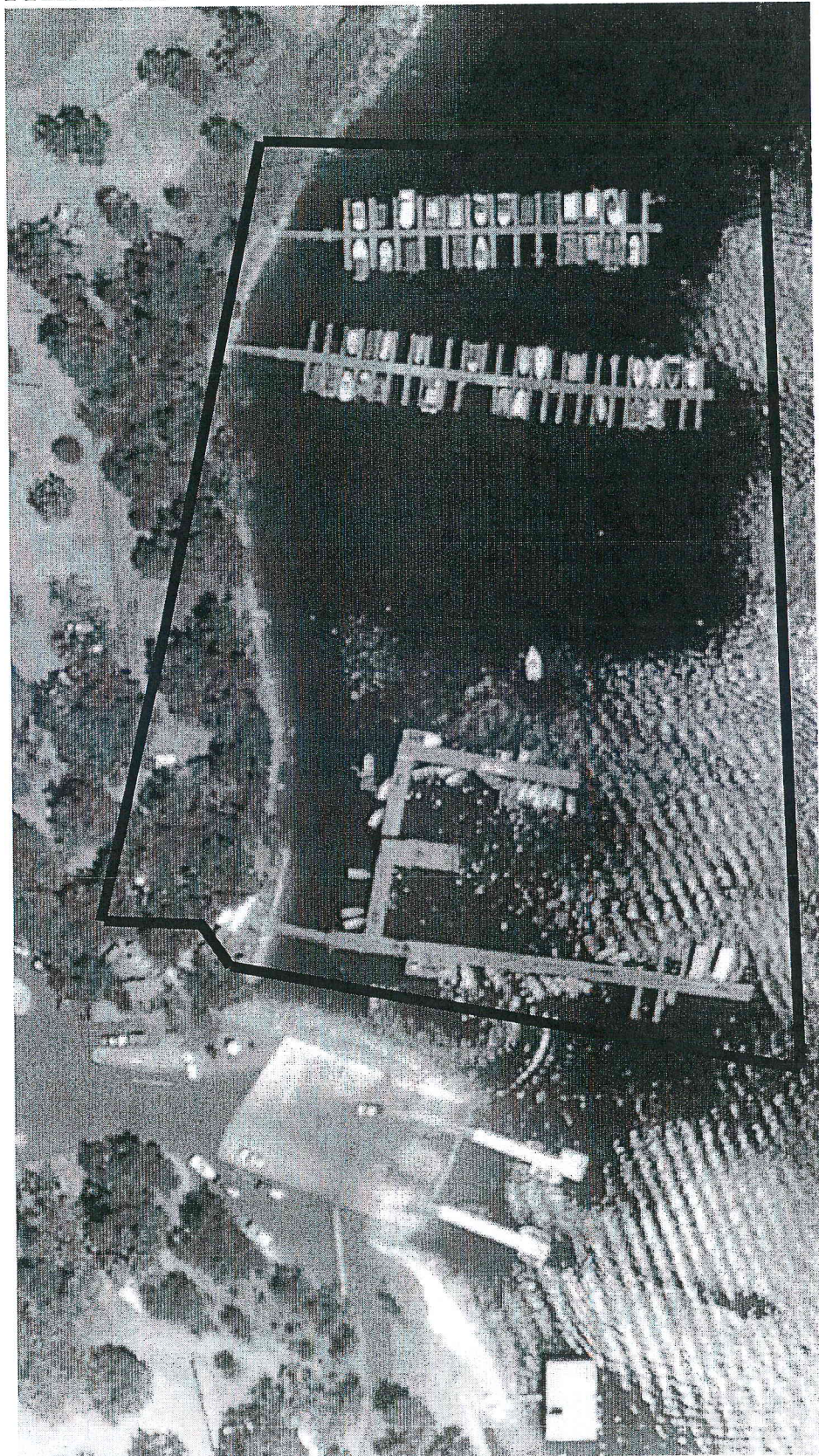


Exhibit – B -Hollow Maintenance Yard

PREMISES



Exhibit – B- Campground Store

PREMISES

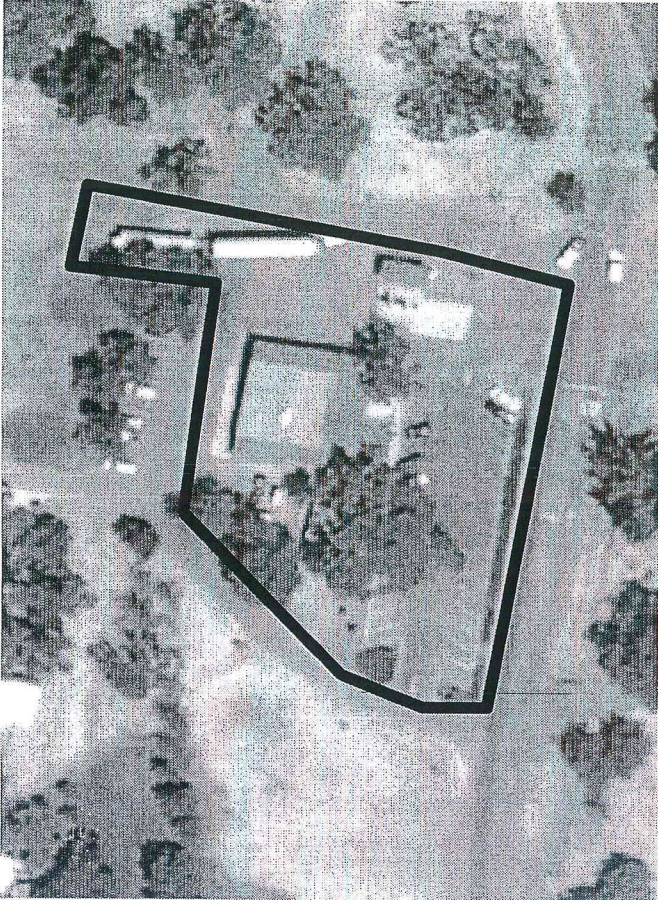


EXHIBIT C

**OPERATION and MAINTENANCE PLAN
(Submitted by CONCESSIONAIRE)**

EXHIBIT D
EMPLOYEE CONDUCT and CONDITIONS
(Prepared by COUNTY Parks)

The CONCESSIONAIRE shall agree to the following employee conduct and conditions policy. Harassment in any aspect of CONCESSIONAIRE employment, based on any legally protected characteristics or status, including sex, sexual orientation, race, color, national origin, ancestry, religion, age, marital status, physical disability, mental disability, or medical condition is strictly prohibited. Any retaliation for opposing or filing a complaint about, or participating in an investigation of any harassment, along with aiding, abetting, inciting, compelling, or coercing any such harassment or retaliation, or attempting to do so is prohibited by this policy as well as state and federal laws.

The CONCESSIONAIRE will take all reasonable steps necessary to prevent such misconduct from occurring, and to remedy and punish any occurrences. Any CONCESSIONAIRE employee found to have engaged in such misconduct will be subject to disciplinary action, up to termination, and will be deemed to have acted outside the course and scope of his or her employment.

Harassment on the basis of sex is unlawful, and prohibited. Sexual harassment includes unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature. Sexual harassment need not be motivated by sexual desire or gratification, and may include nonsexual conduct motivated by the violator's hostility toward the victim's gender, or toward the victim's nonconformity to gender stereotypes. Sexual harassment includes not only conduct motivated by gender, but also by pregnancy, childbirth, or a related condition. A harasser may be either male or female, and the victim may be either the same sex or the opposite sex. Even a person who is not the intended target of harassment may be harassed by it, if he or she witnesses it in their immediate work environment.

In addition to prohibiting unlawful harassment based on sex or gender, this policy also prohibits unlawful harassment based upon sexual orientation, or upon any other legally protected characteristic or status, such as race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, or age. Harassment on the basis of such factors is subject to the same principles applicable to sexual harassment, stated above.

It is the responsibility of the CONCESSIONAIRE and its employees to represent themselves in a professional manner at all times, and regard customer satisfaction as their number one priority.

EXHIBIT E ENVIRONMENTAL REQUIREMENTS

The CONCESSIONAIRE shall operate, maintain, and manage the Leased Area, including all structures, facilities and equipment to minimize environmental consequences. Consideration will be given to alleviating potential harmful effects on landscape, soils, water, wildlife, cultural resources, timber, population, or other resources. Prior to any action which would modify the environment beyond those currently covered by existing NEPA documents, the CONCESSIONAIRE will submit any necessary environmental reports as directed by the United States. No such modifications of the environment shall be undertaken without prior written approval of the United States.

Violation of any of the provisions of this Exhibit may constitute grounds for termination of this Agreement. Such violations require immediate corrective action by the CONCESSIONAIRE and shall make the CONCESSIONAIRE liable for the cost of full and complete remediation and/or restoration of any Federal resources or facilities that are adversely affected as a result of the violation.

The CONCESSIONAIRE agrees to include the provisions contained in this Exhibit in any subcontractor or third-party contract it may enter into pursuant to this Agreement.

Reclamation agrees to provide information necessary for the CONCESSIONAIRE using reasonable diligence, to comply with the provision of this Exhibit.

The CONCESSIONAIRE shall comply fully with all applicable Federal laws, orders, and regulations, and the laws of the State of California concerning the pollution of streams, reservoirs, ground water, or water courses.

In accordance with the National Historic Preservation Act of 1966 and Executive Order 11593, cultural resources will be given full consideration in any proposed actions initiated by the CONCESSIONAIRE beyond those approved in existing plans and documents. Cultural resources (including archaeological, historical, structural, and Native American resources) that may be impacted will be adequately considered and, if necessary, any identified adverse effects will be mitigated or minimized prior to development. If, during construction or development, cultural resources are exposed, activities in the surrounding area will be halted while the resource is evaluated. COUNTY and Reclamation will be notified immediately and will provide direction on how to proceed in compliance with 36 CFR 800.13. The cost of any recovery work, if necessary, and any required consultation between Reclamation and the State Historic Preservation Officer will be borne by the CONCESSIONAIRE. The CONCESSIONAIRE will provide Reclamation with copies of any cultural resource reports concerning the identification, evaluation, and treatment of cultural resources within the Recreation Area. Any cultural resource sites identified by the CONCESSIONAIRE during its management activities will be recorded on the appropriate CONCESSIONAIRE site record forms and copies provided to Reclamation. No surface disturbing operations can proceed until the requirements of the article have been met. This provision will be included in all construction contracts.

EXHIBIT E

(cont'd)

The Endangered Species Act of 1974 will be given full consideration in all activities.

The CONCESSIONAIRE shall insure that recognized standards and proper uses are achieved on the lands covered by this Agreement. Land use planning and administration of the Federal Estate will conform to all applicable Federal laws, regulations, and Executive Orders. Following is a list of some of the more important of these:

Executive Order 11990, Protection of Wetlands.

Executive Order 11988, Floodplain Management.

Safe Drinking Water Act of 1974, (Public Law 93-523, U.S.C. 300, 88 Stat.1660).

Federal Land Policy and Management Act of 1976, (Public Law 94-579, 43 U.S.C. 1701).

Executive Orders 11664 and 11989 for Off-Road Use.

National Trails System Act, (Public Law 95-43, 16 U.S.C. 1241 Et seq.).

Fish and Wildlife Coordination Act, (Public Law 85-624, 16 U.S.C., 661, 662).

Antiquities Act of 1906, (34 Stat. 225, 16 U.S.C., 431).

National Historic Preservation Act of 1966 (NHPA), (Public Law 89-665, 80 Stat. 915, 16 U.S.C. 470) as amended by Public Laws 91-243, 93-54, 94-422, 94-458, and 96-515).

Archaeological Resources Protection Act of 1979, (Public Law 95-95, 93 Stat. 721).

Archaeological and Historic Preservation Act (Public Law 93-291).

Native American Grave Protection and Repatriation Act (25 U.S.C. 3001 et seq.).

Executive Order 11593, Protection and Enhancement of the Cultural Environment

National Environmental Policy Act, (Public Law 91-190, 83 Stat. 852).

Endangered Species Act, (Public Law 93-205, 16 U.S.C. 1531 et seq.).

Executive Order 12088, Federal compliance with Pollution Control Standards.

The Clean Air Act, (Public Law 88-206, as amended, 42 U.S.C., 7401 et seq).

Clean Water Act of 1978, (Public Law 95-217, 33 U.S.C., 1288 et seq.).

Resource Conservation and Recovery Act (RCRA), (Public Law 94-580).

Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA or Superfund), Public Law 96-510.

43 Code of Federal Regulation, Part 420 (off-road vehicle use on Bureau of Reclamation lands).

36 Code of Federal Regulation, Part 800, Protection of Historical and Cultural Properties.

Federal Insecticide, Fungicide and Rodenticide Act (FIFRA), as amended (7 U.S.C. P.L. 100-460, 100-464, to 100-526 and 100-532).

Rehabilitation Act of 1973, Section 504, as amended (29 U.S.C. 700, et seq., P.L. 93-516 and P.L. 95-602).

Architectural Barriers Act of 1968, as amended (ABA) (42 U.S.C. 4151-4157, P.L. 90-480).

Uniform Federal Accessibility Standards (UFAS) (49 CFR 31528), August 7, 1984.

EXHIBIT F EQUAL OPPORTUNITY REQUIREMENTS

During the performance of this Agreement, the CONCESSIONAIRE agrees as follows:

The CONCESSIONAIRE will not discriminate against any employee or applicant for employment because of race, color, age, religion, sex, or national origin. The CONCESSIONAIRE will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, age, religion, sex, or national origin. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CONCESSIONAIRE agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the United States setting forth the provisions of this Equal Opportunity clause.

The CONCESSIONAIRE will, in all solicitations or advertisements for employees placed by or in behalf of the CONCESSIONAIRE; state that all qualified applicants will receive consideration for employment without regard to race, color, age, religion, sex, or national origin.

The CONCESSIONAIRE will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the United States, advising the labor union or workers representative of the CONCESSIONAIRE's commitments under this Equal Opportunity clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The CONCESSIONAIRE will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.

The CONCESSIONAIRE will furnish all information and reports required by said amended Executive Order and by the rules, regulations, and orders of the Secretary of Labor, or pursuant, thereto, and will permit access to its books, records, and accounts by the United States and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

In the event of the CONCESSIONAIRE's noncompliance with the Equal Opportunity clause of this Agreement or with any of the said rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended, in whole or in part, by the United States and/or COUNTY and the CONCESSIONAIRE may be declared ineligible for further Government contracts in accordance with procedures authorized in said amended Executive Order, and such other sanctions may be imposed and remedies invoked as provided in said Executive Order, or by rules, regulations, or order of the Secretary of Labor, or as otherwise provided by law.

The CONCESSIONAIRE will include the provisions of paragraphs 1) through 6) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of

EXHIBIT F

(cont'd)

Labor issued pursuant to Section 204 of said amended Executive Order, so that such provisions will be binding upon each subcontractor or vendor. The CONCESSIONAIRE will take such action with respect to any subcontract or purchase order the United States may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event the CONCESSIONAIRE becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the United States, the CONCESSIONAIRE may request the United States to enter into such litigation to protect the interests of the United States.

EXHIBIT G

CERTIFICATION OF NONSEGREGATED FACILITIES

The term segregated facilities means: any waiting rooms, work areas, restrooms and washrooms, restaurants or eating areas, time clocks, locker rooms, storage areas, dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees, which are segregated by explicit directive or are in fact segregated on the basis of race, creed, color, or national origin, because of habitat, local custom, or otherwise. The CONCESSIONAIRE certifies that it does not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The CONCESSIONAIRE agrees that a breach of this certification is a violation of the Equal Opportunity Clause in this contract. The CONCESSIONAIRE agrees that (except where it has obtained identical certification from proposed subcontractors for specific time periods) it will obtain identical certification from proposed subcontractors prior to the award of subcontractors exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity Clause, and that it will retain such certification in its files.

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

EXHIBIT H

TITLE VI, CIVIL RIGHTS ACT OF 1964

The CONCESSIONAIRE agrees that it will comply with Title VI of the Civil Rights Act of July 2, 1964 (78 Stat. 241), and all requirements imposed by or pursuant to that title, to the end that, in accordance with Title VI of that Act and the Regulation, no person in the United States shall, on the grounds of race, color, sex, or national origin be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the CONCESSIONAIRE receives financial assistance from the United States and hereby gives assurance that it will immediately take any measures to effectuate this Agreement.

If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the CONCESSIONAIRE by the United States, this assurance obligates the CONCESSIONAIRE; or in the case of any transfer of such property or structure is used for a purpose involving the provision of similar service or benefits. If any personal property is so provided, this assurance obligates the CONCESSIONAIRE for the period during which it retains ownership or possession of the property. In all other cases, this assurance obligates the CONCESSIONAIRE for the period during which the Federal financial assistance is extended to it by the United States.

This assurance is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts, or other Federal financial assistance extended after the date hereof to the CONCESSIONAIRE by the United States, including installment payments after such date on account of arrangements for Federal financial assistance, which were approved before such date. The CONCESSIONAIRE recognizes and agrees that such Federal financial assistance will be extended in reliance on the representations and agreements made in this assurance, and that the United States shall reserve the right to seek judicial enforcement of this assurance. This assurance is binding on the CONCESSIONAIRE, its successors, transferees, and assignees.

ATTACHMENT B

CACHUMA CORPORATION
BILL OF SALE, INVENTORY OF ASSETS &
RELEASE AGREEMENT

THIS BILL OF SALE for Cachuma Corporation, Inc. inventory of assets and **RELEASE AGREEMENT** for termination of the existing facility lease is made between

the COUNTY OF SANTA BARBARA, a political subdivision of the State of California, hereinafter referred to as "COUNTY" and "RELEASEE;"

and

CACHUMA CORPORATION, a California Corporation, hereinafter referred to as "CONCESSIONER" and "RELEASOR"

with reference to the following:

WHEREAS, the Cachuma Recreational Area is the property of the United States Government and is being leased and operated by the COUNTY under an "Agreement to Administer the Reclamation Area", dated January 10, 2012, which, by its terms, expires on January 10, 2037; and

WHEREAS, COUNTY entered into a Concession Agreement with CONCESSIONER on June 6, 1989, subsequently amended October 9, 1990, December 17, 1991, and September 22, 1998 and June 22, 2004; to provide and operate public services, including, but not limited to, a general store and gas station on a portion of the Cachuma Recreational Area; and

WHEREAS, COUNTY has given CONCESSIONER notice of termination and CONCESSIONER agrees to sell, transfer, convey, and deliver to COUNTY all that certain personal property known as the gas station which operated on a portion of Cachuma Recreational Area.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, CONCESSIONER for and in consideration of the sum of FIFTY THOUSAND DOLLARS (\$50,000.00) hereby sells, assigns, transfers, conveys, and delivers to COUNTY, all that certain personal property (inventory of assets) described in Exhibit "A" hereto and incorporated herein by reference, and further grants all the right, title and interest that CONCESSIONER has in and to all that certain personal property now found residing on a portion of Cachuma Recreational Area. And CONCESSIONER hereby covenants with COUNTY that CONCESSIONER is the lawful owner of said person property; that they are free from all liens of indebtedness and encumbrances, including mechanics liens; that they have good right to sell the said personal property; and that they will warrant and defend the title of the same

against the lawful claims and demands made by persons, companies, and corporations whatsoever.

WC 1101

COUNTY hereby accepts the personal property in its AS IS, WITH ALL FAULTS condition, and COUNTY acknowledges that CONCESSIONER makes no warranty or representation of any kind whatsoever, expressed or implied. CONCESSIONER asserts and COUNTY acknowledges that the personal property is free of all liens and encumbrances, and that CONCESSIONER holds the right to sell, and does hereby sell, said personal property fully discharged of all liens, debts, obligations, and personal liabilities of CONCESSIONER. CONCESSIONER will be liable for any environmental damage and clean-up costs caused by leakage or spillage of underground equipment and tanks, which occurred prior to date listed on final bill of sale.

MUTUAL RELEASE

By exchange of the consideration herein specified the parties hereto, COUNTY and CONCESSIONER, do hereby mutually release the other party and all related persons from any further obligations or claims arising from this transaction, related acts or the former lease of real property and business franchise agreement between the parties.

EACH PARTY (RELEASOR) on its own behalf and on behalf of all other persons or parties, for the benefit of the OTHER PARTY and officers, employees and assigns (RELEASEE), fully and finally waives, releases, acquits, discharges, and extinguishes all CLAIMS, as defined below.

Subject only to the exceptions expressly stated in the next paragraph, CLAIMS means all past, present, and future claims, demands, complaints, grievances, charges, suits, appeals, actions, causes of action, liabilities, costs, expenses, liens, attorney's fees, lawsuits, administrative claims and charges, proceedings of every kind and nature, and assertions of right, whether known or unknown, foreseen or unforeseen, actual or potential, based wholly or in part on conduct, act or omission by the RELEASEE, including any injury or damage which the RELEASORS or any of them sustained, or may have sustained, past or present, or will sustain in the future including, but not limited to, claims and payers seeking special or general damages, or any other compensation, reimbursement, relief, or legal or equitable remedy of any sort, in any form, for any physical or emotional pain, suffering, distress, impairment, disability, disfigurement, or other bodily injury, any loss of salary, benefit, income, profit, or other economic advantage, any cost, expense, debt, charge, fee (including attorney's fee), or other economic detriment, or any other injury, damage, detriment, or loss of benefit to person or property, based upon any memorandum of understanding, contract, promise, debt, or liability, any provision of the California Fair Employment and Housing Act, the California Labor Code, the County Employees Retirement Law of 1937, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1871, the Americans with Disabilities Act, the Age Discrimination in Employment Act of 1967, the Equal Pay Act, the Fair Labor Standards Act, the Santa Barbara County Civil Service Rules, or any other law, statute, ordinance, code, rule, regulation, resolution, policy, ruling, decision, or legal authority.

COUNTY DEPARTMENTAL APPROVALS


APPROVED:


Director of Community Services

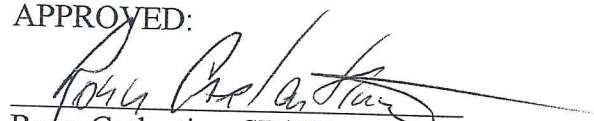
APPROVED AS TO FORM:
DENNIS MARSHALL
COUNTY COUNSEL

By: 
Deputy County Counsel

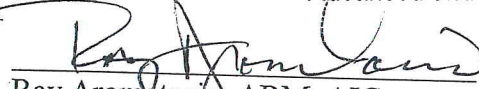
APPROVED AS TO ACCOUNTING FORM:
ROBERT W. GEIS, C.P.A.
AUDITOR-CONTROLLER

By: 
Deputy
Deputy Auditor-Controller
Gregory Eric Levin
Advanced and Specialty Accounting

APPROVED:


Ronn Carlentine, SR/WA
Real Property Manager

APPROVED:


Ray Aromatorio, ARM, AIC
Risk Manager

Inventory of Assets

1. 2 - 8,000 gallon doubled walled steel and fiberglass tanks
2. 2 - Gilbarco Veeder Root model NA0 pumps
3. 4 - Healey MH 2853 nozzles with breakaway hoses
4. Out building containing vapor recovery and leak monitoring systems plus air compressor, and one each air and water dispersing hoses
5. Ronan Series X76S Leak Alert system
6. Healy Phase II Enhanced Vapor Recovery system
7. Gilbarco Model TS100 PA 024 Trans Action System (inside store)

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