

Date: January 21, 2015

To: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor

Subject: Resolution Approving the First Amendment to the Lease Agreement with Diver's
Paradise of Key Biscayne, Inc.

Agenda Item No. 8(H)(5)

Resolution No. R-23-15

Recommendation

It is recommended that the Board of County Commissioners (Board) approve the attached resolution approving an Amendment to the Lease Agreement (Attachment A) between Miami-Dade County (Lessor) through its Parks, Recreation and Open Spaces (PROS) Department and Diver's Paradise of Key Biscayne, Inc. (Lessee) in order to extend the initial term of the Lease Agreement for seven (7) years.

Scope

The dive shop is located in the Crandon Park Marina, 4000 Crandon Boulevard, Key Biscayne, Florida, within Commissioner Xavier L. Suarez' District 7. However, this facility will be open to all residents of Miami-Dade County; therefore, the scope is countywide.

Fiscal Impact/Funding Source

This is a revenue generating contract, as the operation of this facility will produce a positive fiscal impact to the County. The County receives \$18,000.00 per year in lease revenue from the Lessee. The total revenue to the County from this seven year lease extension is \$126,000.00.

Track Record/Monitor

PROS Contract Management Section Manager Jon Seaman will manage the terms and conditions of the Lease Agreement, as amended.

Background

The Lease Agreement was approved by the Board in October 2001 under Resolution R-1149-01 (Attachment B) as a result of a competitively bid Request For Proposals (RFP) No. 121308 and a proposal submitted by the Lessee dated December 11, 1989.

Under the terms of the RFP and Lease Agreement, the Lessee was required to finance, develop and operate a permanent dive facility. Delays stemming from the lawsuits associated with the Tennis Tournament held at Crandon Park, and the subsequent settlement of the lawsuit filed by the Matheson family resulting in the development of what is now the Crandon Park Master Plan (CPMP) caused an interruption in the award of the Lease Agreement to Lessee for several years. The CPMP that was ultimately approved forced the downsizing of the dive facility from the originally contemplated 2,500 square feet to 530 square feet and further delayed the construction of the dive facility itself. The facility was constructed and opened in July 2012.

Honorable Chairman Jean Monestime
and Members, Board of County Commissioners
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This extension to the lease term is recommended in order to make the Lessee whole for the delays that arose from complying with the CPMP and the interruption to the Lessee's business from the County's development of the marina. The Lessee and the County agree to extend the 20 year term of the Lease, which was effective as of February 1, 2002, by seven (7) years; therefore, the lease be extended until January 31, 2029. No other terms of the Lease are modified and all Lease terms remain in full force and effect.



Michael Spring, Senior Advisor
Office of the Mayor



MEMORANDUM

(Revised)

TO: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners

DATE: January 21, 2015

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 8(H) (5)

Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Ordinance creating a new board requires detailed County Mayor's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous ____) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(H) (5)
1-21-15

RESOLUTION NO. R-23-15

RESOLUTION APPROVING FIRST AMENDMENT TO LEASE AGREEMENT BETWEEN MIAMI-DADE COUNTY AND DIVER'S PARADISE OF KEY BISCAYNE, INC. FOR OPERATION OF THE DIVE SHOP AT CRANDON PARK MARINA TO EXTEND TERM BY SEVEN YEARS; AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE LEASE AMENDMENT AND TO EXERCISE ANY CANCELLATION AND RENEWAL PROVISIONS AND OTHER RIGHTS CONTAINED THEREIN; AND DIRECTING COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO PROVIDE EXECUTED COPY OF LEASE AMENDMENT TO PROPERTY APPRAISER'S OFFICE

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board approves the First Amendment to the Lease Agreement with Diver's Paradise of Key Biscayne, Inc. for operation of the dive shop at Crandon Park Marina, in substantially the form attached as Attachment A and made a part hereof, in order to extend the term of the original lease (Attachment B) by seven years; authorizes the County Mayor or County Mayor's designee to execute same for and on behalf of Miami-Dade County and to exercise any cancellation and renewal provisions and other rights contained therein; and directs the County Mayor or the County Mayor's designee to provide to the Property Appraiser's Office an executed copy of the First Amendment to the Lease Agreement within 30 days of its execution.

The foregoing resolution was offered by Commissioner **Esteban L. Bovo, Jr.**, who moved its adoption. The motion was seconded by Commissioner **Rebeca Sosa** and upon being put to a vote, the vote was as follows:

	Jean Monestime, Chairman	aye
	Esteban L. Bovo, Jr., Vice Chairman	aye
Bruno A. Barreiro	aye	Daniella Levine Cava aye
Jose "Pepe" Diaz	aye	Audrey M. Edmonson absent
Sally A. Heyman	absent	Barbara J. Jordan aye
Dennis C. Moss	aye	Rebeca Sosa aye
Sen. Javier D. Souto	aye	Xavier L. Suarez aye
Juan C. Zapata	aye	

The Chairperson thereupon declared the resolution duly passed and adopted this 21st day of January, 2015. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this Resolution and the filing of this approval with the Clerk of the Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK



By: **Christopher Agrippa**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Monica Rizo

ATTACHMENT A

FIRST LEASE AMENDMENT

This First Lease Amendment is made this ___ day of _____, 2014, by and between Miami-Dade County (the "County") and Diver's Paradise of Key Biscayne, Inc. (the "Lessee").

WHEREAS, the County and the Lessee entered into a Lease Agreement, dated February 1, 2002, (the "Lease"), for the development and operation of a diving facility located at Crandon Park by County Resolution No. R- 1149-01, and

WHEREAS, commencement of the development of the facility under the Lease was delayed by litigation involving Crandon Park and the development of the Crandon Park Master Plan ("CPMP"); and

WHEREAS, the County and Lessee wish to extend the Lease due to the uncontrollable delays and changes required by the implementation of the CPMP; and

NOW, THEREFORE, for and consideration of the mutual benefits of the Lease and other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged by the parties, the parties agree as follows:

Section 1. Article 11 of the Lease is hereby amended to delete the first sentence of that Article, which sentence shall be replaced with "The County hereby leases to the Lessee for a term of twenty-seven (27) years, the premises described in Paragraph 10 hereof for a Dive Facility." The effect of this change shall be to extend the term of the Lease by seven (7) years. Accordingly, the initial term of the Lease shall expire on January 31, 2029.

Section 2. No other terms of the Lease are hereby modified and all terms of the Lease remain in full force and effect.

Section 3. Lessee and the County agree that, as of the date of this First Lease Amendment, the County is in full compliance with all terms of the Lease and is therefore not in breach of any material terms of the Lease. To the extent that the County has breached the Lease in the past, the Lessee agrees and acknowledges that as of the date of this First Lease Amendment, all such breaches have been cured or resolved to the Lessee's satisfaction. Finally, as of the date of this First Lease Amendment, Lessee acknowledges and agrees that the County does not owe, and is not liable to, Lessee for any money or damages.

IN WITNESS WHEREOF, the parties have caused their duly authorized representatives to execute this Lease Amendment as of the date first written above.

LESSEE

By: [Signature]

Name: OMAR CARTAYA

Title: PRESIDENT

Date: 8/10/14

Attest: [Signature]
Corporate Secretary/Notary Public

Corporate Seal/Notary Seal

MIAMI-DADE COUNTY

By: _____

Name: _____

Title: _____

Date: _____

Attest: _____
Clerk of the Board

Approved by County Attorney as to form and legal sufficiency

ATTACHMENT B

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 6(L)(1)(B)
10-23-01

OFFICIAL FILE COPY
CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
DADE COUNTY, FLORIDA

RESOLUTION NO. R-1149-01

RESOLUTION APPROVING LEASE AGREEMENT WITH DIVER'S PARADISE OF KEY BISCAÿNE, INC.; FOR OPERATION OF THE DIVE SHOP AT CRANDON PARK MARINA; AUTHORIZING THE COUNTY MANAGER TO EXECUTE AN AGREEMENT FOR AND ON BEHALF OF MIAMI-DADE COUNTY AND TO EXERCISE ANY CANCELLATION AND RENEWAL PROVISIONS AND OTHER RIGHTS CONTAINED THEREIN

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board approves the lease agreement with Diver's Paradise of Key Biscayne, Inc., for operation of the Dive Shop at Crandon Park Marina, in substantially the form attached hereto and made a part hereof following review and approval by the County Attorney's Office; and authorizes the County Manager to execute and file the same, including all renewal provisions and other rights contained therein.

The foregoing resolution was offered by Commissioner Dorrian D. Rolle, who moved its adoption. The motion was seconded by Commissioner Gwen Margolis and upon being put to a vote, the vote was as follows:

Dr. Miriam Alonso	aye	Bruno A. Barreiro	aye
Dr. Barbara M. Carey-Shuler	absent	Betty T. Ferguson	aye
Gwen Margolis	aye	Joe A. Martinez	aye
Jimmy L. Morales	aye	Dennis C. Moss	absent
Dorrian D. Rolle	aye	Natacha Seijas	absent
Katy Sorenson	aye	Rebeca Sosa	aye
	Javier D. Souto	aye	

The Chairperson thereupon declared the resolution duly passed and adopted this 23rd day of October, 2001. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.



MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF COUNTY
COMMISSIONERS

HARVEY RUVIN, CLERK

KAY SULLIVAN

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency. do

Rep. Lique Ortega

Memorandum

Agenda Item No. 6(L)(1)(B)

To: Honorable Chairperson and Members
Board of County Commissioners

Date: October 23, 2001

From: Steve Shiver
~~County Manager~~

Subject: Lease Agreement with
Diver's Paradise of Key
Biscayne, Inc. for Dive
Shop Operation at
Crandon Park Marina

Recommendation

It is recommended that the Board approve the Lease Agreement between Miami-Dade County Park & Recreation Department (Lessor) and Diver's Paradise of Key Biscayne, Inc. (Lessee) for operation of the Dive Shop at Crandon Park Marina.

Background

Diver's Paradise of Key Biscayne, Inc., was the sole bidder of an RFP, issued December 11, 1989. The award of the contract was delayed due to the Matheson lawsuit and subsequent development of the Crandon Park Master Plan as part of the settlement agreement for that lawsuit. In the interim period, Diver's Paradise of Key Biscayne, Inc. agreed to continue to operate the dive operation at this facility under a Permit to Conduct Private Business on County Property. The County Attorney's Office has determined that the Department may proceed with award of the contract utilizing the results of the 1989 solicitation (Attorney opinion attached).

The Department had some concerns relating to the payment terms and length of the 1989 proposed agreement. This has resulted in the Department's recommending some changes in the proposed agreement, as well as, updating the agreement to meet all current county standards that have come into effect in the years since the issuance of the original RFP. The changes as they relate to terms and length of contract are reflected in the table below.

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Honorable Chairperson and Members
 Board of County Commissioners
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DESCRIPTION	DIVER'S PARADISE BID PROPOSAL	RECOMMEND CHANGES
Proposed Scope of Services:	Provide facility, instruction, maintenance and day-to-day operation of full service dive operation.	Sizes of proposed dive shop facility have been reduced to 530 sq. ft. in compliance with Master Plan.
Term:	Twenty (20) years with two (2) ten (10) year options.	Twenty (20) years with two (2) five (5) year options.
Extensions for Capital Improvements:	One (1) year for every \$10,000 of approved improvements for a maximum of ten (10) years.	One (1) year for each \$10,000 of approved permanent improvements measured in year 2000 U.S. dollars using Mean's "City Cost Index"
Minimum Guarantee	\$13,200 annually	\$16,000 annually
Percent of Gross Revenues in Addition to Minimum Guarantee:	2% of \$0.01 to \$10,000.00 3% of \$10,000.01 to \$20,000.00 4% of \$20,000.01 to \$30,000.00 5% over \$30,000.00	3% of \$10,000.01 to \$20,000.00 4% of \$20,000.01 to \$30,000.00 5% over \$30,000.00

The Lease Agreement also includes provision for the construction of a permanent dive facility within the marina, valued in excess of \$100,000.

It is recommended that the Board approve the Lease Agreement in order to continue providing dive services to the Crandon Marina patrons.

Attachments



MEMORANDUM

TO:

Hon. Chairperson and Members
Board of County Commissioners

DATE: October 23, 2001

SUBJECT: Agenda Item No. 6(L)(1)(B)

FROM:

Robert A. Ginsburg
County Attorney

Please note any items checked.

- "4-Day Rule" (Applicable if raised)
- 6 weeks required between first reading and public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Statement of private business sector impact required
- Bid waiver requiring County Manager's written recommendation
- Ordinance creating a new board requires a detailed County Manager's report for public hearing.
- "Sunset" provision required
- Legislative findings necessary

LEASE AGREEMENT

THIS LEASE AGREEMENT made and entered into as of this 1ST day of February 2002 by and between DIVER'S PARADISE OF KEY BISCAIYNE, Inc., a corporation organized and existing under the laws of the State of Florida, having its principal office at 4000 Crandon Boulevard, Key Biscayne, FL 33149 (hereinafter referred to as the "Lessee"), and Miami-Dade County, a political subdivision of the State of Florida, having its principal office at 111 NW 1st Street, Miami, Florida 33128 (hereinafter referred to as the "County"),

WITNESSETH:

WHEREAS, the County owns and operates Crandon Park (the "Park"), located at 4000 Crandon Boulevard, Key Biscayne, Florida for the recreation and entertainment of park patrons, which facilities are administered for the County by its Park and Recreation Department (the "Department"), and

WHEREAS, the Lessee has offered to operate a Dive Facility, that shall conform to the Scope of Services (Appendix A); Miami-Dade County's Request for Proposals (RFP) No. 121308 and all associated addenda and attachments, incorporated herein by reference; and the requirements of this Lease Agreement; and,

WHEREAS, the Lessee has submitted a written proposal dated December 11, 1989, hereinafter referred to as the "Lessee's Proposal" which is incorporated by reference herein; and,

WHEREAS, the proposal of the Lessee, who was the sole bidder, is recommended as being in the best interest of the County, and formed the basis for award of this Lease Agreement,

NOW THEREFORE, in consideration of the mutual covenants and provisions contained herein, the parties hereto agree as follows:

- 1. Use: The County hereby grants unto the Lessee, and the Lessee hereby accepts from the County, a Lease Agreement for land space and berthing slips as described in Paragraph 9.

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Lessee shall use the Leased Premises only for the use permitted to provide dive services and related activities and goods to the public as outlined in Exhibit E. The Lessee shall not provide any services or sell any item or product without the prior written approval of the Department, and any sales by the Lessee of services or items not specifically authorized in writing by the Department shall constitute a default. The unapproved sale of services or items shall be immediately discontinued by the Lessee, upon written notice from the Department. Lessee shall conduct its business at all times in accordance with this Lease Agreement.

2. **Operations:** Except when and to the extent that the Leased Premises may be untenable by reason of damage by fire or other casualty, Lessee shall continuously and uninterruptedly use, occupy and operate for the purposes outlined in this Lease Agreement all of the Leased Premises other than such minor portions thereof as are reasonably required for storage and office purposes, and such storage and office space only in connection with the business conducted by Lessee in the Leased Premises; and will have on the premises adequately trained personnel for efficient service to customers.
3. **Limitations on Use:** Subject to Lessee's right to use the Leased Premises for the purposes specified in Paragraph 1, Lessee shall not suffer or permit the Leased Premises or any part thereof to be used in any manner, or anything to be done therein, or suffer or permit anything to be brought into or kept therein, which would in any way (i) violate any Legal Requirements or Insurance Requirements; (ii) cause structural injury to the Park or any part thereof; (iii) constitute a public or private nuisance; (iv) impair the appearance of the Park; (v) materially impair or interfere with the proper and economic cleaning, heating, ventilating or air-conditioning of the Park or the proper and economic functioning of any other common service facility or common utility of the Park; (vi) impair or interfere with the physical convenience of any of the occupants of the Park; or (vii) impair any of the Lessee's other obligations under this Lease Agreement.

4. **Governmental Approvals:** If any governmental license or permit shall be required for the proper and lawful conduct of Lessee's business in the Leased Premises, or any part thereof, and if failure to secure such license or permit would in any way adversely affect the County, Lessee, at its expense, shall duly procure and thereafter maintain such license or permit and submit the same to inspection by the County. Lessee shall at all times comply with the terms and conditions of each license and permit.
5. **Clean Condition:** Throughout the term of this Lease Agreement, Lessee at its sole cost and expense will keep the Leased Premises clean and in good condition and order.
6. **Exclusivity/Non-exclusivity:** The rights granted under the Lease Agreement are exclusive only to the approved services to be provided herein, and to the site leased hereby. This Lease is non-exclusive in character and in no way prevents the County from authorizing the sale or offering of competitive services, products or items by other concessionaires or others in other premises at the Park or in any other location in the County. The Lessee shall have no rights to any other location or concession that may be made available by the County.
7. **Request for Proposal Incorporated:** The Lessee acknowledges that it has submitted to the County a proposal ("Proposal") that was the basis for the award of this Lease Agreement and upon which the County has relied. The Proposal of the Lessee, where not inconsistent with the terms of this Lease, is hereby incorporated into this Lease by reference. Where there is any inconsistency between the Proposal and the Lease Agreement, the Lease Agreement terms will govern.
8. **Appendix and Exhibits:** The Appendix and Exhibits listed in this Paragraph and attached to this Lease are hereby incorporated in and made a part of this Lease:

Appendix A:	Scope of Services
Exhibit B:	Site Maps and Property Description
Exhibit C:	Construction Rider
Exhibit D:	Conceptual Plan of Leased Premises and Lessee's Floor Plan

- Exhibit E: Initially approved Hours of Operation, Schedule of Fees, Retail and Rental Items and Prices
- Exhibit F: Vessel Description
- Exhibit G: Marina Rules and Regulations
- Exhibit H: Proposal

9. **Property Description:** That portion of Crandon Park Marina, 4000 Crandon Boulevard, Miami, Florida 33149 as shown on Exhibit B (the "Facility")
10. **Leased Premises:** County hereby leases to Lessee and Lessee hereby leases from County for the term, at the rental, and upon the covenants and conditions set forth in this Lease Agreement, the Leased Premises in County's Crandon Park Marina, a portion of the lands and berthing slips as outlined on the Site Maps and Property Description attached hereto as Exhibit B and incorporated herein by reference, hereinafter referred to as the "Leased Premises." The Department shall approve all construction, all installation (except minor repair) and all use of the Facility. The Lessee shall bear the cost associated with construction, installation and use. Lessee shall spend a minimum of \$100,000.00 for immediate permanent improvements, as represented within Exhibit D. All Construction shall be accomplished in accordance with this Lease Agreement and the Crandon Park Master Plan, made a part hereto by reference. The Leased Premises extend to the exterior faces of all exterior walls of the facilities to be constructed and between the Leased Premises and the Common Areas and Public Areas, or to any line shown on Exhibit B where there is no wall separating the Leased Premises from Common or Public Areas in the Park and including all columns and core areas within the perimeters of the Leased Premises; together with the appurtenances specifically granted in this Lease, including the use in common with others of the Public Areas as hereinafter more fully provided.
11. **Term:** The County hereby leases to the Lessee for a term of twenty (20) years, the premises described in Paragraph 10 hereof for a Dive Facility. The term and Commencement Date of

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this Lease shall begin within ninety (90) days following the Board of County Commission approval of the Lease Agreement or on the date the Tenant facility is open for business, whichever occurs first.

12. Option to Renew: The County, at its sole option, can renew the lease for two (2) additional five (5) year renewal periods.

13. Option to Extend: With prior written approval of the Department, the then current term of this Lease Agreement may be extended in consideration of permanent improvements which benefit the Park. Permanent Improvements shall mean constructing new structures or infrastructure (permanent new utilities, roadways, paths, facilities, or other land improvements) not originally considered in award of this Lease Agreement. Only the actual cost of constructing the permanent improvement shall be considered in determining any extension. No design costs in excess of 8% of actual improvement cost shall be considered in determining any extensions. No legal, accounting, financial, permit, bond, insurance, tax, personal property or like cost shall be considered. Except for extraordinary circumstances as determined solely by the Department, replacement or improvement of existing structures, facilities or infrastructure shall not be considered for extension. Whether any improvement qualifies for extension or not, the Lessee shall not be relieved from fulfilling its maintenance responsibilities, accomplishing normal repair and replacement, nor complying with conditions of this Lease Agreement. All construction shall be accomplished in accordance with this Lease Agreement and the Park Master Plan and any amendments thereto.

For qualifying costs, the then current term of this Lease Agreement will be extended for one (1) year for each \$10,000.00 in permanent improvements, previously approved by the Department in writing, and measured in year 2000 U.S. dollars using Mean's "City Cost Index" or like standard at the time of completion of the improvement. If the Lessee fails to obtain the County's written consent for a Permanent Improvement before commencement of the Permanent Improvement, such costs will not be considered in determining any extension.

14. Minimum Rental Guarantee: Lessee, in consideration of the use and occupancy of the Leased Premises, upon issuance of a Certificate of Occupancy for the proposed Dive Shop Facility, does hereby covenant and agree with the County to pay to the County without deduction or set off of any kind the sum of \$16,000 per annum as Minimum Rental Guarantee in monthly installments of \$1333.33 on the first day of each month without billing. Until such time as the Certificate of Occupancy is issued, the Lessee agrees to pay to the County without deduction or set off of any kind, the sum of \$1,000.00 monthly minimum guarantee, without billing.

15. Percentage Rent: To the extent that Percentage Rent exceeds the Minimum Rental, Lessee agrees to pay to the County in the manner and upon the conditions and at the times set forth during and for each Lease Year, as defined in Paragraph 21(A) herein, of the term hereof as Percentage Rental hereunder an amount equal to

- 3 % over annual Gross Sales from \$ 10,000.01 to \$20,000.00.
- 4 % over annual Gross Sales from \$ 20,000.01 to \$30,000.00.
- 5 % over annual Gross Sales from \$ over \$30,000.00.

Such payment shall be received by the appropriate County office the tenth (10th) day of the month following the month during which the Gross Sales as defined in Paragraph 21 herein, were earned.

18. Sales Tax: The Lessee shall be liable for the prevailing State of Florida Sales and Use Tax imposed on rent (currently at the rate of 6.5%) on the amounts payable to the County under this Lease Agreement. This Sales and Use Tax shall be payable to the County, when rent is due, (Minimum Rental Guarantee on the 1st of each month, the Percentage Rent on the 10th of each month) which in turn will remit same, less authorized handling deductions, to the State. Said tax is applicable to Minimum Rental Guarantee and percentage payments unless otherwise determined by the State of Florida.

18. Additional Taxes: If at any time during the term of this Lease Agreement or any renewal

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thereof, under the laws of the State of Florida, or any political subdivision thereof, a tax, charge, capital levy, or excise on rents (Minimum Rental Guarantee or Percentage Rent), or other tax (except income tax), however described, shall be levied or assessed by the City of Miami in Miami-Dade County or Special Taxing district or said political subdivision or any other government agency against the County on account of the rent payable herein, such tax, charge, capital levy, or excise on rents or other taxes shall be deemed to constitute real estate taxes on the the Leased Premises for the purposes of this Paragraph, and the Lessee shall be responsible to remit such payments to the County in accordance with Paragraph 16 above. However, the Lessee shall not be deemed to be in default of its obligations under this Lease Agreement for failure to pay such taxes pending the outcome of any legal proceedings instituted to determine the validity of such taxes and/or other costs.

19. **Application of Payments:** Payments are applied to any unpaid balance as provided in this paragraph. Any accrued late fees are first deducted from the payment. The remaining payment balance is then applied proportionately to the Lease payment (Minimum Rental Guarantee and then Percentage Rent) and the associated sales and use tax. Any remaining balance in the payment will be applied to any other balance due.
20. **Late Payment Charge:** In the event that the Lessee fails to make any payments, as required to be paid under the provisions of this Lease Agreement on time, a penalty at the rate of 5% per month or any portion of a month shall accrue from the due date, against the delinquent payment(s) until same are paid. The right of the County to require payment of such late payment charge and the obligation of the Lessee to pay same shall be in addition to and not in lieu of the rights of the County to enforce other provisions herein, including termination of this Lease, or to pursue other remedies provided by law.
21. **Worthless Check or Draft:** In the event that the Lessee delivers a dishonored check or draft to the County in payment of any obligation arising under this Lease, the Lessee shall incur and pay a service charge of \$10.00 or five percent (5%) of the face amount of the check,

whichever is greater. For each such dishonored check, such payment to be made within not more than five (5) days from advice of such default. Further, in such event, the Department may require that future payments required pursuant to this Lease be made by cashier's check or other means acceptable to the Department. A second such occurrence of dishonored check during the term of the Lease Agreement will be a breach of contract and, at the County's option, will constitute a default allowing termination.

22. Gross Sales:

A. **Lease Year Defined:** "Lease Year" means a twelve month period beginning with the effective date of the Lease Agreement and ending on the last day of the twelfth month following, and any twelve month period thereafter. B. **Gross Sales Defined:** "Gross Sales" means all sales of merchandise by Lessee, concessionaires of Lessee and sub-lessee of Lessee, sold in, upon or from the Leased Premises, including such sales as shall in good faith be credited by Lessee, its concessionaires, and sub-lessees in the regular course of its or their business to personnel employed at the time of sale at the Leased Premises, including also mail and telephone orders received at the Leased Premises and off-premises sales; but shall not be deemed to mean or include the following: amounts credited by Lessee or its concessionaires or sub-lessees for returned or defective merchandise; allowances to customers; trade and other discounts; sales, excise and similar taxes paid by Lessee's customers; workroom charges for alterations, repairs, or installation of merchandise sold or similar services; charges for making deliveries, shipments or transfers of merchandise; charges for cashing or issuing checks and money orders; carrying charges on time sales; charges for inter-store transfers of merchandise; or the proceeds of sales of Lessee's trade fixtures, operating equipment or other property used by Lessee or its concessionaires or sub-lessees in the operation of its business and not acquired or held by it for the purpose of sale. Sales shall be deemed to have been made when merchandise has been served, shipped or

delivered or when charged against the purchaser on the books of Lessee, or its concessionaires or sub-lessees, whichever of such events shall first occur.

C. Lessee's Certification of Sales: Lessee shall submit to County on or before the 10th day following the end of each month during the term of this Lease Agreement and on or before the 10th day of the month following the expiration or earlier termination of the term, a written statement, signed by Lessee and certified by it to be true and correct, showing the amount of Gross Sales during the preceding month. Lessee shall submit to County on or before the 60th day following the end of each of County's Lease Year an Annual Written Statement, signed by Owner, CEO, or Financial officer of the Lessee and certified by it to be true and correct, setting forth the amount of Gross Sales during the preceding Lease Year, which statement shall also be duly certified by an independent Certified Public Accountant. The statement referred to herein shall be in such form and style and contain such details and breakdowns as County may reasonably determine or require.

D. Examination of Lessee's Books and Records: Such books and records as are necessary to determine the amount of any Percentage Rent payable to County shall be subject to examination by County or its authorized representatives at reasonable times during Lessee's business hours, at County's expense and in such manner as not to interfere unreasonably with the conduct of Lessee's business. All information obtained by County or its authorized representatives from Lessee's books and records shall be kept confidential by County and all such representatives except in connection with any mortgage or assignment of this Lease Agreement for financing purposes or if subject to the requirements of Florida Public Records Act.

E. Lessee's Sales Records: For the purpose of computing and verifying the Percentage Rent due hereunder, Lessee shall prepare and keep, for a period of not less than three (3) years following the end of each Lease Year, adequate books and records, including but not limited to those relating to inventories, purchases, and receipts of merchandise, and all sales and

other pertinent transactions by Lessee. Lessee shall record at the time of sale each receipt from sales or other transactions, whether for cash or on credit, in one or more sealed cash register or registers having a cumulative total. Lessee shall keep, for at least three (3) years following the end of each Lease Year, all pertinent original sales records, which records shall include (i) cash register tapes; (ii) serially-numbered sales slips; (iii) mail order; (iv) telephone orders; (v) settlement report sheets of transactions with subtenants, concessionaires, and licensees; (vi) records showing that merchandise returned by customers was purchased by such customers; (vii) receipts or other records of merchandise taken out on approval; (viii) income and sales tax returns; and (ix) such other records which would normally be examined and required to be kept by an independent accountant pursuant to generally accepted auditing standard in performing an audit of Lessee's Gross Sales.

The acceptance by County of payments of Percentage Rent or reports thereon shall be without prejudice and shall in no case constitute a waiver of County's right to examination of Lessee's books and records of its Gross Sales and inventories of merchandise, or to collect Deficiency Payment, as defined in Paragraph 21(F) herein.

F. Audit of Lessee's Business Affairs and Records: County shall have the right to cause, upon five (5) days' written notice to Lessee, a complete audit to be made by a designated external auditing firm or other certified public accounting firm selected by the Department, or the Internal Auditing Department of the County. Lessee shall make all such records available for said examination at the Leased Premises or at some other mutually agreeable location. If the result of such audit shall show that Lessee's statement of Gross Sales for any period has been understated, Lessee shall pay County the amount of such underpayment as a Deficiency Payment. If such understatement is three percent (3%) or more, Lessee shall pay County the cost of such audit in addition to any Deficiency Payment required, plus ten percent (10%) of any such Deficiency Payment, all of which shall be collectible hereunder as additional rent, not offsetting regular Minimum Rental Guarantee or Percentage Rent. A

report of the findings of said accountant shall be binding and conclusive upon County and Lessee. The furnishing by Lessee of any grossly inaccurate statement understating Gross Sales by 15% or more, shall constitute a breach of this Lease. Any information, excluding written documents, obtained by County as a result of such audit, shall be held in strict confidence by County except in any proceeding or action to collect the cost of such audit or deficiency, or except in connection with any mortgage or assignment of this Lease for financing purposes.

G. If Lessee fails to record, maintain, or make available sales supporting documentation as specified above, then Lessee shall be deemed to be in default.

23. Payment of Building Services: Lessee agrees to pay for all charges for utility service used or consumed in or upon the Leased Premises including, but not limited to: electricity, gas, water and sewerage charges. To the extent that such charges are separately measured by metering or otherwise, Lessee agrees to pay the actual cost thereof, without addition or surcharge by the County. To the extent that such charges are not separately metered, Lessee agrees to pay Lessee's pro-rata share thereof. Lessee's pro-rata share for such services shall be computed by multiplying Lessee's share by the total charge for the service attributable to the Crandon Park Marina. The County's determination of Lessee's prorata share shall be binding upon Lessee upon written notification by the County. In the event Lessee uses a disproportionate amount of any utility or service not separately metered, the County shall have the right to engage a registered Professional Engineer to compute Lessee's utility usage, and determine an equitable utility charge to Lessee based upon such usage.

24. Curtailment or Interruption of Service: The County reserves the right to interrupt, curtail or suspend the provision of any utility service to which Lessee may be entitled hereunder when necessary by reason of accident or emergency or for repairs, alterations, or improvements in the judgment of County desirable or necessary to be made, or due to difficulty in obtaining supplies or labor or for any other cause beyond the reasonable control

of the County. The work of such repairs, alterations, or improvements shall be prosecuted with reasonable diligence. The County shall in no respect be liable for any failure of the utility companies or governmental authorities to supply utility service to Lessee or for any limitation of supply resulting from governmental orders or directives. No diminution or abatement of rent or other charges, nor damages, shall be claimed by Lessee by reason of the County's or other individuals' interruption, curtailment or suspension of a utility service, nor shall this Lease Agreement or any of Lessee's obligations hereunder be affected or reduced thereby.

If any payment of rent due hereunder shall remain unpaid for more than ten (10) days after it shall become due, the County may, without notice to Lessee, discontinue utilities service, until all arrears of rent shall have been paid-in-full. The County shall not be liable for damage to persons or property or the business of Lessee for any such discontinuance, nor shall such discontinuance in any way be construed as an eviction of Lessee or cause an abatement of rent, or operate to release Lessee from any of Lessee's obligations hereunder.

25. Accord and Satisfaction: No payment by Lessee or receipt by County of a lesser amount than any payment of Minimum Rental Guarantee or Percentage Rent herein stipulated shall be deemed to be other than on account of the earliest stipulated Minimum Rental Guarantee or Percentage Rent then due and payable, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction. The County may accept such check or payment without prejudice to County's right to recover the balance of such rent or pursue any other remedy provided in this Lease Agreement, at law or in equity.

26. Payment of Fees: The Minimum Rental Guarantee and all other amounts payable by Lessee to the County herein with the exception of Percentage Rent, which shall be paid with all applicable taxes and penalties, if any, in accordance with Paragraph 15 herein, shall be payable in twelve (12) equal monthly installments on the first day of each month during the

term of this Lease Agreement. Such payments, as well as other amounts payable by Lessee to the County under the terms of this Lease Agreement shall be paid promptly when due, without notice for any reason whatsoever and without abatement, except as hereinafter provided. If the Commencement Date shall be a date other than the first day of a calendar month, on the Commencement Date the Lessee shall pay the County an amount equal to such proportion of an equal monthly installment as the number of days from the Commencement Date to the end of the calendar month in which the Commencement Date occurs bears to the total number of days in such calendar month. All rentals provided for in this Lease Agreement (those herein stipulated as well as said Minimum Rental Guarantee) shall be paid or mailed to:

Park and Recreation Department
Contract Management Section
275 NW 2nd Street, 3rd Floor
Miami, FL 33128

(Checks shall be made payable to the "Miami-Dade County Board of County Commissioners.")

27. **Holding Over:** If Lessee remains in possession of the Leased Premises after the expiration of the term of this Lease Agreement, or any option period, without a new Lease Agreement reduced to writing and duly executed and delivered (even if Lessee shall have paid, and County shall have accepted, rent in respect to such holding over), Lessee shall be deemed to be occupying the Leased Premises only as a Lessee from month-to-month, subject to all covenants, conditions, and agreements of this Lease Agreement. If Lessee fails to surrender the Leased Premises upon the termination of this Lease Agreement, then Lessee shall, in addition to any liabilities to County accruing therefrom, indemnify and hold harmless the County and its assigns and agents from loss or liability resulting from such failure, including, without limiting the generality of the foregoing, any claims made by any succeeding Lessee on such failure.

28. **County's Work** County shall have the right, at its sole cost and expense, without limitation,

to make any repairs, alterations and additions to any structures and facilities, including the Leased Premises, free from any and all liability to the Lessee for loss of business or damages of any nature whatsoever during the making of such repairs, alterations and additions. Nothing in this paragraph, however, will be construed as imposing any maintenance or repair responsibility on the County for the Leased Premises.

29. Lessee's Work and Lessee's Design Criteria: All work other than County's Work as defined in Paragraph 27 herein shall be the Lessee's Work and accomplished by Lessee at Lessee's sole expense and in accordance with the Crandon Park Master Plan and plan and specifications, hereinafter referred to in this Paragraph, prepared by Lessee's architect in conformity with the description of Conceptual Plan of Leased Premises and Lessee's Floor Plan therefore set forth in Exhibit D attached hereto. Within not more than ninety (90) days following execution of the Lease, Lessee shall submit to the Department, for its review and approval, disapproval or modification, detailed plans, specifications, contract documents and construction cost estimates for the Improvements, prepared by an Architectural or Engineering firm registered in the State of Florida. The submission of said detailed plans, specifications, contract documents and construction cost estimates is specified in Exhibits C and D. The County may disapprove plans for any reason, including non-conformity with the Crandon Park Master Plan, and shall provide the Lessee within sixty (60) days of its submittal the detailed reasoning for its disapproval. The Lessee shall correct its plans and specifications in accordance with the County's comments and return for the County's approval. The Lessee may engage in any improvements only after the County's approval of the plans and specifications. Lessee's Work shall be performed in accordance with the approved working plans and specifications and Exhibits C and D and shall be completed within the Days for Completion of Lessee's Work specified in Exhibit C. To the end that there shall be no labor disputes which would interfere with any part thereof, including, but not limited to, the Leased Premises, in performing any work in or about the Leased Premises,

including without limitation, any such work referred to in Paragraphs 33 and 35 hereof, any other work which Lessee does whether or not such work is permitted or required pursuant to the Lease, Lessee agrees to engage the services of only such contractors, subcontractors who are approved in writing by the County prior to commencement of construction. Furthermore, only those contractors and subcontractors as have been duly licensed by the State of Florida or Miami-Dade County and which have been approved by County may perform any portion of Lessee's Work for Lessee in or upon the Leased Premises prior to commencement of construction. No contractor will be approved that has commenced construction prior to County's approval.

30. Certain Construction Contract Terms: All contracts entered into by the Lessee for the construction of the Improvements shall require completion of the Improvements within a specified time period following the execution of said contract(s) and shall contain, unless otherwise authorized by the Department, reasonable and lawful provisions for the payment of actual and liquidated damages in the event contractor(s) fails to complete the construction on time. The Lessee agrees that it will use its best efforts to take all necessary action available under such construction contract to enforce the timely completion of the work covered thereby. Further, all such contracts shall contain provisions requiring retaining of 10% of contractor billings or such lesser percentage amount as may be authorized by the Department in writing.

31. Public Construction Bond

A. Improvements Greater than \$100,000. In the event the Lessee desires to construct an improvement on the Leased Premises, the Lessee shall obtain from its construction contractor separate payment and performance bonds, each equal to the full amount of the construction cost of the improvement, so long as the construction cost of the improvement is greater than \$100,000. Lessee shall obtain and deliver said bonds in favor of Lessor in a form of security which meets the requirement, as applicable, of Section

255.05 of the Florida Statutes, as set forth below, not less than ten (10) days prior to the anticipated commencement of construction. The Department shall have the right of approval of the bond surety, which approval shall not be unreasonably withheld, in accordance with the then applicable Miami-Dade County criteria prior to the execution and delivery of the public construction bond by the Lessee. In the event that, for any reason, either or both of the Lessee's payment and performance bonds lapse or are held to be no longer valid or enforceable before the satisfaction of any and all claims by materialmen, laborers, subcontractors, or any suppliers of any kind, the Lessee shall pay all such claims, and indemnify, defend, and hold the County harmless against such claims.

B. Improvements Less than \$100,000 As to construction on the Leased Premises, the cost of which is less than \$100,000, the Lessee shall acquire separate payment and performance bonds, in accordance with the terms and conditions set forth in the previous paragraph. In lieu of payment and performance bonds, the Lessee may deposit in escrow with the County the estimated sum required to complete Lessee's work, so long as the construction costs are less than \$100,000. Upon satisfactory completion of all work and installations and the submission of proof that all bills in connection therewith have been paid, the County shall release such funds from escrow. County, in its sole discretion, may release portions of such escrow deposit to pay bills as the work and the installation progress. In the event that for any reason, either or both of the Lessee's payment and performance bonds lapse or are held to be no longer valid or enforceable before the satisfaction of any and all claims by materialmen, laborers, subcontractors, or any suppliers of any kind, the Lessee shall pay all such claims, and indemnify, defend, and hold the County harmless against such claims. In the event that the Lessee opts not to provide payment and performance bonds, and the security held in escrow is insufficient to satisfy any claim by materialmen, laborers, subcontractors, or any suppliers of any

kind, the Lessee shall pay all such claims and indemnify, defend, and hold the County harmless against such claims.

32. Remedies for Lessee's Failure or Delay to Submit Plans or Perform Work: If Lessee fails or omits to make timely submission to County of any plans or specifications or delays in submitting or supplying information, or in giving authorizations or in performing or completing Lessee's Work, or fails to open for business on the Commencement Date, County, in addition to any other right or remedy it may have at law or in equity, may pursue any one or more of the following remedies:

A. Until Lessee shall have commenced Lessee's Work as defined in Paragraph 28, County may give Lessee at least ten (10) days written notice that if a specified failure, omission or delay is not cured by the date therein stated this Lease shall be deemed canceled and terminated. If such notice shall not be complied with this Lease shall, on the date stated in such notice, ipso facto be canceled and terminated, without prejudice to County's rights hereunder.

B. County may, after written notice of its intention to do so, at Lessee's cost and expense, including, without limitation, expense for such overtime as County's Architect may deem necessary, proceed with the completion of any such plans or specifications or Lessee's Work, as the case may be, and such performance by County, shall have the same effect hereunder as if the desired plans, specifications, information, approval, authorization, work or other action by Lessee had been done as herein required. For such purpose, County may enter upon the Leased Premises and take possession thereof and of all materials, appliances, equipment thereon and employ such other contractors and subcontractors, as it may elect, to complete Lessee's Work and Lessee shall indemnify and hold County harmless from any liability that may be incurred thereby to Lessee's contractors or subcontractors.

C. County may give notice to Lessee (notwithstanding that such notice is not otherwise required hereunder), that the term of Lease will be deemed to have commenced, that the date,

to be therein specified, when the same would have commenced if Lessee had made timely submission of supply of plans, specification, estimates or other information or approval of any thereof. On and after the date so specified, County shall be entitled to be paid the Minimum Rental Guarantee and any other charges which are payable hereunder by Lessee during the term of this Lease.

D. County may require Lessee to pay to County, as additional rent hereunder, the cost to County of completing the Leased Premises in accordance with the terms and provisions of this Lease over and above what would have been such cost had there been no such failure.

In exercising any of the foregoing remedies, County shall be entitled to retain and have recourse to any bond or escrow deposit provided by Lessee under Paragraph 30 hereof.

33. Ownership of Improvements: Upon the expiration or earlier termination of this Lease Agreement for any reason, all existing and future installed fixtures, equipment, improvements and appurtenances attached to or built into the Leased Premises in such a manner as to become part of the freehold, whether or not by or at the expense of Lessee, shall become and remain a part of and be surrendered with the Leased Premises. Any furniture, furnishing, equipment or other articles of movable personal property owned by Lessee and located in the Leased Premises, shall be and shall remain the property of Lessee and may be removed by it at any time during the term of this Lease Agreement so long as Lessee is not in default of any of its obligations under this Lease Agreement, and the same have not become a part of the freehold, and so long as such does not materially affect Lessee's ability to use said premises and conduct its business as provided herein. However, if any of Lessee's property is removed and such removal causes damage to the Leased Premises, Lessee shall repair or pay the cost of repairing any damage to the Leased Premises resulting from such removal. Any property belonging to Lessee and not removed by Lessee at the end of the Lease Term or a renewal, if applicable, shall, at the election of the County, be deemed to be abandoned by Lessee, and the County may keep or dispose of such property and restore the premises to

good order within ten (10) days after end of the Lease Term thereof. At the expiration of the term of this Lease Agreement, Lessee shall deliver to the County the keys and combinations to all safes, cabinets, vaults, doors and other locks left by Lessee on the Leased Premises.

34. Lessee's Changes:

- A. **Conditions for Making Changes:** After Commencement Date, and subject to approval of the County in writing, Lessee may at any time, at its expense, make such other alterations, additions, installations, substitutions, improvements and decorations (hereinafter collectively called "changes" and, as applied to changes provided in this Article, "Lessee's Changes"), in and to the Leased Premises, excluding structural changes, as Lessee reasonably may consider necessary for the conduct of its business in the Leased Premises, which shall be in compliance with the Crandon Park Master Plan and subject to approval by the County, additional to all of the following conditions:
- i. The outside appearance or structural integrity of the Facility shall not be affected.
 - ii. No part of the Park not included within the Leased Premises shall be physically affected.
 - iii. The proper functioning of any of the material, electrical, sanitary, fire protection and other service systems shall not be adversely affected.
 - iv. In performing the work involved in making such changes, Lessee shall be bound by and observe all of the conditions and covenants contained in this Article.
 - v. At the expiration or any earlier termination of this Lease Agreement, on the County's written request, Lessee shall restore the Leased Premises to their condition prior to the making of any change permitted by this Article, reasonable wear and tear excepted, unless waived by the County in writing.
- B. **Approvals for Changes, Cost and Insurance:** Lessee, at its expense, shall obtain all necessary governmental permits and certificates for the commencement of prosecution of

Lessee's Changes and for final approval thereof upon completion, and shall cause Lessee's Changes to be performed in compliance therewith, and with the Crandon Park Master Plan, all applicable laws and requirements of public authorities, and with all applicable requirements of insurance bodies, and in good and workmanlike manner, using materials and equipment at least equal in quality and class to the original installations of the Project, and so as not to impose any additional expense upon the County. Throughout the performance of Lessee's Changes, Lessee shall carry, or cause to be carried, insurance as set forth in Paragraph 62. If any of Lessee's Changes shall involve the removal of any fixtures, equipment or property in the Leased Premises which are the County's Property, such fixtures, equipment or other property shall be promptly replaced, at Lessee's expense, with fixtures, equipment or other property of like utility and at least equal value unless the County shall otherwise expressly consent in writing.

35. **Violations, Liens, and Security Interests:** Lessee, at its expense, and with diligence and dispatch, shall secure the cancellation or discharge of all notices of violation arising from or otherwise connected with Lessee's Changes or operations in the leased premises which shall be issued by any public authority having or asserting jurisdiction. Lessee shall promptly pay its contractors and materialmen for all work and labor done at Lessee's request. Should any such lien be asserted or filed, regardless of the validity of said liens or claims, Lessee shall bond against or discharge the same within ten (10) days of the filing of said encumbrance. In the event Lessee fails to remove or bond against said lien by paying the full amount claimed, Lessee shall pay the County upon demand any amounts paid out by the County, including the County's costs, expenses and Counsel fees. Lessee further agrees to hold the County harmless from and to indemnify the County against any and all claims, demands and expenses, including attorney's fees, by reason of any claim of any contractor, subcontractor, materialman, laborer or any other third person with whom Lessee has contracted, or otherwise is found liable for, in respect to the Leased Premises. Nothing contained in this

Lease Agreement shall be deemed, construed or interpreted to imply any consent or agreement on the part of the County to subject the County's interest or estate to any liability under any mechanic's or other lien asserted by any contractor, subcontractor, materialman or supplier thereof against any part of the or any of the buildings or improvements thereon (inclusive of the Leased Premises) and each such contract shall provide that the contractor must insert a statement in any subcontract or purchase order that the contractor's contract so provides for waiver of lien and that the subcontractor, materialman and supplier agree to be bound by such provision.

36. Review of Construction: During the construction of the Improvements, the Department or its designee shall periodically inspect the construction to ensure conformity with the Approved Improvements Documents, and any changes thereto requested by the Lessee and approved by the Department.

37. Lessee's Repairs and Maintenance: Lessee, at its expense, shall make promptly: All repairs, ordinary or extraordinary, interior or exterior, structural or otherwise, in and about the Leased Premises, and the Park as shall be required by reason of (i) the performance by Lessee of any work on the Leased Premises; (ii) the installation, use or operation of Lessee's property; (iii) Lessee's portion of the utility lines in the Leased Premises, if damaged due to Lessee's negligence; (iv) the moving of Lessee's Property in or out of the Park; (v) the misuse or neglect of the Leased Premises by Lessee or any of its employees, agents or contractors, including the failure or neglect of Lessee to make the repairs required by the succeeding subsection hereof.

Such repairs, as may be necessary to maintain the Leased Premises and Lessee's property in as good order, condition, and repair as they are at the Commencement Date. Lessee shall, if due to its negligence, be responsible for repairs, maintenance, and replacements including all utility systems, serving same and appurtenances thereto, and shall keep them at all times neat, clean and in good repair, free from filth, overloading, danger of fire, explosion, or any

nuisance, and return the same to the County, after removing all its property therefrom, at the expiration of the Lease Agreement Term, in as good condition as when received by Lessee, ordinary wear and use and casualty loss due to causes beyond Lessee's control excepted. Lessee agrees that it will cause no damage to foundations, roofs, walls or floors, and if it does, it will be liable to the County for the cost of repairs. If the Leased Premises are not surrendered as aforesaid, in addition to all other rights given to the County herein or by law:

- i. The County may, at its option, restore the Leased Premises or the project to good order and condition and Lessee shall pay to the County within ten (10) days after billing therefore, as additional rent, the expense of such restoration; and
- ii. Lessee shall indemnify and hold harmless the County against any and all claims, demands, loss, or damage, including attorney's fees, resulting from the delay by Lessee in surrendering the Leased Premises including, but not limited to, claims made by any succeeding Lessee or Lessor based on such delay.
- iii. Lessee shall pay to County as liquidated damages for any holdover, in addition to amounts paid pursuant to (ii) above, double rent (including Minimum Annual Rent and Percentage Rent in an amount at least equal to the average yearly Percentage Rent theretofore paid by Lessee)

Lessee's obligation to perform this covenant shall survive the termination of this Lease.

38. Facilities: The Lessee hereby agrees to submit for approval by the County detailed plans and specifications for any anticipated Permanent Improvements and shall construct the Permanent Improvements in accordance with the approved plans.

All equipment and personal property furnished by Lessee shall be of good quality and suitable for its purpose. The County shall have the right to require substitute equipment of personal property when such action is deemed necessary or desirable. Equipment acquired by the Lessee by purchase from the County that is unsuitable for Lessee's operation may be replaced with other equipment or personal property of the Lessee's choice, subject to the

above conditions.

It shall be the responsibility of the Lessee to coordinate activities with the County during any periods of construction and normal operations.

The Lessee agrees to maintain said premises in the same condition, order, and repair as at the commencement of operations or after improvements, excepting only reasonable wear and tear arising from the use thereof under this Lease Agreement.

39. County Approval: The Lessee agrees that it will obtain prior written approval from the County in all of the following matters:

- A. Changes from originally approved specifications, activities, signage, and graphics.
- B. Equipment Lessee plans to install in the Leased Premises that may require any building modifications.
- C. Any use of the County's, Department's or Park's name.
- D. Use of any type of vending machines, inside or outside of the building within the leased Facility.
- D. Changes from originally approved specifications, business activities, signage, and graphics.
- E. Lessee's marketing plan, in an amount not less than \$10,000.00 per year.
- F. Hours of daily operation.

Further it is understood by the Lessee that should any of the above items be disapproved, Lessee may offer alternative solutions. The Park and Recreation Director or his designee shall be allowed sixty (60) days to reach a decision in any of the above matters and failure to do so within such period shall constitute approval.

40. County Approval of Change: The County reserves the right with stated just cause to require the Lessee to change within a stated time any and all items contained in Paragraph 38 it deems in need of change, despite previous approval of same.

41. Public Contact of Lessee's Employees: Lessee's employees in contact with the public shall

perform their duties in an efficient and courteous manner. Failure of an employee to do so shall be grounds for the County to demand his or her removal from duties in the Leased Premises. Lessee's employees will not be considered agents of the County.

42. Hours of Operation: The Leased Premises will be required to operate seven (7) days a week during those hours approved by the County. Sufficient staff will be available to provide outstanding service. The County may require a change in days and/or hours of operation, if, in the reasonable discretion of the County, such a change is desirable in providing the best service to the public.
43. Pricing: Lessee shall maintain the pricing schedule as contained in Exhibit E. Prices shall be comparable to similar type operations if an independent or non-chain affiliated; and, in any effort to change prices Lessee will provide to the County a schedule of such proposed changes not later than thirty (30) days prior to the intended implementation date, for approval or disapproval, at any time during the Lease Term when price changes are contemplated. If the County does not respond within 30 days the price changes shall be deemed approved.
44. Personnel: The Lessee shall provide the Department with the name and telephone number of a management person of the Lessee who will be on call, at all time, for emergencies or other matters related to the operations under this Lease. The Lessee shall ensure that all its personnel are courteous and cooperative and present a neat, clean and professional appearance at all times. Failure of an employee to do so shall be grounds for the County to demand his or her removal from duties in the Leased Premises. The Lessee shall require all personnel to wear visibly on their person, at all times while on duty, a distinctive name tag, identifying the individual by name, title, if appropriate, and as an employee of the Lessee. The Lessee shall ensure that all employees having public contact are able to understand and communicate in spoken English. Lessee's employees will not be considered agents of the County
45. On-Site Manager: Throughout the term of this Lease or any extensions thereof, the Lessee shall employ a qualified full-time on-site manager having experience in the management of

this type of operation, who shall be available during normal business hours, and be delegated sufficient authority to ensure the competent performance and fulfillment of the responsibility of the Lessee under this Lease and to accept service of all notices provided for herein.

46. License and Certification: Lessee's boat Captains shall be United States Coast Guard Certified and Dive Masters shall be certified by The National Association of Underwater Instructors (NASS) or by the Professional Association of Diving Instructors (PADI). Copies of such licenses and certifications shall be provided to the Department.

47. Monitoring Services: The Department shall have the right, without limitation, to monitor and test the quality of services of the Lessee, including, but not limited to personnel and the effectiveness of its cash-handling procedures, through the use of the shopping service, closed circuit TV, and other reasonable means.

48. Quality of Lessee's Service: The Lessee shall conduct its operations in an orderly manner and so as not to annoy, disturb, or be offensive to customers, patrons, or others in the immediate vicinity of such operations.

Lessee shall furnish good, prompt and efficient service, adequate to meet all reasonable demands therefore.

The Lessee shall not conduct any business or activity not specifically authorized by this Lease Agreement in the Leased Premises, unless approved by the County. It is expressly understood and agreed that the said operation shall not interfere in any manner with the use of the public area or infringe upon the normal method of operations of any other parties authorized to conduct business at or near the location. The Lessee agrees that a determination by the County will be accepted as final in evaluating whether its activities infringe on the rights of others and that Lessee will fully comply with any decisions on this matter.

49. Services/Equipment Provided by County: The County shall provide the following:

A. Electrical as existing.

B. Water facilities as existing.

C. Sewage collection facilities as existing.

50. Equipment and Services Provided by Lessee: The Lessee, at its sole cost, shall provide the Leased Premises, and provide:

A. Janitorial Service within the Leased Premises and for a fifty foot area outside the leased area, and waste removal.

B. The Lessee shall keep the Leased Premises and equipment clean and in good repair at all times. If the Leased Premises and equipment are not kept clean in the opinion of the Department, the Lessee will be so advised and upon failure of the Lessee to maintain the Leased Premises as required in this Paragraph, the Department may, after fifteen days written notice to the Lessee, enter upon the Leased Premises and perform all cleaning, maintenance and repairs which may be necessary and the cost thereof, plus 25% for administrative costs, shall constitute additional rental(s), and shall be billed to and paid by the Lessee.

C. The Lessee shall procure, at the sole cost of the Lessee, all permits, licenses, and approvals required of Lessee for this operation and performance under this Lease Agreement.

B. Extermination Service (if additional service, other than what the County is currently providing, is required).

E. Construction, renovation, repair, and maintenance of the leased area.

F. Complete air handling system, as required.

G. All internal finishing such as ceilings, walls, decorations, furnishings and floor coverings, and all show cases, racks, other display and sales facilities, including concession identification signage, subject to prior approval of the Department

H. Connection of utilities to operating equipment, utility meters and cost of use and service. Lessee shall contract with the Miami-Dade Water and Sewer Authority (WASA)

for Lessee's water and sewer requirements, subject to Department approval. The same contracting procedure shall be in place for electrical, gas, telephone, and other utilities usage.

- I. All operating equipment.
- J. All plumbing fixtures.
- K. Pest control within and around operational areas.
- L. Garbage and trash collection.
- M. Irrigation system.
- N. Landscaping within the Facility lease area.
- O. Fill and grading to appropriate flood criteria level at the Facility site, also including parking area.
- P. Public restrooms within the Facility, if required by Building and Zoning.
- Q. Fire sprinkler system, if required.

51. Equipment Installed by Lessee:

Any equipment, furnishings, signage and advertising installed by the Lessee shall be in keeping with the appropriate standards of decor at the Park and must be approved by the County prior to installation, which approval shall not be unreasonably withheld. The Lessee shall not install, remove or replace fixed equipment or furnishings without notification to, and prior approval by, the County, which approval shall not be unreasonably withheld. Following the installation of any additional fixed equipment, furnishing and improvements which the County may approve from time to time, Lessee shall provide to the County a statement setting forth the cost of such equipment, furnishings or improvements and the date upon which the installation of such equipment, furnishings and improvements was completed.

Lessee agrees that all new equipment, furnishings and improvements provided shall meet the requirements of all applicable building, fire, pollution and other related codes, as well as, the

Crandon Park Master Plan.

Lessee shall not alter or modify any portion of the Facility, the Leased Premises or the improvements constructed therein without first obtaining written approval from the County.

52. **Damages:** Lessee shall repair all damages to the leased or non-leased portions of the Leased Premises caused by the Lessee, its employees, agents, or independent contractors.
53. **Quiet Enjoyment of Leased Property:** The County covenants and agrees that so long as no default exists in the performance of Lessee's covenants and agreements contained herein, Lessee may peaceably and quietly hold and enjoy the Leased Premises and all parts thereof for that portion of the Lease Term, free from eviction or disturbance by the County or any person claiming under, by, or through the County.
54. **Subordination:** The County shall have the right to transfer, mortgage, assign, pledge, and convey in whole or in part the Leased Premises, this Lease Agreement and all rights of the County existing and to exist, and rents and amounts payable under the provisions hereof; and nothing herein contained shall limit or restrict any such right, and the rights of the Lessee under this Lease Agreement shall be subject and subordinate to all instruments executed and to be executed in connection with the exercise of any such right of the County, including, but not limited to, the lien of any mortgage, deed of trust, lease, or security agreement now or hereafter placed upon the Leased Premises and the Park and to all renewals or modifications thereof. This paragraph shall be self-operative and no further instrument or subordination shall be required. Lessee covenants and agrees, if requested, to execute and deliver upon demand such further instruments confirming such subordination of this Lease Agreement to the lien of any such mortgage, deed of trust, permit, or security agreement as shall be requested by the County and/or any mortgagee, proposed mortgagee, or holder of any security agreement. Lessee hereby irrevocably appoints the County as its attorney in fact to execute and deliver any such instrument for and in the name of the Lessee.
55. **Liability for Damage or Injury:** The County shall not be liable for damage or injury which

may be sustained by any party or persons on the Leased Premises or through the services provided by the Lessee other than the damage or injury solely caused by the negligence or intentional actions of the County, its agents and employees while in the course of County business, and as limited by F.S. 768.28.

56. **Damage or Destruction of Premises:** If either the Leased Premises or the leased buildings are partially damaged due to Lessee's negligence, but not rendered unusable for the purposes of this Lease Agreement, the same shall with due diligence be repaired by the Lessee from proceeds of the insurance coverage and/or at its own cost and expense. If the damage shall be so extensive as to render such premises unusable for the purposes intended, but capable of being repaired within thirty (30) days, the damage shall be repaired with due diligence by the Lessee from the proceeds of the insurance coverage policy and/or at its own cost and expense. In the event the said premises are completely destroyed due to Lessee's negligence, Lessee shall repair and reconstruct the premises so that they equal the condition of the Premises on the date possession was given to Lessee, and pay the County a Minimum Rental Guarantee based on the last Gross Sales achieved, which reflects the County's income on the property preceding the date of destruction, for the remainder of time the premises remain untenable. In lieu of reconstructing, Lessee shall reimburse the County all expenses incurred by the County in restoring the premises to their original condition, plus Minimum Rent Guarantee in accordance with the Lease Agreement, until the Leased Premises have been leased to another vendor or possession returned to Lessee. The election of remedies shall be at the sole discretion of the County.

57. **Diminution for County's Repair:** Except as elsewhere specifically provided in this Lease Agreement, there shall be no allowance to Lessee for a diminution of rental value and no liability on the part of the County by reason of inconvenience, annoyance or interference with Lessee's business arising from the County or its agents making any repairs, replacements, alterations, decorations, additions or improvements in or to any portion of the

Leased Premises, the Park or the building or buildings contained within the Park, or in or to fixtures, appurtenances or equipment thereof, provided such work (except in case of emergency and to the extent practical) does not unreasonably interfere with Lessee's use of the Leased Premises.

58. Performance of Obligations: Lessee covenants at all times during the term of this Lease Agreement to perform promptly all of the obligations of Lessee set forth in this Lease Agreement.
59. Ingress and Egress: Subject to rules and regulations, statutes and ordinances, and terms of this Lease Agreement governing the use of the facility, Lessee, his agents and servants, patrons and invitees, and his suppliers of service and furnishers of materials shall have right of ingress and egress to and from the premises.
60. Assignment, Subletting, and Successors in Interest: Lessee shall not assign, sublet, mortgage, pledge nor otherwise encumber this Lease Agreement nor any portion thereof, nor any property associated with this Lease Agreement without prior written approval of the County. Unapproved assignment, subletting, mortgaging, pledging or encumbering shall be grounds for immediate termination of this Lease Agreement. It is agreed that all terms and conditions of this Lease Agreement shall extend to and be binding on assignees, sub-lessees and other successors as may be approved by the County. Lessee shall be liable for acts and omissions by any sub-lessee affecting this Lease Agreement. The County reserves the right to directly terminate (and evict or pursue any applicable remedy) any sub-lessee for any cause for which Lessee may be terminated.
61. Ownership of Lessee: The ownership of the Lessee is very important to the County. Therefore, the County reserves the right to terminate this Lease Agreement at any time if more than 10% of the ownership of the Lessee has not been specifically approved by the County. The County shall reject any proposed new owner for any reason it believes is in the best interests of the public. Lessee agrees to provide on 24 hour notice to the County an

accurate list of all owners of the Lessee, showing the percentage of ownership of each owner, and; any change of corporate name or corporate ownership. Lessees for which stock is listed on a major stock exchange, may be wholly or partially exempted from the list requirement of this paragraph at the discretion of the County.

62. **Security Deposit:** Lessee shall furnish a Security Deposit in cash equal to three (3) months Minimum Rental Guarantee, redeemable at the end of the Lease term except for such conditions pertinent thereto, or in such other media, as further described, acceptable to the County.

The Lessee may, in lieu of a Security Deposit provide the County a Performance Bond or Irrevocable Letter of Credit in the same amount. This bond or Letter of Credit will be conditioned on the full and faithful performance of all covenants of this Lease Agreement.

In the event that Lessee abandons performance or fails to perform as required, the County will execute on the Bond, draw upon the irrevocable letter of credit or retain the cash deposit, whichever is the case, and Lessee will be responsible for the balance of the debt, if any, that is owed. Additionally, if the County must draw upon any portion of the form of security provided, Lessee hereby agrees to restore the security to its original amount within seven (7) days of receiving notice by the County that the security was drawn upon.

63. **County's Property Insurance:** Any insurance the County may maintain shall not cover Lessee's improvements and betterments, contents, or other property of Lessee. Lessee shall not violate, or permit the violation of, any condition imposed by any of the County's insurance policies, and shall not do, or permit anything to be done, or keep or permit anything to be kept in the Leased Premises which would increase the fire or other property or casualty insurance rate on the building or buildings in which the Park is located or the property therein over the rate which would otherwise then be in effect (unless Lessee pays the resulting increased amount of premium as provided under the further terms hereof), or which would result in insurance companies of good standing refusing to insure the same or

any of such property in amounts and at normal rates reasonably satisfactory to the County. If, by reason of any act or omission on the part of Lessee, the rate of property insurance on the Park or equipment or other property of the County or other tenants shall be higher than it otherwise would be, Lessee shall reimburse the County, on demand, for that part of the premiums for property insurance paid by the County because of such act or omission on the part of Lessee, which sum shall be deemed additional rent for purposes of collection only.

64. Lessee's Insurance: The Lessee shall furnish to the Department Certificate(s) of Insurance which indicate that insurance coverage has been obtained which meets the requirements as outlined below:

1. Workmen's Compensation Insurance for all employees of the Lessee as required by Florida Statute, Chapter 440.
2. Public Liability Insurance on a comprehensive basis in an amount not less than \$1,000,000 combined single limit per occurrence for bodily injury, product liability and property damage. Miami-Dade County must be shown as an additional insured with respect to this coverage.
3. Protection and Indemnity Insurance including Excess Collision Liability in an amount not less than \$1,000,000 Combined single limit for bodily injury and property damage (applicable to any vehicle operation).
4. Automobile Liability Insurance covering all owned, non-owned and hired vehicles used in connection with the Services in an amount not less than \$300,000 combined single limit per occurrence for bodily injury and property damage.
5. Hull and liability insurance for vessels and operations as agreed by the County's General Services Administration (GSA), Risk Management Division.

The insurance coverage required shall include those classifications, as listed in standard liability

insurance manuals, which most nearly reflect the operations of the Lessee.

All Insurance policies required above shall be issued by companies authorized to do business under the laws of the State of Florida, with the following qualifications as to management and financial strength:

The Company must be rated no less than "B" as to management, and no less than Class "V" as to strength, by the latest edition of Best's Key Rating Guide, published by A.M. Best Company, Oldwich, New Jersey, or its equivalent, subject to the approval of the County Risk Management Division.

Or

The company must hold a valid Florida Certificate of Authority as shown in the latest "List of All Insurance Companies Authorized or Approved to Do Business in Florida," issued by the State of Florida Department of Insurance and are members of the Florida Guaranty Fund.

Certificates will indicate that no modification or change in insurance shall be made without thirty (30) days written advance notice to the certificate holder.

Compliance with the foregoing requirements shall not relieve the Lessee of any liability and obligation under this section or under any other section of this Lease Agreement.

Award is contingent upon receipt from the Lessee of insurance documents within fifteen (15) calendar days after Board of County Commission approval. If the insurance certificate is received within the specified time frame but not in the manner prescribed in this Lease Agreement, the Lessee shall be verbally notified of such deficiency and shall have an additional five (5) days to submit a corrected certificate to the County. If the Lessee fails to submit the required insurance documents in the manner prescribed in this Lease Agreement within twenty (20) calendar days after Board of County Commission approval, the Lessee

shall be in Default of the contractual terms and condition and award of the contract will be rescinded, unless such time frame for submission has been extended by the County.

The Lessee shall be responsible for assuring that the insurance certificates required in conjunction with this Section remain in force for the duration of the contractual period; including any and all option years that may be granted by the County. If insurance certificates are scheduled to expire during the contractual period, the Lessee shall be responsible for submitting new or renewed insurance certificates to the County at a minimum of thirty (30) calendar days in advance of such expiration. In the event that expired certificates are not replaced with new or renewed certificates which cover the contractual period, the County shall suspend the contract until such time as the new or renewed certificates are received by the County in the manner prescribed in this Lease Agreement; provided, however, that this suspended period does not exceed thirty (30) calendar days. Thereafter, the County may, at its sole discretion, terminate this contract.

The Department reserves the right to reasonable amend the insurance requirements by the issuance of a notice in writing to the Lessee. Modification or waiver of any of the aforementioned requirements is subject to approval of the County's Risk Management Division.

65. Lessee's Insurance During Construction and Indemnification: Upon Lessee occupying the Leased Premises, throughout the construction of Lessee's Work, and throughout the construction of Lessee's Changes, Lessee shall maintain and furnish to Miami-Dade County, c/o General Services Administration (GSA), Risk Management Division, 111 NW 1st Street, 23rd Floor, Miami, Florida 33128, Certificate(s) of Insurance which indicate that insurance coverage has been obtained which meets the requirements as outlined below:

- A. Worker's Compensation Insurance Pursuant to Florida Statutes, Chapter 440.
- B. Comprehensive General Liability Insurance including contractual liability, products and completed operations, personal injury, Broad Form Property Damage in the

amount not less than Two Million Dollars (\$2,000,000.00) per occurrence combined single limit for bodily injury and property damage. Miami-Dade County shall be shown as additional insured with respect to this coverage.

- C. Automobile Liability Insurance covering all owned, non-owned, and hired vehicles used in connection with the work, in an amount not less than One Million Dollars (\$1,000,000.00) per occurrence combined single limit for bodily injury and property damage.

The insurance coverage required shall include those classifications, as listed in standard liability insurance manuals, which most nearly reflect the operations of the Lessee. All insurance policies required above shall be issued by companies authorized to do business under the laws of the State of Florida and satisfactory to the County, with the following qualifications:

The company must be rated no less than "B" as to management, and no less than "Class V" as to financial strength, by the latest edition of Best's Insurance Guide, published by A.M. Best Company, Oldwick, New Jersey, or its equivalent subject to the approval by the County Risk Management Division.

or

The company must hold a valid Florida Certificate of Authority as shown in the latest "List of All Insurance Companies Authorized or Approved to Do Business in Florida" issued by the State of Florida, Department of Insurance, and be a member of the Florida Guaranty Fund.

Lessee shall furnish the County with reasonably satisfactory evidence that such insurance is in force and effect at or before the Commencement of Lessee's Changes, and, on request, at reasonable intervals thereafter during the continuance of Lessee's Changes. Lessee agrees to indemnify and save harmless Miami-Dade County of and from any and all claims, actions, demands, suits or judgments arising out of the construction operations by or on behalf of

Lessee. If Lessee does not provide any work or material in connection with construction of Lessee's work or material in connection with construction of Lessee's Work or Lessee's Changes, but all such work and material is provided by a contractor or subcontractor, who carries the insurance required by this Paragraph, the County may notify Lessee in writing that Lessee is excused from carrying all or any portion of the insurance coverages described herein, if the County determines in its sole discretion that the contractor's or subcontractor's insurance is sufficient.

66. **Release and Indemnification:** Lessee will be responsible for and will and does hereby release and relieve the County and hold and defend it harmless from and against any and all liabilities, obligations, damages, penalties, claims, cost, charges, and expenses which may be imposed upon or incurred by the County by reason of loss of life, personal injury, and/or damages to property occurring in any part of the Project, or business losses, occasioned in whole or in part by the negligence of Lessee, its agents or employees. Lessee shall defend, indemnify, and save harmless Miami-Dade County and its agents and employees against and from all liabilities, obligations, damages, penalties, claims, costs, expenses, and attorney's fees which may be imposed upon or incurred by or asserted against Miami-Dade County and/or its agents arising from Lessee's use of the Leased Premises, during the term of this Lease Agreement or during any period of time that Lessee may have been given access to or possession of all or any part of the Leased Premises. The County shall not be liable for any damages or injury which may be sustained by any party or person on the Leased Premises, other than the damage or injury caused solely by the negligence of the County subject to all limitations of Florida Statutes Section 768.28.

67. **Termination of Agreement:** If any governmental or legislative body of competent jurisdiction passes any law, ordinance, or regulation that prohibits or substantially restricts the use of Crandon Marina for the purpose of this agreement, this Agreement shall be null and void and unenforceable by either party, provided, however, that if the Lessee within

thirty (30) days of the passage of such a law, restriction, or ordinance files action in a court of competent jurisdiction to stay the enforcement of such a law against its operations at the Crandon Marina, this Agreement will remain in effect during such action to the extent it does not conflict with the law restriction or ordinance. In the event that Lessee's action for stay is unsuccessful, this Agreement will be null and void and unenforceable by either party upon entry by the court of a final non-appealable order denying Lessee's request for stay.

If an action is brought against Miami-Dade County in a court of competent jurisdiction seeking to terminate this Lease or the Lessee's use of the premises, Miami-Dade County shall give the Lessee prompt written notice of such action and shall permit the Lessee to participate in such action. In the event that a final non-appealable order is entered by a court of competent jurisdiction enjoining the use of the Crandon Marina for the purpose to this Agreement, this Agreement shall be null and void and unenforceable by either party.

68. Taxes on Lessee's Personal Property: Lessee shall be responsible for and shall pay before delinquency all municipal, county, or state taxes assessed against any occupancy interest or personal property of any kind, owned by or placed in, upon or about the Leased Premises by Lessee.

69. Termination by County: The occurrence of any of the following shall cause this Lease Agreement to be terminated by the County upon the terms and conditions also set forth below:

A. Automatic Termination:

- i. Institution of proceedings in voluntary bankruptcy or reorganization by the Lessee.
- ii. Institution of proceedings in involuntary bankruptcy against the Lessee if such proceedings continue for a period of ninety (90) days.
- iii. Assignment by Lessee for the benefit of creditors.
- iv. Abandonment or discontinuation of operations for more than a 24 hour period without prior written approval from the County.

- v. The discovery of any misstatement in the Lessee's proposal leading to award of this Lease Agreement, which in the determination of the County significantly affects the Lessee's qualifications to perform under the Lease Agreement
 - vi. Subject to the provisions of Paragraph 58, unapproved change of ownership interest in Lessee and/or failure to submit the ownership list within 24 hours upon the request of the County.
 - vii. Failure to cease any activity which may cause limitation of County's use of the Park.
- B. Termination after seven (7) calendar days written notice by the County either by posting on or at the Leased Premises and by certified or registered mail to any known address of Lessee set forth in Paragraph 79 hereof for doing any of the following:
- i. Non-payment of any sum or sums due hereunder after the due date for such payments; provided, however, that such termination shall not be effective if Lessee makes the required payment(s) during the seven (7) calendar day period following mailing of the written notice. Additionally, the County may sue for rent for the un-expired term of this Lease Agreement.
 - ii. Notice of any condition posing a threat to health or safety of the public or patrons and not remedied within the seven (7) calendar day period from receipt of written notice.
- C. Termination after fourteen (14) days from receipt by Lessee of written notice having either been posted on or at the Leased Premises or by certified or registered mail to the address of the Lessee set forth in Paragraph 79 hereof:
- i. Non-performance of any covenant of this Lease Agreement other than non-payment of rent and others listed in A and B above, and failure of the Lessee to remedy such breach within the thirty (30) calendar day period from receipt of the

written notice.

- ii. A final determination in a court of law in favor of the County in litigation instituted by the Lessee against the County or brought by the County against Lessee.

In the event that the County terminates this Lease by operation of any of the provisions as stated in Paragraphs 66 (B) and (C), then in addition to other rights and remedies available to the County under the law, the County may accelerate the rental payments under this Lease, whereupon the entire balance owed by the Lessee under this Lease shall become immediately due and payable without further notice or demand.

D. Revenue Control and Audit Defaults: The inability or failure of the Lessee to provide the County with an unqualified certified statement of Gross Sales pursuant to Paragraph 21(C), or to strictly adhere to the revenue control procedures established pursuant to Paragraph 21(E) shall constitute a non-curable default and in such event the County shall have the right to terminate this Lease upon seven (7) calendar days written notice to the Lessee. In addition to termination for such default, the County shall be entitled to collect damages in the full amount of the payments of the performance bond required pursuant to Paragraph 65 hereof.

E. Habitual Default: Notwithstanding the foregoing, in the event that the Lessee has frequently, regularly or repetitively defaulted in the performance of or breached any of the terms, covenants and conditions required herein to be kept and performed by the Lessee, regardless of whether the Lessee has cured each individual condition of breach or default as provided in Paragraphs 71(B) and (C) herein above, the Lessee shall be determined by the Director of the Department to be an "habitual violator". At the time that such determination is made, the Department shall issue to the Lessee a written notice advising of such determination and citing the circumstances therefor. Such notice shall also advise the Lessee that there shall be no further notice or grace

periods to correct any subsequent breaches or defaults and that any subsequent breach(es) or default(s), of whatever nature, taken with all previous breaches and defaults, shall be considered cumulative and, collectively, shall constitute a condition of non-curable default and grounds for immediate termination of this Lease. In the event of any such subsequent breach or default, County may cancel this Lease upon the giving of written notice of termination to the Lessee, such cancellation to be effective upon the tenth (10) day following the date of receipt thereof and all payments due hereunder shall be payable to said date, and the Lessee shall have no further rights hereunder. Immediately upon receipt of said notice of termination, the Lessee shall discontinue its operations at the Park, and proceed to remove all its personal property in accordance with Paragraph 77 hereof.

70. Termination by Lessee: Lessee shall have the right upon thirty (30) calendar days from receipt of written notice to the County by certified or registered mail to the address set forth in Paragraph 79 hereof to terminate this Lease Agreement at any time after the occurrence of one or more of the following events:

- A. Issuance by any court of competent jurisdiction of any injunction substantially restricting the use of the Leased Premises for the purposes set forth herein, and the remaining in force of said injunction for a period of more than thirty (30) calendar days.
- B. A breach by the County of any of the terms, covenants or conditions contained in this Lease Agreement and the failure of the County to remedy such breach for a period of ninety (90) calendar days after receipt of written notice sent by registered or certified mail, return receipt requested, from the Lessee, of the existence of such breach.
- C. The assumption by the United States Government or any authorized agency thereof, or any other governmental agency, of the operation, control, or use of the Park, or any substantial part, or parts, thereof in such a manner as substantially to restrict Lessee's

operations for a period of ninety (90) calendar days or more.

71. Non-Discrimination: Lessee does hereby for itself, its personal representatives, successors in interest, and assigns, as part of the consideration hereof, covenant and agree that:

- i. No person on the ground of race, color, religion, national origin, sex, age, sexual orientation, or handicap shall be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in the use of said Leased Premises, except for bonafide causes allowed by law.
- ii. That in the construction of any improvements on, over, or under such land and the furnishings of services thereon, no person on the ground of race, color, religion, national origin, sex, age, or handicap shall be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination, except for bonafide causes allowed by law.
- iii. That the Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to Title 45, Code of Federal Regulations, Article 80, Non-discrimination under programs receiving Federal Assistance through the County of Health, Education and Welfare - Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

That in the event of breach of any of the above non-discrimination covenants, the County shall have the right to terminate the Lease Agreement and re-enter and repossess said Leased Premises thereon and hold the same as if said Lease Agreement had never been made or issued. This provision shall not be effective, where applicable, until the procedures of Title 45, Code of Federal Regulations, Part 80, are followed and completed including exercise or expiration of appellate rights.

Lessee shall not discriminate against any employee or applicant for employment in the performance of the contract with respect to hiring, tenure, terms, conditions, or privileges of employment because of age, sex or physical handicap (except where based on a bona fide

occupational qualification); or because of marital status, color, religion, national origin, or ancestry.

72. No Waiver of Right to Enforce: The waiver by County of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, covenant, or any subsequent breach of the same or any other term, covenant, or condition herein contained. The subsequent acceptance of rent hereunder by County 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 County's knowledge of such preceding breach at the time of acceptance of such rent. No covenant, term, or condition of this Lease shall be deemed to have been waived by County, unless such waiver be in writing by County, nor shall there be any accord and satisfaction unless expressed in writing and signed by both County and Lessee.
73. Rules and Regulations: The Lessee will observe, obey, and comply with all rules and regulations adopted by the County and all laws, ordinances and/or rules and regulations of other governmental units and agencies having lawful jurisdiction, which may be applicable to Lessee's operations under this Lease Agreement. Failure to do so will constitute a breach of the Lease Agreement.
- The Lessee further agrees to comply with all Marina Rules and Regulations as accepted or issued by the Department and as they may be amended, and the Marina Rules and Regulations are made a part of and are incorporated into this Lease Agreement and attached hereto as Exhibit G.
74. Emergency and Hurricane Preparedness: The Lessee shall follow the County's emergency evacuation and hurricane plan as set forth for the Park.
75. Inspection by County: The County shall have the authority to make periodic reasonable inspections of all the Leased Premises, equipment, and operations during the normal operating hours thereof to determine if such are being maintained in a neat and orderly

condition. Such periodic inspections may also be made at the County's discretion to determine whether the Lessee is operating in compliance with the terms and provisions of this Lease Agreement.

76. Right of Entry: The County shall have the right to enter upon the Leased Premises at all reasonable times, whether or not during normal business hours, to examine same and to make such repairs, alterations, replacements, or improvements in the Leased Premises as the County deems necessary, but the County assumes no obligation to make repairs in the Leased Premises other than those expressly provided for in this Lease Agreement. The County agrees, however, that any such repairs, alterations, replacements, or improvements shall be made with minimum amount of inconvenience to Lessee and that the County will diligently proceed therewith to completion. The County or the County's agents shall also have the right to enter upon the Leased Premises at reasonable times to show them to actual or prospective mortgagees, tenants, or lessees of the Park. During the one hundred and eighty (180) days prior to the expiration of the term of this Lease Agreement, the County may show the Leased Premises to prospective tenants. If, during the last ninety (90) days of the term of this Lease Agreement, Lessee shall have removed all or substantially all of Lessee's property therefrom, the County may immediately enter, alter, renovate, and redecorate the Leased Premises without elimination or abatement of rent or other compensation and such action shall have no effect upon this Lease Agreement. Notwithstanding the foregoing, the County agrees to make diligent attempt to notify the Lessee prior to entering premises.

77. Signs: The nature, size, shape and installation of Lessee's business signs within the Leased Premises or in, on or adjacent to the Park must first be approved in writing by the County. Said signage must also be approved by all governmental authorities having jurisdiction and must conform to the requirements set forth in the Crandon Park Master Plan and Article 6 or the Home Rule Amendment and Charter. All signs shall be removed by the Lessee at termination of this Lease and any damage or unsightly condition caused to premises because

of or due to said signs shall be satisfactorily corrected or repaired by the Lessee.

78. Lessee's Occupancy Certification: Lessee agrees at any time and from time to time, within five (5) days after the County's written request, to execute, acknowledge, and deliver to the County a written instrument certifying the Commencement Date that Lessee has accepted possession of the Leased Premises and is open for business, that this Lease Agreement is unmodified and in full force and effect (or if there have been modifications, that it is in full force and effect as modified and stating the modifications), the dates to which Minimum Rent, percentage rent, and other charges have been paid in advance, if any, and stating whether or not, to the best knowledge of the signer of such certificate, the County is in default in the performance of any such certificate, the County is in default in the performance of any covenant, agreement, or condition contained in this Lease Agreement, and, if so, specifying each such default of which the signer may have acknowledged.
79. Termination of Contract/Surrender of Leased Premises: Following the termination of this Lease Agreement the Lessee, within thirty (30) calendar days, or earlier if determined by the County, shall forthwith remove all of its personal property not acquired under the terms of this Lease Agreement and shall peaceably surrender the Leased Premises, and shall deliver all keys for the Leased Premises to the County at the place then fixed for the payment of rent, and shall notify the County in writing of all combinations of locks, safes and vaults, if any, in the Leased Premises.. Any personal property of Lessee not removed in accordance with this paragraph may be removed by the County for storage at the cost of the Lessee or shall constitute a gratuitous transfer of title thereof to the County for whatever disposition is deemed to be in the best interests of the County. The County shall not be liable to Lessee for the safekeeping of Lessee's personal property during or after termination of this Lease Agreement. The County shall have the senior interest in the Lessee's personal property. Lessee shall not remove any equipment, supplies in bulk, or fixtures within the Leased Premises at any time without pre-approval in writing from the County. Lessee shall be liable

to the County for the fair market value of any equipment, supplies in bulk, or fixtures removed without County pre-approved written permission. Lessee shall also be liable for any expenses incurred by the County in prosecuting any action against Lessee following unapproved item removal described above. Lessee shall also be liable to the County for any expenses incurred by the County in replacing any items wrongfully removed by Lessee. It is the intention of the parties to this Lease Agreement that all furnishings and equipment purchased or leased by the Lessee, except those permanently affixed to buildings, as defined under the laws of the State of Florida, shall be the personal property of the Lessee. Upon the termination of this Lease Agreement and the removal of all personal property by Lessee, the Lessee shall deliver said premises to the County in the condition set forth in Paragraph 83 hereof. Lessee's obligation to observe and perform the covenants set forth in this paragraph shall survive the expiration or earlier termination of the term of this Lease Agreement.

80. Approvals: Except as provided otherwise, whenever prior approvals are required hereinabove by either party, such approvals shall not be unreasonably withheld.

81. Notices: Any notices submitted or required by this Lease Agreement shall be sent by registered or certified mail addressed to the parties as follows:

To the County: Park and Recreation Director
Miami-Dade Park and Recreation Department
275 NW 2nd Street
Miami, Florida 33128

To the Lessee: Mr. Omar Cartaya, President
Divers' Paradise
4000 Crandon Boulevard
Key Biscayne, Florida 33149

or to such other address as either party may designate in writing, and where receipt of same is acknowledged by the receiving party. The County may alternatively provide notice by posting written notice on or at the Leased Premises. If attempted delivery of such notice by mail is thwarted by any avoidance of receipt or unavailability for receipt by the intended recipient, that notice will have the effect of being constructively received by the recipient.

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82. Rights to be Exercised by Department: Wherever in this Lease Agreement rights are reserved to the County, such rights may be exercised by the Department.
83. Changes in Contracts that are About to Expire: The County Manager is granted authority to negotiate changes in contracts, permits and concession agreements that are about to expire to assure that the County does not lose revenue opportunities due to delays in obtaining a successor contract, permit or concession agreement. Where Commission approval or action is required in order to effectuate such changes, the Manager shall submit same to the Commission at the next available Commission meeting.
84. Interpretations: This and the exhibits and attachments hereto, and other documents and agreements specifically referred to herein, constitute the entire, fully integrated Lease Agreement between the parties with respect to the subject matter hereof and supersede all prior or contemporaneous verbal or written agreements between the parties with respect thereto, excepting any past or contemporaneous written or verbal agreements expressly and clearly incorporated by reference within the four corners of this Lease Agreement. This Lease Agreement may be amended only by written document, properly authorized, executed, and delivered by both parties hereto. For the County, appropriate authorization shall be construed to mean appropriate formal action by the Board of County Commissioners, the County Manager or the Manager's designee. This Lease Agreement shall be interpreted as a whole unit and paragraph headings are for convenience only. The Lease Agreement shall not be construed in favor of one party or the other. All matters involving the Lease Agreement shall be governed by the laws of the State of Florida.
85. Security: The Lessee acknowledges and accepts full responsibility for the security and protection of its equipment, other personal property and money used in connection therewith. The County makes no warranties as to any obligation to provide security for the Park, outside of standard security measures supplied by the County in general. Lessee may provide its own specialized security for the Leased Premises, subject to the County's written approval.

Absence of said Lessee security measures shall not increase the County's security obligation.

86. **Rights Reserved to County:** All rights not specifically granted to the Lessee by this Lease are reserved to the County. The designation of any particular remedy for the County is without prejudice to any other relief available in law or equity, and all such relief is reserved to the County.
87. **Lien:** The County shall have lien upon all personal property of the Lessee on the Park to secure the payment to the County of any unpaid money accruing to the County under the terms of this Lease.
88. **Entirety of Lease Agreement:** The parties hereto agree that this Lease Agreement sets forth the entire agreement between the parties, and there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Lease Agreement may be added to, modified, superseded or otherwise altered, except as may be specifically authorized herein or by written instrument executed by the parties hereto.
89. **Headings:** The headings of the various Paragraphs and Sections of this Lease, are for convenience and ease of reference only, and shall not be construed to define, limit, augment or describe the scope, context or intent of this Lease or any part or parts of this Lease.
90. **Waiver:** Waiver of any breach shall not constitute waiver of any other breach. Invalidation of any portion of this Lease Agreement shall not automatically invalidate the entire Lease Agreement.
91. **Performance:** The parties expressly agree that time is of the essence in the performance of this Lease Agreement and that the failure by the Lessee to complete performance within the time specified, or within a reasonable time, if no time is specified herein, shall relieve the County of any obligation to accept such performance.
92. **No Partnership or Agency:** The County and the Lessee are independent entities and the officers, employees, and agents of one are not, and shall not represent themselves to be, officers, employees, or agents of the other. This Lease Agreement does not constitute and

shall not be represented to constitute a partnership between the County and the Lessee.

93. Choice of Venue: Any litigation between the County and the Lessee relating in any way to this Lease Agreement shall be brought and presented exclusively in a Court located in Miami-Dade County, Florida.

IN WITNESS WHEREOF, the parties have executed this Lease Agreement effective as of the date first herein above set forth.

Lessee

Miami-Dade County

By: [Signature]
 Name: OMAR CONTRAS
 Title: PRESIDENT
 Date: JAN 10 7/02
 Attest: [Signature]
 Corporate Secretary

By: [Signature]
 Name: _____
 Title: _____
 Date: _____

Approved by County Attorney as to
 Legal sufficiency do
ANGELIQUE ORTEGA

* This Lease Agreement must be signed by the President of the Lessee's corporation or an authorized representative of the Lessee's corporation as attested to by the Corporate Secretary.

MIAMI-DADE COUNTY

Contract No.

APPENDIX A

Scope of Services

86 61

Scope of Services

1. **Construction:** A new one-story Dive Shop building (the "Facility") shall be constructed in the South Florida Vernacular Architectural Style, not exceeding 530 squared feet of interior floor space in the position shown on the Crandon Park Master Plan and Exhibit A of this Lease Agreement. There shall be no signs, banners, flags or other means of advertising or promotion including vending machines visible from outside the building. The Dive shop building may have a 4-foot wide, wooden front porch under the overhang of the eaves, with a ramp for the handicapped and steps to accommodate a rise of not greater than 18-inches from natural grade, except as required by the Americans With Disabilities Act.

The Lessee shall be responsible for all permitting and construction-related costs for the Dive Shop and must construct same in compliance with the Crandon Park Master Plan and all federal, state and local laws, codes and requirements governing coastal construction. Further, all construction shall be performed in compliance with this Lease Agreement and Exhibit B and C attached and made a part hereto.

2. **Operations (Landside):** The Lessee shall have and maintain through this Lease Agreement, and any extensions thereof, such professional training, certification and affiliation with a recognized national professional/certifying diving organization. Lessee shall provide verifiable evidence to the County of such training, certification and affiliation for the Lessee and Lessee's staff and shall inform the County of any additions, deletions, renewals or changes of same, so as to keep the County informed of the Lessee's compliance with this provision of the Lease Agreement throughout the contract term. Examples of such national professional /certifying organizations are: PADI, NAVI, YMCA and NASDS.

In addition the Lessee shall provide the following services:

Retail Operation/Equipment Rental – The retail operation shall make available such items as are typically available in dive shops, such as regulators, tanks, gauges, u/w lights and cameras, books, buoyancy compensators, wet suits, dive knives, dive bags, masks, fins, snorkels, dive watches, tee shirts and bathing suits, and limited food and beverage sales. Initially approved retail and rental items and prices are contained in Exhibit D of this Lease Agreement. Any changes in initially approved retail and rental items and prices will require prior approval from the Department as provided for in Paragraph 42 of this Lease Agreement.

Rental equipment shall be state of the art and must at all times be maintained in good working order.

The Lessee's staff is to be properly trained to provide quality service for retail and rental items. Proper training must be evident for staff responsible for maintenance of rental equipment.

- A. Equipment Repair – Lessee shall provide minor dive equipment repair services to compliment its dive facility operation. Lessee's staff shall be properly trained and

experienced to provide maximum, courteous service for Lessee's operation. Initially approved services and prices are contained in Exhibit D of this Lease Agreement. Any changes in initially approved services and prices will require prior approval from the Department as provided for in Paragraph 42 of this Lease Agreement.

3. **Operations (Dive Boat):** The Lessee must own and operate a minimum of one vessel designed for diving. The maximum number of dive boats shall be two (2) and have a maximum length of no more than 40 feet. Use of dock space within the marina shall be at the County's Standard rates, which are subject to change, from time to time, at the County's sole discretion.

The Department shall approve all vessels prior to their being utilized for the purpose of this Lease Agreement. Prior to the Department's granting approval the Lessee shall provide the Department with documentation showing that the vessel meets all U.S. Coast Guard requirements for the vessel size, use, and number of occupants. Documentation must also be provided to the Department from the Lessee identifying the individual(s) authorized to operate the vessel and verifying that the individual(s) meets all U.S. Coast Guard requirements for operating a vessel of such size, use and occupants capacity.

4. **"Pure Air" Availability:** "Pure Air" shall be available for sale to the public, as well as, for use with rental equipment. The Lessee will provide an air analyses no less than quarterly. Air quality must meet or exceed a standard agreed upon between the Lessee and the Department. Examples of acceptable standard could include that of the U.S. Navy, the Compressed Gas Association of the Professional Association of Diving Instructors (PADI). If at any time the air samples do not meet the agreed upon standard, the operator must do whatever is necessary to achieve the required quality and may not use the air for breathing purposes until the proper quality is attained.

5. **Training (Education) Availability:** At a minimum Lessee offer shall offer diver training programs which will provide a minimum scuba diver and open water certification resulting in award of a "C-Card" by a nationally recognized certifying organization. Other courses may be offered such as advanced open water, dive master, master scuba diver and assistant instructor ratings, as well as, specialty courses such as search and recovery, underwater hunter, wreck diver, underwater photographer, equipment specialist, and night diver as may be approved by the Department. Initially approved classes and prices are contained in Exhibit E of this Lease Agreement. Any changes in initially approved classes and prices will require prior approval from the Department as provided for in Paragraph 42 of this Lease Agreement.

6. **Other Services and Activities:** The Lessee shall be authorized to provide additional service and activities with written approval by the Department.

7. **Security and Safety:** The Lessee shall be responsible for the security of the Facility once built. The Park is open and subject to uncontrolled entry. The County makes no representation that the area of the Facility is safe or that it will provide any security at the Facility. The cost of providing 24-hour protection and service shall be the responsibility of the Lessee. Appropriate lighting should be installed to agreeably light the Facility without causing undue or unnecessary glare to the surrounding area.

Exhibit B

include:

- a. Provide an operation that will be safe, customer oriented with prompt service, complaint resolution, effective employee performance and training, and timely initiation and completion of all work;
 - b. Promote and teach sailing lessons to individuals, such instruction will be defined as "individual lessons";
 - c. Promote and teach lessons for individuals in a group of not more than 5 persons, such instruction will be defined as a "group lesson";
 - d. Promote and teach sailing lessons in groups of 6 or more persons per instructor, such instruction will be defined as a "clinic". Fees for the various types of clinics that can be conducted will either be "fee" or "free," depending on mutual advance agreement of the Contractor and the Department Director, or his/her designee;
 - e. Offer demonstrations of aspects of sailing in promotion of the Park. Such instruction will be defined as a "demonstration". Fees for such demonstrations may be either "fee" or "free," depending on mutual advance agreement of the Contractor and the Department Director, or his/her designee.
 - f. Promote junior sailing by establishing a Junior Sailing Club at the Park;
 - g. Provide advice to the Department of changes, regarding the sailing industry in general, sailing rules and regulations, equipment and promotional methods associated with the operation of public sailing facilities;
 - h. Advise the Department of schedules of clinics and seminars on sailing, sailing merchandising, sailing management and other professional information;
 - i. Ensure employees are distinctively uniformed or appropriately attired so as to be distinguishable as the Contractor's and not as employees of the Department; and
 - j. Continue to accommodate existing sailing programs at the Park.
2. For sailboat/powerboat rental and facility maintenance and operation, the Contractor shall be responsible for:
- a. Insuring that all boats utilized for instruction and/or rental meet or exceed all applicable U.S. Coast Guard and US SAILING requirements, are properly equipped with all required equipment, safety or otherwise, and are in good working order at all times;
 - b. All operating expenses, including utilities associated with the day-to-day operation of the designated Sailing Center facilities;
 - c. Repair and maintenance of the Sailing Center facilities to include repair and replacement of boats and equipment and any facilities and equipment located within the designated area of operation (This does not include dock repairs normally considered the responsibility of the marina operator.);
 - d. Take and maintain a listing for the use of all boats and persons renting and boarding boats of the operator;
 - e. All equipment and supplies necessary to maintain the Sailing Center facilities in the same condition as at the commencement of the Agreement;
 - f. All labor to repair and maintain the day-to-day operation of the Sailing Center facilities; and
 - g. Taking good care of Sailing Center facilities and using the same in a careful manner, and shall, at its own cost and expense, repair County property and facilities damaged by its operations.

D. Other Service Requirements

It is the intent of the Department that the best possible services be provided to the public, while gaining revenues. However, the Department makes no guarantee that the Department or the County will act, promote, approve, assist or cooperate in any manner to assure that this project will be a financial success for the County or for the Contractor.

Exhibit B

SCOPE OF SERVICES

1. INTRODUCTION/BACKGROUND

Miami-Dade County ("County"), as represented by the Park and Recreation Department ("Department") is contracting for sailing and powerboat instruction, sailboat and powerboat rental, charter services, and facility operation of designated areas ("Sailing Center") at the Matheson Hammock Marina in Matheson Hammock Park, 9610 Old Cutler Road, Miami, Florida ("Park").

For the duration of the Agreement, any sailing class provided and any sailing instructor(s) utilized shall be certified by US SAILING.

2. REQUIREMENTS AND SERVICES TO BE PROVIDED

A. General Information

The Contractor shall operate the Sailing Center facilities and provide related services, as approved by the Department, in a manner normally associated with the sailing industry and to promote the Park operation. The sailing instruction provided by the Contractor shall include, at a minimum, courses in Basic Keelboat, Basic Cruising, Bareboat Cruising and Coastal Navigation. The Contractor shall also provide sailboat and powerboat rentals, charters, special activities, a summer sailing camp and a community sailing program. The Sailing Center facilities shall be open to the general public pursuant to the hours on operation as approved by the Department.

All goods and services provided by the Contractor and the prices of the goods and services must have prior approval by the Department. The prices for the goods and services may be modified only by written request from the Contractor to the Department and upon approval by the Department Director.

The Department reserves the right to schedule special events that may preclude the Contractor from operating in the Sailing Center or a portion thereof, for a limited time. The Department will use reasonable efforts to notify the selected Proposer as early as possible of these special events and such notice should be no later than two (2) weeks prior to the special event.

It shall be the Contractor's responsibility to secure and provide security for the Sailing Center. The County will not accept any responsibility for the Contractor's equipment, supplies, etc.

B. Improvements to Facilities

Future improvements to the existing Sailing Center facilities by the Contractor may negotiated at a later time.

The Contractor shall not utilize outside surfaces for the purpose of commercial advertising. Additionally, the County reserves the right to determine the attractiveness and appropriateness of the Sailing Center facilities and to request that the Contractor make changes, if necessary, and such determination by the County will be final.

C. Operation Services

1. For the sailing/powerboat instruction, the Contractor shall furnish good, prompt and efficient service, adequate to meet all reasonable demands, including an established minimum schedule and hours of operation for sailing patrons, subject to the approval of the Department. Minimum service levels shall

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MIAMI-DADE COUNTY

Contract No.

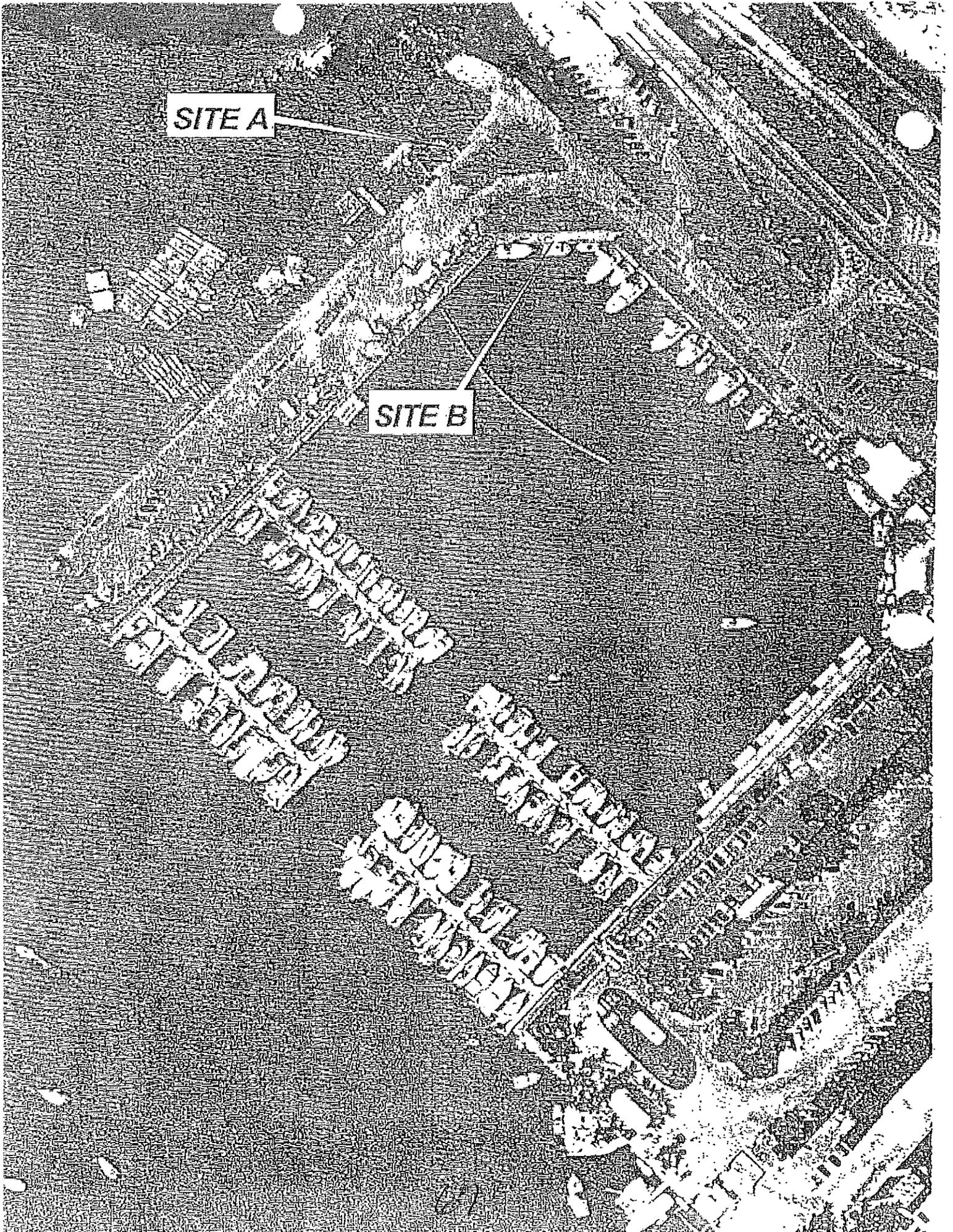
EXHIBIT B

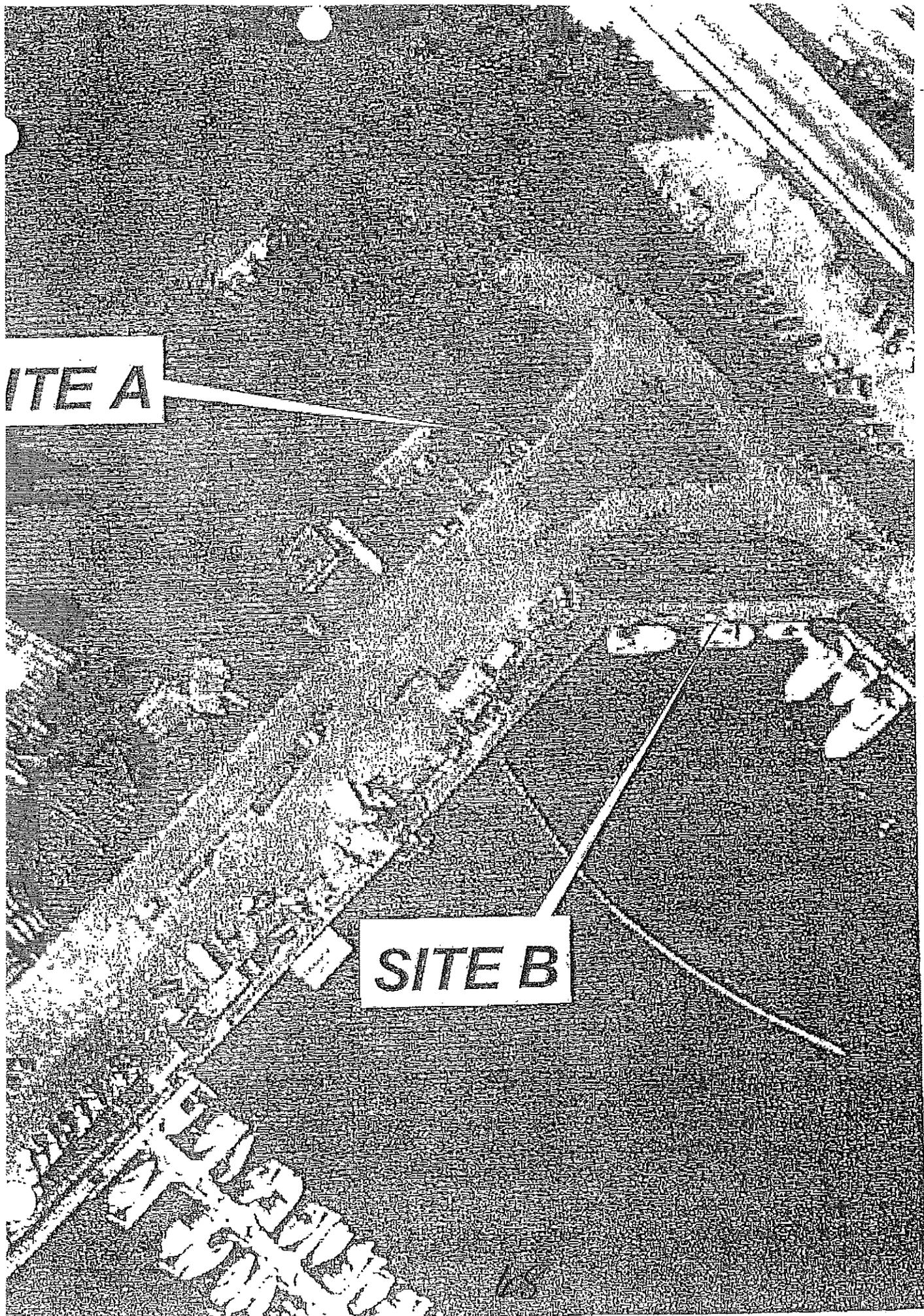
Site Maps and Property Description

5866

SITE A

SITE B





SITE A

SITE B

165

EXHIBIT C

Construction Rider

Concessionaire: Diver's Paradise

Premises: Miami Dade County, Crandon Marina

Facilities: Retail Dive Shop

This Construction Rider is attached to that certain Lease Agreement (the "Agreement") between the above referenced parties covering certain premises at the location above (the "Park"), more particularly described in Paragraph 10 and Exhibit A of the Agreement (the "Facilities"). Words and phrases used in this Construction Rider shall have the same meaning in the Lease Agreement unless specifically provided otherwise. If there is any conflict between the provisions of this Construction Rider and the provisions of the Lease Agreement, the Lease Agreement will prevail.

I. CONSTRUCTION OF IMPROVEMENTS ON THE PREMISES

The improvements that the Licensee is to construct at the premises shall be constructed in accordance with the provisions of this Section I and the Lessee improvements shall equal a dollar amount not less than \$100,000 in constructing such improvements for the Park, Permanent improvements shall mean constructing new structures or infrastructure (permanent new utilities, roadways, paths, or other land improvements) which are contained within the Parks approved General Plan. Only the actual cost of constructing the permanent improvement shall be considered in determining compliance with this provision of the Lease Agreement. No design costs in excess of 8% of actual improvement costs, legal, accounting, financial, permit, bond, insurance, tax, personal property or like cost shall be considered.

A. Preliminary Plans and Specifications. Within 90 days after the Department notifies the Lessee that the County has approved the Lease Agreement, the Lessee, at its cost, shall have prepared and delivered to Department five (5) "Preliminary Plans," including one Mylar set for the construction of buildings, grounds access, parking, and related improvements ("Lessee's Project") at the Facilities prepared by an architect or

69 82

engineer licensed to practice as such in Florida, which Preliminary Plans shall include and show, without limitation, preliminary grading and drainage plans, soil tests, utilities, sewer and service connections, locations of ingress and egress to and from the Facilities, curbs, gutters, parkways, lighting, design and locations for outdoor signs, storage areas, landscaping, and structures all sufficient to enable potential contractors and subcontractors to make reasonably accurate bid estimates and to enable the Department to make an informed judgment about the design and quality of construction and about any effect Lessee's Project shall have on the Park. Such preliminary plans shall be based on conceptual plans previously submitted by Lessee to Department in its Proposal, attached and made a part of this Construction Rider and the Lease Agreement. Lessee's Project shall be constructed within the exterior property lines of the premises; provided that required work beyond the Facilities or utilities, access and conditional use requirements will not violate this provision. Lessee's building shall be aesthetically and functionally compatible with the setting of the Park.

Within 60 days after Department receives preliminary plans as required in the preceding paragraph, Department shall either approve of them or deliver to Lessee specific objections to them together with Department's proposed solution to each objection. Department shall not be unreasonable in exercising its approval rights hereunder. Lessee shall exercise reasonable diligence in attempting to resolve any objections by Department to the Preliminary Plans.

If the parties are unable to resolve any objections by the Department to the Preliminary Plans within 30 days after Lessee has received Department's objections, either party shall have the election to thereafter terminate the Lease Agreement upon notice to the other party, the parties being thereafter relieved of any liability hereunder and under the Lease Agreement, except that One Thousand Dollars (\$1,000.00) of Lessee's guarantee deposit shall be retained as liquidated damages.

B. Final Plans and Permits. Within 90 days after the Preliminary Plans are approved between the parties as provided in Section 27, Lessee, at its cost, shall cause to be prepared and delivered to Department five (5) sets of final plans, including one Mylar set, and specifications and working drawings ("Final Plans") covering Lessee's building, which Final Plans must be consistent with the approved Preliminary Plans.

This Lease Agreement is further conditioned upon Lessee being able to obtain any and all permits, licenses, certificates, approvals, and other entitlements for use (hereinafter collectively referred to as "permits") required for the operation of any buildings and improvements at the Facilities.

Not later than the date that Lessee delivers copies of the Final Plans to Department as required in this Section 27, Lessee shall commence seeking from all governmental agencies having jurisdiction over the Facilities and Lessee's Project all such required permits, and Lessee shall exercise due diligence in attempting to obtain such permits.

Subject to the timing requirements contained in the following paragraph, the obtaining of any such permits shall not be considered as complete until any review and/or appeal is finally determined by the highest body authorized to determine same or until the time for such appeal or review has expired, whichever date is later. If suit or other proceedings are brought to invalidate any permit, the obtaining of the permits shall not be considered as complete until final judgment, decree, or other appropriate decision- has been entered and the time for appeal therefrom shall have expired, or if any appeal has been taken, until the appeal has finally been determined.

If Lessee is unable to obtain such permits within 120 days from the date Lessee delivers copies of the Final Plans to Department as herein required, either party shall have the election to thereafter terminate the Lease Agreement upon notice to the other party; provided, if Lessee is unable to obtain such permits within such period of time due solely as a result of delays caused by such governmental agencies other than the Department, such period of time shall be extended as a result thereof until such permits have been obtained. Except, if such permits are not obtained within 270 days from the date Lessee delivers copies of the Final Plans to Department, notwithstanding the reason therefore, or by such deadline as parties may reasonably agree, either party shall have the election to thereafter terminate the Lease Agreement upon notice to the other party. There shall be no further obligation on the part of the Lessee except the liquidated damages mentioned above.

When Lessee obtains all such permits it shall deliver copies of them to Department.

C. Commencement and Completion of Construction of Lessee's Project. Within 30 days from the date that Department receives copies of the permits and authorizations covering construction of Lessee's Project, which permits and authorizations shall be delivered within 3 business days of receipt, Department shall deliver possession of the Facilities to Lessee in the condition that is required by Section IIA hereof, and Lessee shall immediately thereafter commence construction of Lessee's Project and diligently pursue completion thereof. The construction of Lessee's Project shall be in accordance with the Final Plans and subject to the provisions of Section ID below. The Final Plans shall not be changed and/or modified without Department's consent, which consent shall not be unreasonably withheld or delayed. Department's consent shall not be deemed as a substitute for approval from any agency which issues permits and whose approval of modifications may be required.

All work in connection with the construction of Lessee's Project shall be performed in conformity with the Final Plans and shall comply with all applicable governmental permits, authorizations and laws. In addition, construction must comply with all Miami-Dade County regulations applicable at the time of construction.

Lessee agrees that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the ground of race,

color, national origin, religion, age, sex or handicap shall be illegally excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination. In the event of breach of any of the above non-discrimination covenants, the Department shall have the right to terminate the Lease Agreement and to avail itself of all remedies set forth therein. This provision shall not be effective, where applicable, until the procedures of Title 45, Code of Federal Regulations, Part 80, are followed and completed including exercise or expiration of appeal rights.

Neither Lessee nor any contractor shall discriminate against any employee or applicant for employment to be employed in the performance of the contract with respect to his hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment because of age, sex or physical handicap except where based on a bona fide occupational qualification; or because of marital status, race, color, religion, national origin or ancestry. All construction contracts shall include the above non-discrimination provisions.

Lessee's obligation to commence construction of Lessee's Project and diligently pursue completion thereof shall be subject to delays resulting from causes beyond the reasonable control of Lessee including, without limitation, acts of God, inclement weather, and like matters. Lessee agrees that construction of Lessee's Project shall be completed within twelve (12) months of the date the Lessee was provided possession for construction.

Upon completion of construction of Lessee's Project, Lessee shall, at its cost, cause a survey of the Facilities and Lessee's Project thereon and deliver to Department "as built" drawings, including copies all of CADD drawing, accurately reflecting Lessee's Project at the Facilities. Both parties agree to execute and attach to this License a new Exhibit B showing the exact location of the Lessee's Project at the Facilities.

D. Provisions Applicable During Construction of Lessee's Project In addition to the provisions of the Lease Agreement, the following provisions shall be applicable during the period of time that Lessee constructs Lessee's project:

(1) Lessee shall notify Department of Lessee's intention to commence construction of Lessee's Project at least twenty (20) days before commencement thereof or delivery of any materials.

(2) All construction shall be performed by licensed contractors reasonably approved by the Department. Lessee shall furnish Department with a true copy of Lessee's contract with the general contractor showing a breakdown of costs. The contract shall give Department the right, but not the obligation, to assume Lessee's obligations and rights under that contract if Lessee should default.

(3) Prior to the commencement of any work by Lessee, Lessee shall furnish Department with bonds, as described herein and in the Lease Agreement, approved by the Department, which approval shall not be unreasonably withheld. The bond shall be that of a responsible surety company qualified under the terms of the Lease Agreement, licensed to do business in Florida, in amounts not less than the cost of construction of Lessee's Project as determined by Department and shall remain in effect until the entire cost of Lessee's Project shall have been paid in full. The bonds shall provide the following, without limitation:

(a) That a bond in an amount not less than the cost of construction of Lessee's Project is obtained that is conditioned to secure the completion of Lessee's Project free from all liens and claims of contractors, subcontractors, mechanics, laborers and materialmen;

(b) That a bond in an amount not less than the cost of construction of Lessee's Project is obtained that insures that the construction work shall be effected by Lessee, the general contractor or, on their default, the surety;

and, (c) That the surety will defend and indemnify Department against all loss, cost, damage, expense and liability arising out of or connected with the construction of Lessee's Project, up to the maximum bond requirement amount.

(4) Lessee shall take out and maintain so-called "builder's risk" or "course of construction insurance" insuring Lessee's Project during the period of construction of Lessee's Project in form and amounts reasonably satisfactory to Department, and shall take out and maintain the other insurance that is required by the Lease Agreement. The insurance required herein shall comply with the provisions of the Lease Agreement. Certificates evidencing such insurance shall be provided prior to commencement of work.

(5) No liens shall be attached to the Facilities or any part thereof.

(6) Prior to the commencement of any work, Lessee shall demonstrate to Department's satisfaction that all construction and take-out financing, if any, is in place. The Department, upon notice to Lessee, shall have the right to approve any and all progress payments.

(7) Lessee is to work closely with the Department in scheduling and engaging in Lessee's construction activity so as not to disrupt Park events, including but not limited to Special Events. Where conflict may occur, the Department shall solely make the determination as to the Lessee's right to continue work and the desirability of temporarily halting or continuing activity by the Lessee.

Lessee shall be liable for any damage, loss, action, costs (including costs to defend any action) caused by Lessee's failure to cease work after written notice from the Department Director.

(8) Quarterly Reporting when Sub-Contractors are Utilized: Operators are advised that when sub-contractors are utilized to fulfill the terms and conditions of this contract, Miami Dade County Resolution No.1634-93 will apply to this contract. This resolution requires the successful contractor(s) to file quarterly reports as to the amount of contract monies received from the County and the amounts thereof that have been paid by the contractor directly to Black, Hispanic and Women-Owned businesses performing part of the contract work.

Additionally, the listed businesses are required to sign the report, verifying their participation in the contract work and their receipt of such monies.

For purposes of applicability, the requirements of this resolution shall be in addition to any other reporting requirements required by law, ordinance or administrative order.

II. DEPARTMENT'S CONSTRUCTION OBLIGATIONS

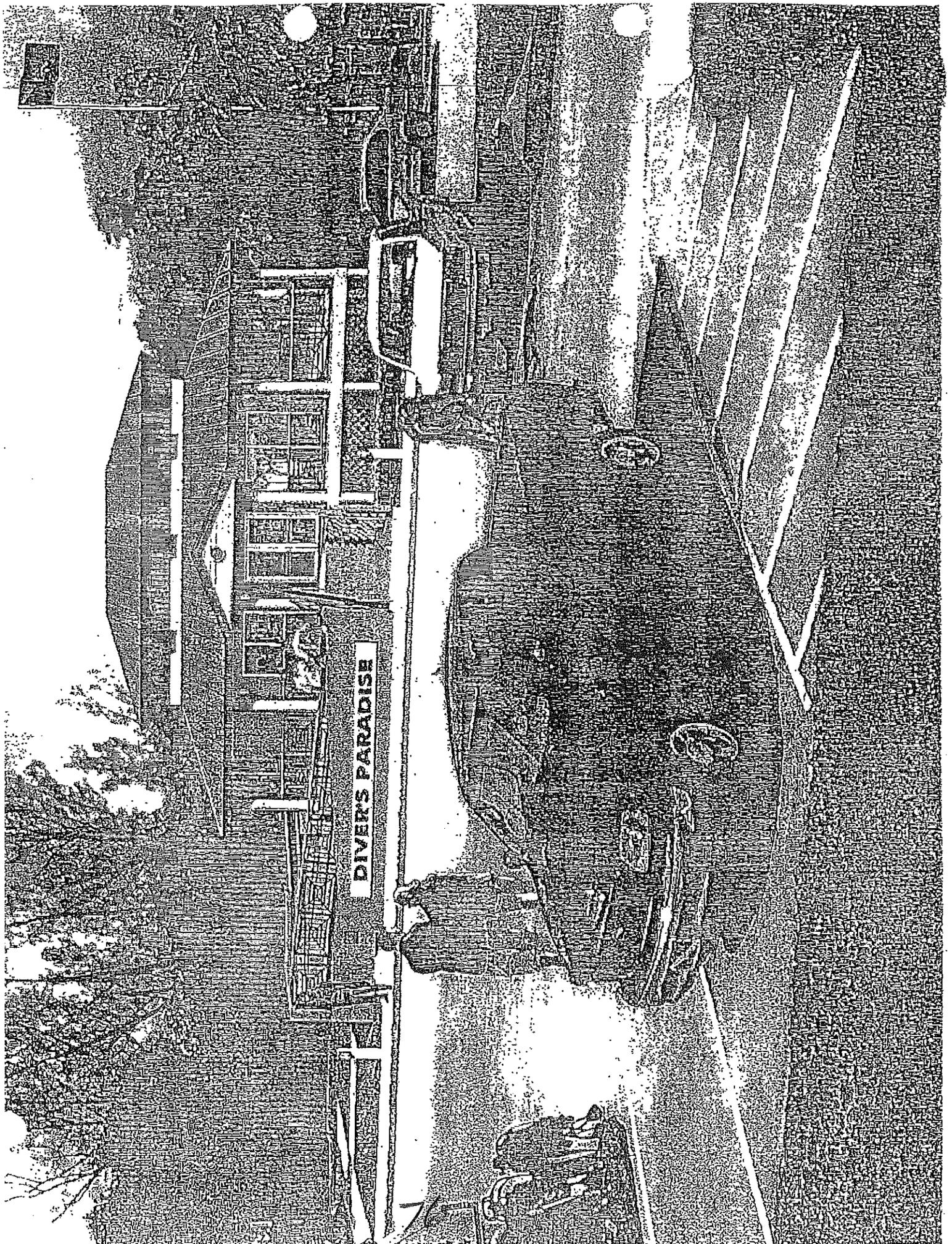
A. Conditions of Premises. Department shall deliver physical possession of the Facilities site to Lessee on the date that Department is required to deliver possession as required by Section IC, in an "as is" condition so that Lessee may commence construction thereon.

In addition, Department shall provide reasonable access to allow the Lessee to have utilities brought to the site and to have constructed the approved improvements described in this Lease Agreement.

B. Liquidated Damages. It is mutually acknowledged that the assessment of specific damages for the inability to construct Lessee's Facilities would be too difficult to determine and that the provisions for liquidated damages contained herein are intended to compensate the Department for its efforts in assisting to complete the improvements. No liquidated damages shall accrue to this Lessee.

EXHIBIT D

Conceptual Plan of Leased Premised
And
Lessee's Floor Plan



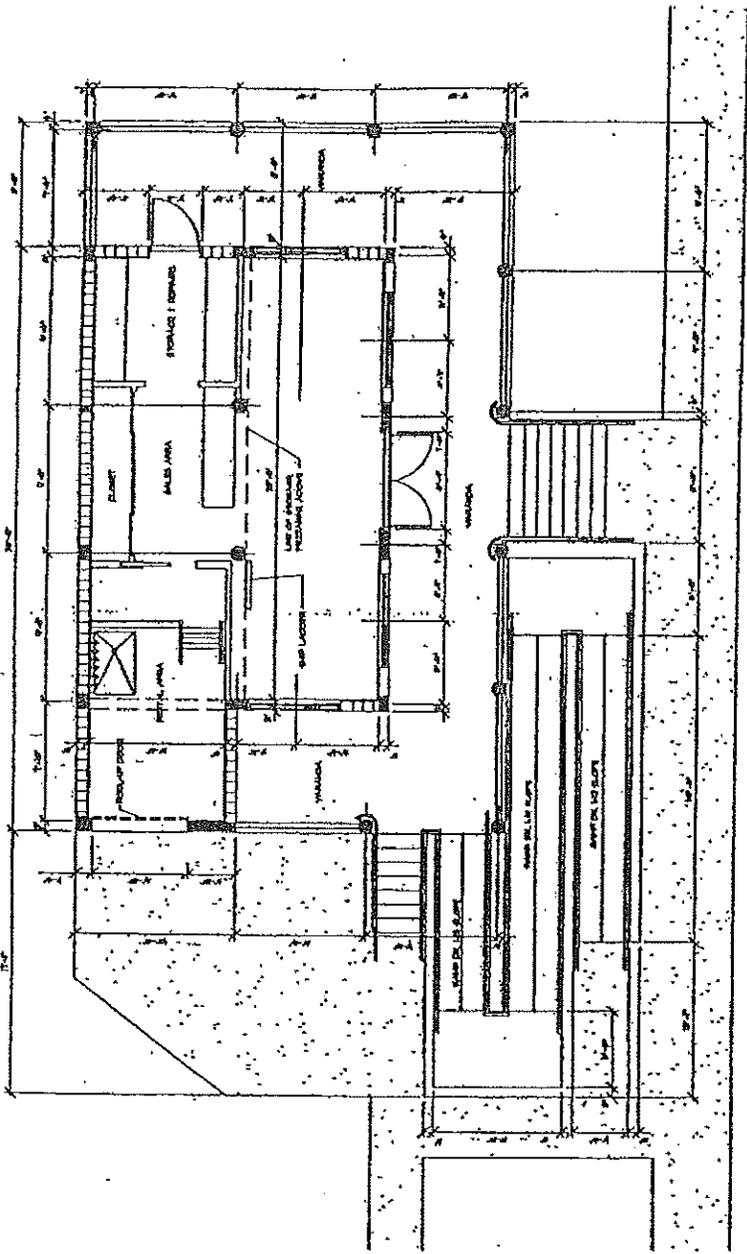
DIVER'S PARADISE

DATE	2/17/83
SCALE	1/4" = 1' - 0"
DESIGNED BY	AHMED A. ALVAREZ
CHECKED BY	JOHN A. STUBBS
PROJECT NO.	305-361-3483
NO.	10
TOTAL	10

AHMED A. ALVAREZ
 ARCHITECT
 4000 CRANE BLVD.
 KEY BISCAYNE, FL 305-361-3483

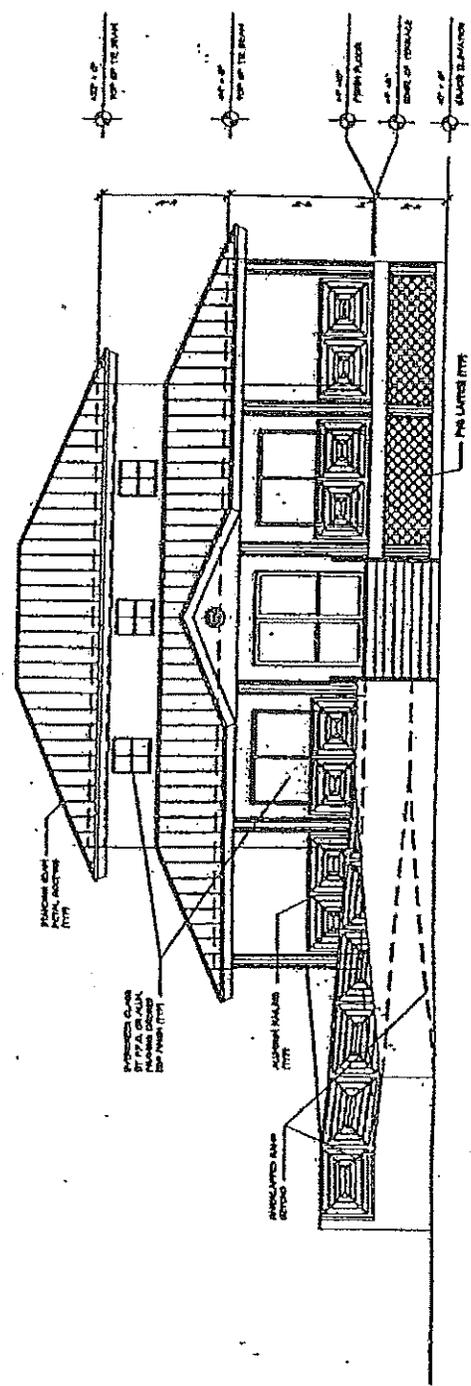
DIVERS-PARADISE
 4000 CRANE BLVD.
 KEY BISCAYNE, FL 305-361-3483

SHEET
 A-02
 SCALE 1/4" = 1' - 0"
 PROJ. NO. 14-030



1/4" = 1' - 0"

GROUND FLOOR PLAN



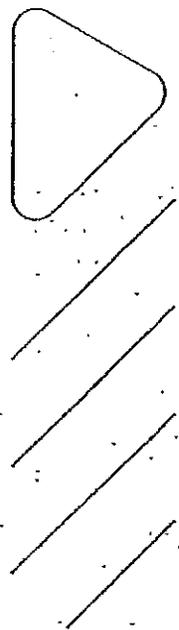
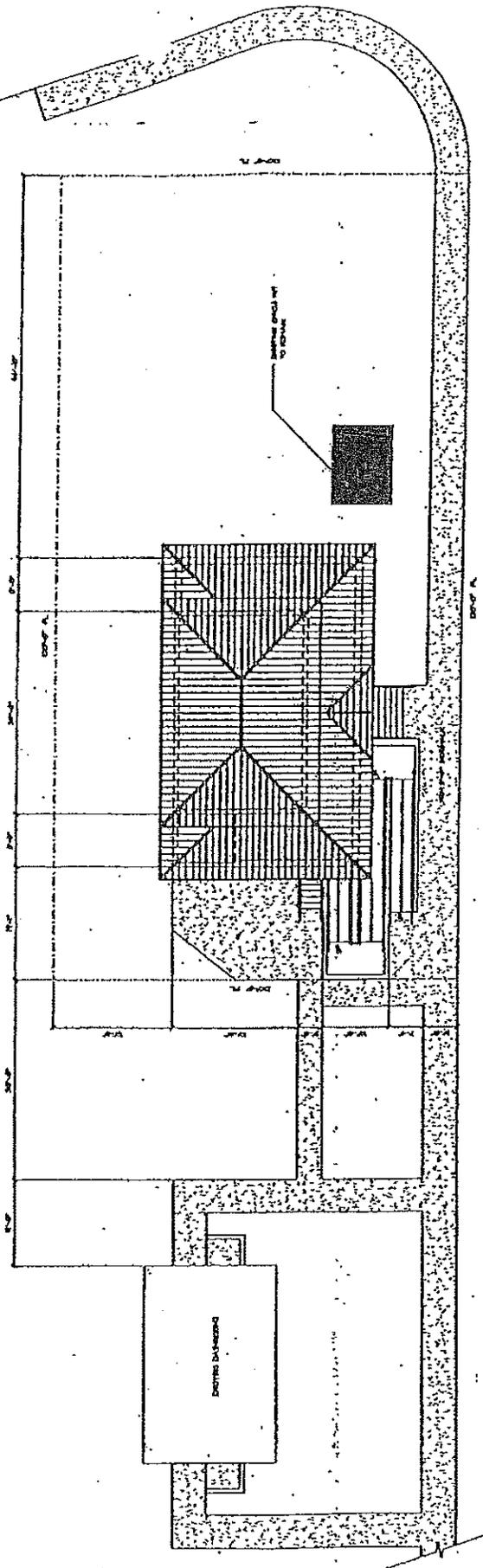
1/4" = 1' - 0"

EAST ELEVATION

LLR

SITE DATA

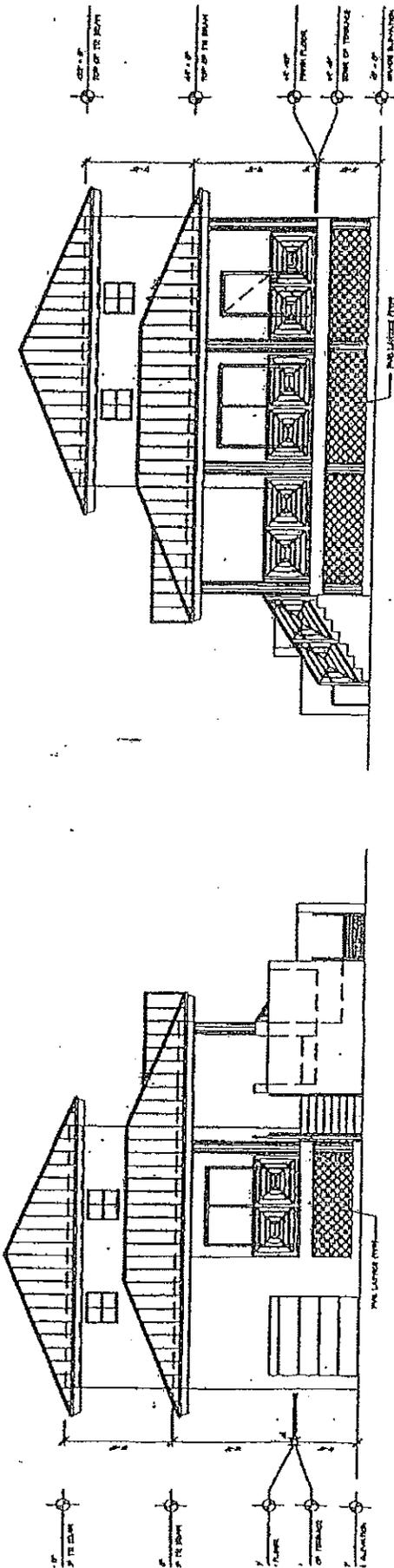
SITE AREA	1000 SQ. FT.	1000 SQ. FT.
BUILDING AREA	600 SQ. FT.	600 SQ. FT.
BUILDING AREA - A/C	300 SQ. FT.	300 SQ. FT.
STAIRCASE MEZZANINE	100 SQ. FT.	100 SQ. FT.
VAULTED		
STAIRCASE STAIRS	100 SQ. FT.	100 SQ. FT.
LANDSCAPE AREA	400 SQ. FT.	400 SQ. FT.



GROUND FLOOR PLAN

1/8" = 1' - 0"

71 78



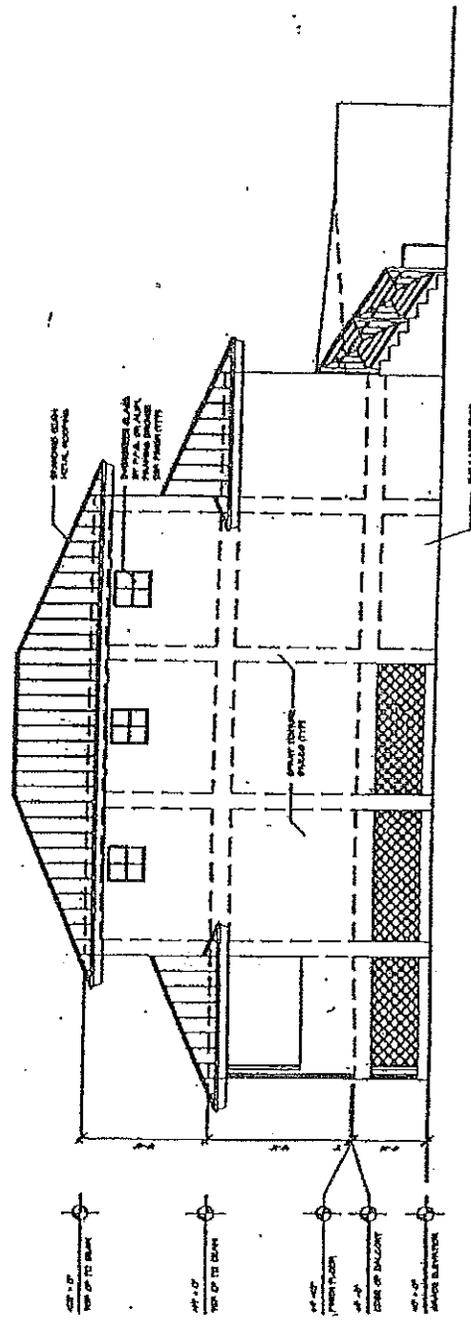
SOUTH ELEVATION

1/4" = 1' - 0"

NORTH ELEVATION

1/4" = 1' - 0"

6724



WEST ELEVATION

1/4" = 1' - 0"

AHMED A. ALVAREZ
ARCHITECT

DATE	1/17
SCALE	AS SH.
DRAWN BY	A.A.
CHECKED BY	A.A.
REVISIONS	

DIVERS PARADISE
4000 GRANDA RD.
KEY BISCAYNE, FL 33149
305-361-3483

SHEET #
A-02

AREA: 106.14 SQ. FT.

EXHIBIT E

Initially Approved Hours Operation,
Schedule of Fees,
Retail and Rental Items and Prices

HOURS OF OPERATION

As a general rule the facility will be open seven (7) days per week in season and 6 days a week off season, from 10:00 AM to 6:00 PM weekdays and 7:00 AM to 7:00 PM weekends and holidays. Classes can be held at any time during the business day, but normally will be in the evenings from 7:00 PM to 10:00 PM. As a result of evening training it may often be advantageous to keep the dive shop open until the class is over.

Dive trips will normally be schedule 8:00 AM departures for morning trips; 1:00 PM for afternoon trips and 5:30 PM for night dives.

Because this business is seasonal and subject to varying weather conditions, Diver's paradise request permission to adjust its operations schedules with the permission of the Marina management which is most likely to understand the specifics of the requests at any given time.

ITEMS FOR SALE AND RENT

Diver's Paradise is an authorized dealer for most major manufacturers in the Dive Equipment Manufacturers Association (DEMA), the major suppliers organization for our industry. Such companies include U.S. Divers, Tabata, Tekna, Mares, Seaquest, Cressi Sub, Wenoka, Ikelite, Nikon and many others. Diver's Paradise stays current with the many changes in the industry by attending the annual DEMA show.

Due to the numbers of manufacturers and variety of products including food, beverage, candy, chips and services available it would be impossible to list all of the potential merchandise which might be carried or sold by Diver's Paradise, however we guarantee that all merchandise carried for resale will be of the highest quality and produced by the most reputable firms in the dive equipment manufacturing business. Examples of new merchandise we will carry include: masks, fins, snorkels, buoyancy compensators, regulators, gauges, tanks, knives, cameras and film, dive equipment bags, strobe lights (for u/w cameras), dive watches, wet suits and wet skins, u/w lights, compasses, u/w books and videos, training manuals and other training aids, spear guns, nets, goodie bags, diver oriented gift merchandise (sportswear, tanning products, sun glasses, towels, jewelry, T-shirts, etc.) and many other items. All of the above items may be purchased from a variety of suppliers and in a variety of sizes, colors and styles. See below for certain manufacturer names for our scuba equipment and profit margin as requested, along with miscellaneous items and their profit margin.

Diver's Paradise

1. Scuba Equipment: Profit margin 100% to 150%
Names: U.S. Divers, Aqualung, Mares, Beuchat Sharewood, P.S.I., Cressi, Tabata, Riffe A-Plus Marine, Ikelite, Tekna, Parkway, Sport Divers, P.A.D.I., Nali, Deep See, Body Gloves.
2. Misc.: Sodas, Ice, Candy, Chips, Subs, Sandwiches, Water, Fruits, Ice Cream, Beer
150% to 200% profit margin.

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Eric Cartaya	Captain Instructor
Omar Cartaya	Owner
Omar S. Cartaya	Instructor/Captain
Jose Zovala	Dive Master
Elizabeth Brady	Part-time office personnel/dive master
Keith Philbrock	Captain
Rick Smith	Captain

Additional personnel will be hired and utilized within the operation, however, at no time will uncertified staff members be allowed to perform any operation for which they are not fully qualified and insured.

Diver's Paradise agrees to discontinue the sale of any merchandise; at the request of the County, if such merchandise is deemed inappropriate by the County.

Diver's Paradise will continue to provide food service as it has in the past.

The following items will be continually available for rent.

ITEMS	PRICE PER DAY	
Tanks	\$ 7.00	8.00
Regulators w/Pressure Gauge	10.00	12.00
Buoyancy Compensator	12.00	12.00
Wet Suit Jacket	7.00	10.00
Mask and Snorkel and Fins	5.50	5.00
		ea. (2 pieces)
Weight Belt w/Weights	5.00	5.00
U/W Light	8.00	10.00
U/W Camera	35.00	35.00

Diver's Paradise will offer a complete range of diver training programs from the Basic and Advances classes through a variety of specialized programs designed to fit the individual diver's interests.

STAFFING

Diver's Paradise will be staffed by fully trained professionals who have acquired the necessary certifications for any training which they will be providing or for the portions of the operation for which they will be responsible.

Typically all Instructors are PADI Certified and copies of the Certification and Specialty Certification Cards will be supplied upon request.

KEY person within the Diver's Paradise organization is Eric Neugaard. His particular qualifications are as follows:

ERIC NUEGAARD – PADI Open Water Scuba Instructor, PADI Medic First Aid Instructor, PADI Master Scuba Diver Trainer, PADI IDC Staff Instructor, PADI Master Instructor, PADI Specialty Instructor Certifications: Deep Diver, Night Diver, Equipment Specialist, Search & Recovery, U/W Photographer, U/W Navigator, U/W Hunter, Wreck Diver, Drift Diver, Cavern Diver, Recreational Dive Boat Operators, Research Diver and Indigenous Aquariums. Also Certified as an Emergency Medical Technician.

RETAIL MERCHANDISE

Diver's Paradise is primarily interested in the business of training divers, supplying them with state of the art dive gear and providing them with high quality, safe dive trips to the wrecks and reefs off of Key Biscayne. Our efforts to supply our customers with goods and services could end here and we would be doing as much as any other dive operator in the business.

However, Diver's Paradise desires to provide its customers with more than other dive operators, but because of the size of our company and the fickle desires of the customers in general, we propose that Diver's Paradise be permitted to provide our customers with various items, or classes of items, through our use of retail merchandise. It is most likely that if Diver's Paradise is not allowed to deal with our proposed retail merchandise we will not be able to afford to stock it ourselves and thus revenue will be lost both by Diver's Paradise and the County.

The merchandise would generally fall into the area of diver gift merchandise. Specific items might include: sportswear, tanning products, sun glasses, art work (framed pictures and statues), towels, and jewelry. These items are obviously not necessary to a successful dive operation, but could enhance the experience for the divers and provide additional marginal revenue.

Items typically considered as "dive gear" would not be included in this area and would be purchased only by Diver's Paradise for resale.

Items in the retail merchandise category would be accounted for separately from other retail sales and the County would receive their Percentage Rent payment at a reduced rate.

Courses regularly available shall include the following:

<u>COURSE</u>	<u>PRICE</u>	
Three-Day Course	\$399.00	
Open Water Diver	159.00	200.00
Advanced Oper Water Diver	125.00	200.00
Rescue Diver	125.00	200.00
Dive Master	200.00	450.00
Assistant Instructor	200.00	400.00
Specialty Courses		
Wreck Diver Specialty	85.00	85.00
Night Diver Specialty	85.00	85.00
U/W Photography Specialty	135.00	135.00
Deep Diver Specialty	85.00	85.00
Search and Recovery Specialty	85.00	85.00
U/W Hunter, Equipment Specialty and All Other Specialty Courses	85.00	85.00 + varies

In time, Diver's Paradise will include an Instructor College to be offered to any divers interest in developing their skills with the intent of making a career of some aspect of the dive business.

Diver's Paradise will offer, as a minimum, the following dive trips at our facility:

<u>TRIP</u>	<u>PRICE</u>	
Half Day Trip (Typically 2 Dives)	\$30.00	40.00
Sale/Dive Trip - Full Day	56.00	80.00
Snorkeling Trip	20.00	40.00
Night Dive Trip (One Tank)	25.00	40.00

Diver's Paradise will also periodically offer extended "vacation" type trips to locations such as the Caymans, Cozumel, Belize, Key West, Puerto Rico and other exotic destinations. These trips are aimed at ultimately enhancing the Key Biscayne operation by developing more enthusiastic divers.

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REPAIR SERVICES

Diver's Paradise will offer complete repair services for all merchandise sold at the facility and in most cases will be able to offer similar service for merchandise purchased elsewhere. Such repair services will be performed by staff specifically trained to do so.

<u>SERVICE</u>	<u>PRICE</u>
General Repairs	\$16.00 (Hourly Rate)
Regulators Repairs (plus parts)	16.00 35.00

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MIAMI-DADE COUNTY

Contract No.

EXHIBIT F

Vessel Description(s)

VESSEL DESCRIPTION

PAGE 1 OF 2

DATE 7/5/01

NAME OF VESSEL: Diver's Paradise I

BUILDER: Stapleton

LOA: 37 feet

DOCUMENTATION/
INSPECTION: Attached

BEAM: 14 feet

DRAFT: 3 feet

RADIO CALL LETTERS: WTJ 6414

POWER: Yes

NAME OF OWNER: Omar Cartaya

PASSENGER CAPACITY: 32 persons

PHOTO OF VESSEL: Attached

This form may from time to time be modified and/or updated.

8788



UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
UNITED STATES COAST GUARD

CERTIFICATION DATE: 26 MAR 99

EXPIRATION DATE: 26 MAR 02

Certificate of Inspection FILE

VESSEL NAME DIVER'S PARADISE	OFFICIAL NUMBER D918260	CALL SIGN WTJ6414	SERVICE PASSENGER
HOME PORT NATL VESSEL DOC CTR	HULL MATERIAL FRP	HORSEPOWER 840	PROPULSION DIESEL REDUCTION
PLACE BUILT MIAMI FL	DATE BUILT 31 DEC 81	GROSS TONS 23	NET TONS 18
OWNER DIVER'S PARADISE OF KEY BISCAYNE 4000 CRANDON BLVD KEY BISCAYNE, FL 33149	OPERATOR DIVER'S PARADISE OF KEY BISCAYNE 4000 CRANDON BLVD KEY BISCAYNE, FL 33149	DWT	LENGTH 37.000

THIS VESSEL MUST BE MANNED WITH THE FOLLOWING LICENSED AND UNLICENSED PERSONNEL, INCLUDED IN WHICH THERE MUST BE 0 CERTIFICATED LIFEBOATMEN AND 0 CERTIFICATED TANKERMAN.

<u>1</u> MASTER	___ MASTER & 1ST CLASS PILOT	___ ABLE SEAMEN	___ CHIEF ENGINEER	___ FIREMEN-WATERTENDERS
___ CHIEFMATE	___ CLASS PILOT	___ ORDINARY SEAMEN	___ 1ST ASST. ENGINEER	___ OILERS
___ 2ND MATE	___ RADIO OFFICER(S)	<u>1</u> DECKHANDS	___ 2ND ASST. ENGINEER	___
___ MATES	___ OPERATOR(S)	___	___ ENG'RS.	___

IN ADDITION, THIS VESSEL MAY CARRY 24 PASSENGERS, 0 OTHER PERSONS IN CREW, 0 PERSONS IN ADDITION TO CREW, AND TOTAL PERSONS ALLOWED: 26

ROUTE PERMITTED AND CONDITIONS OF OPERATION:

***** LIMITED COASTWISE *****

ATLANTIC OCEAN AND GULF OF MEXICO BETWEEN MELBOURNE, KEY WEST, AND CAPE ROMANO, FLORIDA, NOT MORE THAN 20 MILES FROM A HARBOR OF SAFE REFUGE.

IF THE VESSEL IS AWAY FROM THE DOCK, OR PASSENGERS ARE ON BOARD OR HAVE ACCESS TO THE VESSEL FOR A PERIOD EXCEEDING 12 HOURS IN A 24 HOUR PERIOD, AN ALTERNATE CREW SHALL BE PROVIDED.

THE MINIMUM NUMBER OF CHILD-SIZE LIFE PRESERVERS REQUIRED IS 3. WHEN MORE THAN 3 CHILDREN ARE CARRIED, ADDITIONAL CHILD-SIZE LIFE PRESERVERS SHALL BE PROVIDED SO THAT THE VESSEL HAS AN APPROVED LIFE PRESERVER SUITABLE FOR EACH CHILD ON BOARD.

WHEN THE VESSEL IS ENGAGED IN DIVE TRIPS, THE TOTAL NUMBER OF PERSONS MUST BE DECREASED BY ONE PERSON FOR EACH 160 POUNDS OF DIVE EQUIPMENT ONBOARD. REQUIRED FREEBOARD MUST BE MAINTAINED AS OUTLINED IN THE STABILITY LETTER.

*** SEE NEXT PAGE FOR ADDITIONAL CERTIFICATE INFORMATION ***

WITH THIS INSPECTION HAVING BEEN COMPLETED AT BISCAYNE BAY, FLORIDA ON 26 MAR 99, THIS VESSEL IS CERTIFIED BY THE OFFICER IN CHARGE, MARINE INSPECTION, MIAMI, FLORIDA TO BE IN ALL RESPECTS IN CONFORMITY WITH THE APPLICABLE VESSEL INSPECTION LAWS AND THE RULES AND REGULATIONS PRESCRIBED THEREUNDER.

PERIODIC REINSPECTIONS			THIS CERTIFICATE ISSUED BY:
DATE	ZONE	SIGNATURE	
			L. J. BOWLING, CAPT, USCG OFFICER IN CHARGE, MARINE INSPECTION MIAMI, FLORIDA
			INSPECTION ZONE

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VESSEL DESCRIPTION

PAGE 2 OF 2

DATE 7/5/01

NAME OF VESSEL: Diver's Paradis III

BUILDER: Island Hopper

LOA: 30 feet

DOCUMENTATION/
INSPECTION: Attached

BEAM: 11 feet

DRAFT: 3 feet

RADIO CALL LETTERS: WAS 4267

POWER:
Yes

NAME OF OWNER: Omar Cartaya

PASSENGER CAPACITY: 20 persons

PHOTO OF VESSEL: Attached

This form may from time to time be modified and/or updated.

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UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
UNITED STATES COAST GUARD

CERTIFICATION DATE: 21 MAR 08

EXPIRATION DATE: 21 MAR 08

Certificate of Inspection COPY

VESSEL NAME VIRG PARADISE III	OFFICIAL NUMBER U926325	CALL SIGN KYW240	SERVICE PASSENGER
HOME PORT FTL VESSEL DOC CTR	HULL MATERIAL FRP	HORSEPOWER 210	PROPULSION DIESEL REDUCTION
PLACE BUILT NATHAN SHORES FL	DATE BUILT 29 JAN 88	GROSS TONS 11	NET TONS 9
		DWT	LENGTH 29.000
OWNER VERV'S PARADISE OF KEY BISCAYNE 400 CRANDON BLVD KEY BISCAYNE, FL 33149	OPERATOR OIVER'S PARADISE OF KEY BISCAYNE 4000 CRANDON BLVD KEY BISCAYNE, FL 33149		

THIS VESSEL MUST BE MANNED WITH THE FOLLOWING LICENSED AND UNLICENSED PERSONNEL, INCLUDED IN WHICH THERE MUST BE 0 CERTIFICATED LIFEBOATMEN AND 0 CERTIFICATED TANKERMAN.

MASTER _____ MASTER & 1ST CLASS PILOT _____ ABLE SEAMEN _____ CHIEF ENGINEER _____ FIREMEN-WATERTENDERS _____
 CHIEFMATE _____ CLASS PILOT _____ ORDINARY SEAMEN _____ 1ST ASST. ENGINEER _____ OILERS _____
 2ND MATE _____ RADIO OFFICER(S) 1 DECKHANDS _____ 2ND ASST. ENGINEER _____
 MATEES _____ OPERATOR(S) _____ ENGR'S _____

IN ADDITION, THIS VESSEL MAY CARRY 18 PASSENGERS, 0 OTHER PERSONS IN CREW, 0 PERSONS IN ADDITION TO CREW, AND _____ TOTAL PERSONS ALLOWED: 20

PERMITTED AND CONDITIONS OF OPERATION:

***** LIMITED COASTWISE *****

PACIFIC OCEAN AND GULF OF MEXICO BETWEEN MELBOURNE, KEY WEST, AND CAPE HAVEN, FLORIDA, NOT MORE THAN 20 MILES FROM A HARBOR OF SAFE REFUGE.

THE VESSEL IS AWAY FROM THE DOCK, OR PASSENGERS ARE ON BOARD OR HAVE ACCESS TO THE VESSEL FOR A PERIOD EXCEEDING 12 HOURS IN A 24 HOUR PERIOD, ALTERNATE CREW SHALL BE PROVIDED.

THE MINIMUM NUMBER OF CHILD-SIZE LIFE PRESERVERS REQUIRED IS TWO. WHEN MORE THAN TWO CHILDREN ARE CARRIED, ADDITIONAL CHILD-SIZE LIFE PRESERVERS SHALL BE CARRIED SO THAT THE VESSEL HAS AN APPROVED LIFE PRESERVER SUITABLE FOR EACH CHILD ON BOARD.

*** SEE NEXT PAGE FOR ADDITIONAL CERTIFICATE INFORMATION ***

THIS INSPECTION HAVING BEEN COMPLETED AT MIAMI, FLORIDA ON 21 MAR 08, THIS VESSEL IS CERTIFIED BY THE OFFICER IN CHARGE, MARINE INSPECTION, MIAMI, FLORIDA, TO BE IN ALL RESPECTS IN CONFORMITY WITH THE APPLICABLE VESSEL INSPECTION LAWS AND THE RULES AND REGULATIONS PRESCRIBED THEREUNDER.

PERIODIC REINSPECTIONS			THIS CERTIFICATE ISSUED BY:
DATE	ZONE	SIGNATURE	
			L. J. BOWLING, CAPT, USCG OFFICER IN CHARGE, MARINE INSPECTION MIAMI, FLORIDA
			INSPECTION ZONE

8491

MIAMI-DADE COUNTY

Contract No.

EXHIBIT G

Marina Rules and Regulations

8592

MIAMI-DADE COUNTY

Contract No.

EXHIBIT H

Proposal

86 93

PROPOSAL FORM

FOR THE
DIVE FACILITY

AT

CRANDON PARK

DADE COUNTY
PARK AND RECREATION DEPARTMENT

December 11, 1989
(Date)

TO: BOARD OF COUNTY COMMISSIONERS, DADE COUNTY

Proposer hereby offers to enter into an Agreement with the Board of County Commissioners of Dade County, Florida, referred to as the "County", for the items covered in the Request For Proposals for Dive Facility operations. The RFP is understood to be defined as: The Advertisement for Proposals; the Request For Proposal; this Proposal Form; the Qualification Form; the Waiver and Release; the Lease and Concession Agreement; together with Appendices and Addenda, if any, attached hereto, and in furtherance of this offer agrees to pay the minimum and percentage of gross receipts as follows:

- A. Proposer shall pay the County Four hundred dollars (\$ 400.00) per month which when multiplied times twelve months, indicates Four thousand eight hundred dollars (\$ 4,800.00), plus \$700.00 per month dockage for use of the "green dock".
- B. Proposer shall also pay to the County a percentage payment: (check one) _____ in addition to/ X to the extent greater than the minimum guarantee:
 - 2 % of Gross Receipts from \$0.01 - \$10,000.00 ,
 - 3 % of Gross Receipts from \$10,000.01 - \$20,000.00 ,
 - 4 % of Gross Receipts from \$20,000.01 - \$30,000.00 ,
 - 5 % of Gross Receipts from \$30,000.01 and higher ,

PERCENTAGES ARE COMPUTED ON A MONTHLY BASIS. Varying percentages to be applied to the gross receipts dependent on increasing volume and/or by category are acceptable. If such an approach is used, a specific schedule of rates and volume must be attached to the Proposal Form. It is suggested that any percentage of gross receipts proposed for any beer and/or wine sales be separately categorized from other payments to the County.

- C. Proposer projects to spend not less than Ten thousand dollars (\$ 10,000.00) for advertising, marketing and promotion annually. (Breakdown should be attached)

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- D. It is proposed that the minimum initial term of the Agreement be for Twenty (- 20) years and that the Agreement be renewable for Two (2) periods of Ten (10) years.
- E. In addition to the above, the Proposer offers the following additional consideration (Additional pages may be inserted, if necessary):
-

Accompanying this Proposal Form is a Certified or Cashier's Check drawn on any State or National Bank in the amount of FIVE THOUSAND DOLLARS (\$5,000), payable to the Board of County Commissioners of Dade County, Florida. This Guarantee Deposit shall be retained by the County as liquidated damages in the event the undersigned is the successful Proposer and fails to comply with the performance bond and insurance requirements as set forth in the Lease and Concession Agreement and the Construction Rider within thirty (30) days after written notification of the availability of the property for the Proposer's use, or fails to execute a contract with the County.

Attached to this Proposal are drawings, sketches, pro-forma statements and other documents and materials for review by the County to judge the value of services and improvements, to be provided solely by the Proposer or contemplated by the Proposer for the operation and improvement of the facilities. The materials shall be provided in accordance with the "Request for Proposals." All materials shall become the property of the County.

Attached to this Proposal is a listing of hours of anticipated operation as well as a description of the intended staffing and types of goods and services to be provided.

The successful Proposer will need to submit standard schematic drawings demonstrating the type of layout the Proposer intends to install and utilize prior to the commencement of construction.

It is expressly understood by the Proposer that evaluations in awarding an Agreement are based on objective and subjective criteria. In addition, alternate or additional service will be considered upon submission; however, such changes or additions may or may not be accepted regardless of merit.

The Proposer acknowledges that the County is relying on information provided in this Proposal and that discovery of any misstatement of fact or material omission may cause rejection of the Proposal or, if after award of a contract, termination of the contract.

Proposer agrees to waive its right to attend any meeting at which the Proposal of any other proposer is being presented. It is understood by the Proposer that Dade County reserves the right to waive any formalities and reject any and all Proposals.

REQUEST FOR PROPOSALS

FOR

A DIVE FACILITY

AT

CRANDON PARK

PROPOSED BY

DIVER'S PARADISE OF KEY BISCAYNE, INC.

1451 SW 102 Court, Miami, Fl 33174

Metro-Dade County provides equal access and
equal opportunity in employment and services
and does not discriminate on the basis of
handicap.

PARK AND RECREATION DEPARTMENT
DADE COUNTY, FLORIDA

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<u>SECTION I</u>	Proposal Form and Proposal Guarantee Deposit
<u>SECTION II</u>	Qualification Form
<u>SECTION III</u>	Construction Plans; Construction Summary
<u>SECTION IV</u>	Agreement Changes
<u>SECTION V</u>	Hours of Operation and Proposed Rates or Charges, Items for Sale and Staffing Requirements
<u>SECTION VI</u>	Pro Forma Statements
<u>SECTION VII</u>	Insurance and Bonding
<u>SECTION VIII</u>	Marketing Plan
<u>SECTION IX</u>	Miscellaneous
<u>SECTION X</u>	Affirmative Action Plan
<u>SECTION XI</u>	Disclosure Affidavit, Waiver and Release

SECTION I

Proposal Form and Proposal Guarantee Deposit

PROPOSER: (If Individual or Partnership)

Name _____

By _____ (L.S.)

WITNESSES:

By: *[Signature]*
Secretary

PROPOSER: (If Corporation)

Name DIVER'S PRODDICE OF KEY BICOYNE
(Type)

By: *[Signature]*
President

(CORP. SEAL)

V.

PROPOSER'S QUALIFICATION FORM

FOR THE
DIVE FACILITY

AT

CRANDON PARK

DADE COUNTY
PARK AND RECREATION DEPARTMENT

Proposers should present evidence that they are fully competent and have the necessary experience and resources to develop the Facility and to fulfill the conditions of the contract. Proposers must provide the Board of County Commissioners of Dade County, Florida, referred to as the "County", with at least the information stipulated in this questionnaire. In addition, certain minimum requirements are considered desirable in order for a Proposal to be considered. Proposers unable to demonstrate appropriate prior softball complex or highly relevant management experience may be disqualified.

Failure to submit this qualification form with all questions completely answered and information attached as required will be grounds for disqualification of the Proposer. Any false information provided by the Proposer and discovered by the County shall be grounds for rejection of the Proposer or, if award of a contract, termination of any resulting contract.

The Proposer is (insert name in appropriate category (1) through (3)):

(1) Corporation Diver's Paradise of Key Biscayne, Inc.

(2) Individual _____

(3) Partnership _____

Principal Office Address 1451 SW 102 Court, Miami, Fl 33174

Telephone Number 305-223-6171

Authorized Official Representative Omar Cartaya

The Proposer submitting this Proposal warrants the following:

The Proposer, which for the purpose of the experience factors in this qualification form, shall mean the individual, or if a partnership, the partnership itself, or if a corporation, the corporation itself.

1. Each Proposer must be authorized to do business in the State of Florida and, if a corporation, must be incorporated under the laws of one of the States of the United States. Proof of same must be provided.

2. Each Proposer must certify, and proof may be required that it can carry out all the conditions of this Agreement.

QUESTIONNAIRE

If a Corporation, answer this:

When incorporated 1987
In what State Florida
If foreign, date of registration with Florida Secretary of State, and name and address of Resident Agent _____

Operating Officers

President's Name Omar Cartaya Social Security # 261-90-0012
Address 1451 SW 102 Court, Miami, Fl Date of Birth 09/08/49
Vice-President's Name _____ Social Security # _____
Address _____ Date of Birth _____
Treasurer's Name _____ Social Security # _____
Address _____ Date of Birth _____
Secretary's Name _____ Social Security # _____
Address _____ Date of Birth _____

Board of Directors (Additional pages may be inserted, if necessary.)

Name Omar Cartaya Social Security # 261-90-0012
Address 1451 SW 102 Court, Miami, Fl Date of Birth 09/08/49
Name _____ Social Security # _____
Address _____ Date of Birth _____
Name _____ Social Security # _____
Address _____ Date of Birth _____
Name _____ Social Security # _____
Address _____ Date of Birth _____

Submit a copy of the corporate charter from the Secretary of State, a statement of names and addresses of all directors and officers or owners and percentage of ownership of each; and evidence of compliance with the Florida Fictitious Name Statute, if Proposer is operating under a fictitious name. This requirement is waived for Proposers listed on the New York and/or American Stock Exchanges, with stock eligible for open trading as of the date set for opening of Proposals. Certification by a corporate officer of eligibility for this waiver must be submitted, as well as a copy of the latest annual report.

If an Individual or Partnership, answer this:

Date of organization _____

General or limited partnership _____

Name and address of each partner: (Additional pages may be inserted, if necessary.)

Name _____ Social Security # _____

Address _____ Date of Birth _____

Number of Ownership Units _____ Percent Ownership _____

Name _____ Social Security # _____

Address _____ Date of Birth _____

Number of Ownership Units _____ Percent Ownership _____

Name _____ Social Security # _____

Address _____ Date of Birth _____

Number of Ownership Units _____ Percent Ownership _____

Name _____ Social Security # _____

Address _____ Date of Birth _____

Number of Ownership Units _____ Percent Ownership _____

All Proposers answer the following:

1. Number of years experience the Proposer making the proposal has had in the operation of similar business Ten (10)
2. Give the names and locations of places at which Proposer has operated similar businesses, together with dates of operation:

Type of Operation	Name	Location	Dates
(a)	Dive Shop, Divers Paradise,	10740 SW 24 Street, Miami,	1979-1984
(b)	Dive Shop, Divers Paradise,	13854 SW 56 Street, Miami,	1984-1989
(c)	Dive Shop & Charter, Divers Paradise of Tavernier	MM 90.5, Tavernier	1986-1989
(d)	Dive Shop & Charter	Divers Paradise of Key Biscayne, 4000 Crandon Blvd	1987-1989
(e)	_____	_____	_____

3. State approximately the largest gross receipts Proposer has realized from a similar operation in one year:

\$ 385,000.00 Location: 13854 SW 56 Street, Miami, Fl

4. List below the names and addresses of Proposer's landlords for the operations listed in Item 2 above.

<u>Operation</u>	<u>Landlord</u>	<u>Address</u>
(a) <u>Divers Paradise</u>	<u>LPC Realty, 13780 SW 56 Street, Miami, F</u>	
(b) <u>Divers Paradise of Tavernier</u>	<u>TCM, MM 90.5, Tavernier, Fl</u>	
(c) <u>Divers Paradise of Key Biscayne</u>	<u>Metro Dade County Park and Recreation Dept.</u>	<u>50 SW 32 Road Miami, Fl</u>
(d) _____	_____	_____
(e) _____	_____	_____

5. Have any similar leases or agreements held by Proposer for the operation of comparable concessions ever been cancelled?

Yes ___ No x

If yes, give details on a separate sheet.

6. List any Dade County Agency with which the Proposer has had a contract or agreement during the past seven years.

Metro Dade County Park and Recreation Department

7. Has Proposer itself or any controlling interest in Proposer filed for protection under bankruptcy?

Yes ___ No x

8. Bank References:

<u>Bank</u>	<u>Address</u>
<u>Florida National Bank</u>	<u>5620 SW 137 Avenue, Miami, Fl</u>
_____	_____
_____	_____

9. Outside Accounting Firm Address: Telephone:

SRCS AND COMPANY, 11428 SW 109 Road, Miami, Fl 596-2727

10. Attorney for Business: _____ Address: _____ Telephone: _____
Manuel Rodriguez, 10651 N. Kendall Drive, Suite 200 279-7000
Miami, Fl

11. Performance Bond/County Accepted Agency Address: _____ Insurance Co. _____
 Substitute Issued By: _____
Republic National Bank or Owner will post a cash deposit.

12. NAMES OF OTHER BUSINESSES OR INDIVIDUALS WHO OWN 5% OR MORE OF BUSINESS

Name of Other Business/ Person	Race Sex	Birthdate	Address of Business/ Person's Home	% Owned
N/A				

13. OTHER FIRMS OWNED BY BUSINESS (Partially or Wholly)

Name of Firm	Address of Firm	Type (Sales, Const., etc)	% Owned
AQUEDUCT CORP.,	1451 SW 102 Court	Irrigation	100
	Miami, Fl		

14. NAMES OF OTHER BUSINESSES IN WHICH OWNERS AND PARTNERS OFFICERS ARE INVOLVED

Name of Business	Address of Business	Type Business	How Involved
N/A			

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15. PENDING CIVIL LITIGATION/CRIMINAL ACTION INVOLVING BUSINESS OR ITS PARTNERS/CORPORATE OFFICERS/OWNERS

Plaintiff:	Defendant:	Court & Address Where Pending:
N/A		

16. A copy of latest Financial Statement for Business and for other firms in which an interest is held should be attached.

17. Attach copy of civil litigation complaint/counter-complaints now pending in court.

18. Source of Funds: Debt* (Mortgage of public property is not Equity: permissible):

25% by Owner	
75% Bank Loan or Loan From Private Party	

*A letter of willingness and capability to provide financing must accompany any proposed debt financing.

The Proposer understands that information contained in this Qualification Form is to be relied upon by the County in awarding the specified contract, and such information is warranted by the Proposer to be true. The undersigned Proposer agrees to furnish such additional information, prior to the acceptance of any proposal relating to the qualifications of the proposer, as may be required by the County.

Proposer understands that the County has the right to verify the information submitted and to seek any additional information relating to the Proposer's qualifications.

The discovery of any omission or misstatement that materially affects the Proposer's qualifications to perform under the Agreement, shall cause the County to reject the proposal, and if after the award, to cancel the Contract.

Dated at: Miami, Dade County, FL this 11 day of December, 1989.

WITNESSES:

WITNESSES:

By: [Signature]
Type Name OMAR CARTOYO
Secretary

PROPOSER: (If Individual or Partnership)

Name [Crossed out]
By [Crossed out]
Type Name [Crossed out]

PROPOSER: (If Corporation)

DIVERS PARADISE OF KEY BISCAYNE
Type Name of Firm _____

By: [Signature]
Type Name OMAR CARTOYO
President

(CORP. SEAL)

WITNESSES:

WITNESSES:

By: _____

Type Name _____
Secretary

PROPOSER: (If Individual or Partnership)

Name _____

By _____

Type Name _____

PROPOSER: (If Corporation)

¹
Divers Paradise of Key Biscayne, Inc

Type Name of Firm _____

By _____

Type Name Omar Cartaya
President

(CORP. SEAL)

107

LAW OFFICES

WHITMAN, WOLFE, GROSS & SCHAFFEL
PROFESSIONAL ASSOCIATION

IRVING J. WHITMAN
MELVIN WOLFE
MAYNARD A. GROSS
NEIL SCHAFFEL
MANUEL M. RODRIGUEZ-FIOL
DONALD P. MARDER

SUITE 200, DADELAND WEST
10651 NORTH KENDALL DRIVE
MIAMI, FLORIDA 33176
(305) 279-7000

OF COUNSEL
YADIRA CLEMENTINA ZUAZO

December 12, 1989

Metropolitan Dade County Park and Recreation Department
Dade County, Florida

Re: Diver's Paradise of Key Biscayne, Inc.

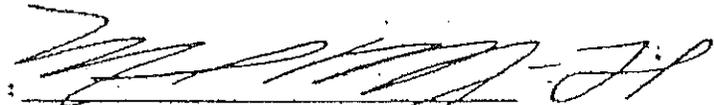
To Whom It May Concern:

The undersigned, as corporate counsel for the above referenced Florida corporation, hereby certifies that the sole shareholder, director, and officer of the corporation is Omar Cartaya.

If you require any further information, please do not hesitate to contact me.

Very truly yours,

WHITMAN, WOLFE, GROSS,
& SCHAFFEL, P.A.

By: 
Manuel Rodriguez-Fiol

MRF/nrs

108

101

State of Florida



Department of State

*I certify that the attached is a true and correct copy of the Articles
of Incorporation of*

DIVER'S PARADISE OF KEY BISCAYNE, INC.

a corporation organized under the laws of the State of Florida,

filed on September 24, 1987.

The document number of this corporation is M59666.

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
24th day of September, 1987.



Jim Smith
Secretary of State

CR2E022 (10-85)

CR2E040 (8-87)

102 109

STATUS: ACTIVE

LAST 3 A.R.'S FILED -----> 1988-03/07/1988 1989-05/15/1989: 0000-00/00/000
CORPORATE NAME -----
DIVER'S PARADISE OF KEY BISCAYNE, INC: ----- FEI NUMBER: 65-000889
STATE OF IN
FL

CORPORATE ADDRESS -----
3780 S.W. 56TH STREET #228
MIAMI, FL 33183 ADDR CHANGE DATE
03/07/1988

AUTHORIZED STOCK: 7,500 SHS @ \$1.00

REGISTERED AGENT -----
RODRIGUEZ-FIOL, MANUEL M.
10651 N. KENDALL DRIVE
MIAMI, FL

----- THIS IS NOT OFFICIAL RECORD; SEE DOCUMENTS IF QUESTION OR CONFLICT -----
1. RETURN TO NAME PAGE 4. NOT AVAILABLE 7. VIEW OFFICERS
2. NOT AVAILABLE 5. NOT AVAILABLE 8. RETURN TO COR MENU
3. NOT AVAILABLE 6. VIEW NEXT CORPORATE RECORD IN ALPHA SEQUENCE

ENTER SELECTION AND (CR):

----- CompuServe Direct ----- 1200 BAUD
Menu: F1 Print: F3 Disk: F4 Macro: F5 Break: F6
3:32 pm Tuesday December 12, 1989 NUI

CORPORATE DIVER'S PARADISE OF KEY BISCAYNE, INC.
NAME

----- OFFICERS AND DIRECTORS TITLE-NAME -----
D -CARTAYA, OMAR
1451 S.W. 102ND COURT
MIAMI, FL

----- THIS IS NOT OFFICIAL RECORD; SEE DOCUMENTS IF QUESTION OR CONFLICT -----
1. RETURN TO NAME PAGE 4. NOT AVAILABLE 7. VIEW CORPORATE REC
2. NOT AVAILABLE 5. NOT AVAILABLE 8. RETURN TO MAIN MENU
3. NOT AVAILABLE 6. VIEW NEXT CORPORATE RECORD IN ALPHA SEQUENCE

ENTER SELECTION AND (CR):

----- CompuServe Direct ----- 1200 BAUD
Menu: F1 Print: F3 Disk: F4 Macro: F5 Break: F6
3:32 pm Tuesday December 12, 1989 NUI

103 110

SECTION III

Construction Plans

Construction Summary

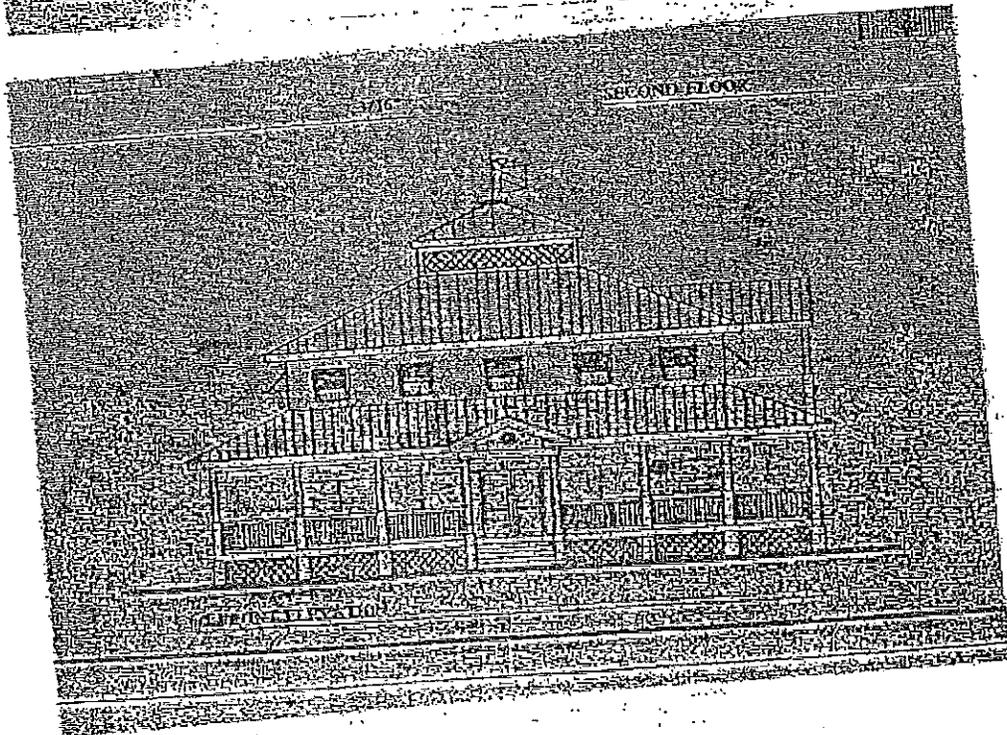
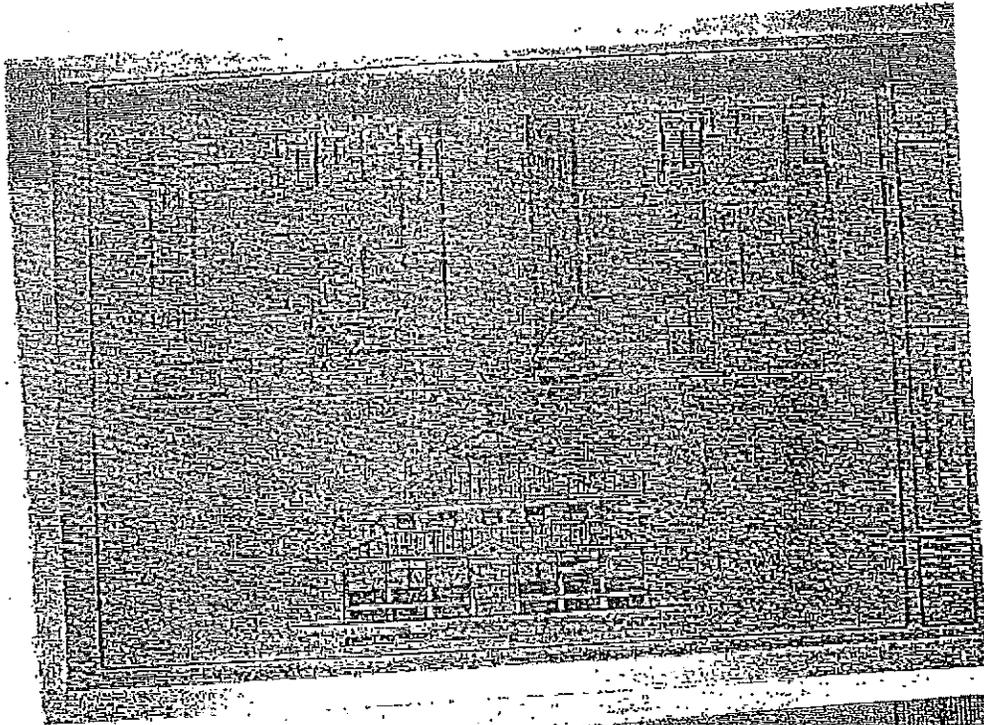
104 III

CONSTRUCTION SUMMARY

ITEM	DESCRIPTION	COST
1	Clearing	1142.40
2	Utilities Installation Inc. in ele. & plumb.	
3	Structural	79986.00
4	Mechanical	4569.60
5	Electrical	7996.80
6	Landscaping	5712.00
7	Plumbing	14851.20
8		
SUBTOTAL		114240.00
ART IN PUBLIC PLACES (1% of above)		11713.60
EQUIPMENT AND PERSONAL PROPERTY		
1	Boat 1	80000.00
2	Boat 2	60000.00
3	Pure Air System	12000.00
4	Fixtures	30000.00
5	Rental Gear	10000.00
6		
7		
8		
SUBTOTAL		192000.00
OTHER		
TOTAL		307953.60

SECTION II

Qualification Form



186 113

December 11th, 1989

Metro Dade County Park
& Recreation Department
50 S.W. 32nd. Road
Miami, FL 33129

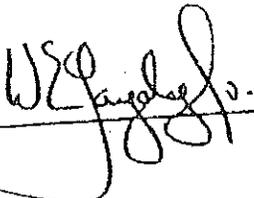
Subject: Divers Paradise of Key Biscayne, Inc.

TO WHOM IT MAY CONCERN:

Please be advised that the undersigned, representing Republic National Bank of Miami, has discussed the project as outlined in the Park and Recreation Department's document entitled REQUESTS FOR PROPOSALS FOR A DIVE FACILITY AT CRANDON PARK at great length with Mr. Omar Cartaya. Based on our discussions with Mr. Cartaya we are pleased to advise you that we are able and willing to consider funding for the construction of the facilities which he intends to propose to the County.

If you have any questions regarding this matter, please feel free to contact me at any time.

Sincerely,



WEG/np



REBUILD CONSTRUCTION, INC.

7452 N.W. 8TH STREET / MIAMI, FL 33126

TELEPHONE: (305) 266-8022

December 12, 1989

Metro Dade County
Park And Recreation Department
50 S.W. 32 Road
Miami, Florida 33129

Subject: Divers Paradise of Key Biscayne

TO WHOM IT MAY CONCERN:

Please be advised that the undersigned, representing Rebuild Construction, Inc., has discussed the project as outlined in the Park and Recreation Department's document entitled REQUESTS FOR PROPOSALS FOR A DIVE FACILITY AT CRANDON PARK at great length with Mr. Omar Cartaya. Based on our discussions with Mr. Cartaya we are pleased to advise you that we are able and willing to provide funding to him for the construction of the facilities which he intends to propose to the County.

If you have any questions regarding this matter please feel free to contact me at any time.

Sincerely,

A handwritten signature in cursive script, appearing to read "Hector Sicre".

Hector Sicre

115
108

SECTION IV

Agreement Changes

116
~~109~~

DIVER'S PARADISE

CHANGES TO THE SAMPLE AGREEMENT

Diver's Paradise is in general agreement with the terms and conditions of the Sample Lease and Concession Agreement as provided in the RFP document package. However, we request that the following changes, additions or deletions be incorporated in the final documents:

1. Diver's Paradise has proposed that initially it will invest not less than \$100,000.00 in capital improvements for the facilities proposed. Upon completion of the initially approved structures, Diver's Paradise would like the ability to make additional capital improvements and thus secure additional years on its contract for such capital improvements. Diver's Paradise suggests that such wording be incorporated in the Agreement so as to allow for one (1) year to be added to its contract for each additional \$10,000.00 in approved fixed capital improvements, up to a maximum of ten (10) years.
2. Regarding Paragraph 7 of the proposed Lease and Concession Agreement, Diver's Paradise requests that the leased area be defined by approximately an area 50' Deep (from approximately the parking lot extending west and paralleling the restroom sidewalk) and 150' Wide (from approximately the restroom sidewalk extending north). Additionally we request that the entire "green dock" be included in Diver's Paradise's Lease and Concession Area. The "green dock" is currently unimproved (no electric or canopy), but Diver's Paradise is willing to pay the County the going commercial rate for this dock, as if it were two (2) improved commercial slips. Diver's Paradise would be responsible for any improvements to the "green dock" area.
3. Diver's Paradise request that it be noted at this time that they might, at some future date, desire to provide boat rental services. It should also be noted that so long as the existing operator of these services maintains its current operation that Diver's Paradise will not make any request to provide such services.
4. Diver's Paradise request that the following categories of potential revenue be excluded when computing gross sales: Dive trips to locations away from the facility and not using one of the vessels belonging to Diver's Paradise and berthed at the facility; Divemasters Instructors or Guides who typically dive "free". This is typical throughout the industry as it promotes future use of the facilities and is usually in conjunction with training.
5. Diver's Paradise request that they be allowed to deduct up to three percent (3%) of gross as an allowable promotional expense. Deductions in this category must be approved by the store manager.

SECTION V

Hours of Operation and Proposed Rates or Charges, Items
for Sale and Staffing Requirements.

DIVER'S PARADISE

HOURS OF OPERATION

As a general rule the facility will be open seven (7) days per week, from 10:00 AM to 6:00 PM weekdays and 7:00 AM to 7:00 PM weekends and holidays. Classes can be held at any time during the business day, but normally will be in the evenings from 7:00 PM to 10:00 PM. As a result of evening training it may often be advantageous to keep the dive shop open until the class is over.

Dive trips will normally be schedule 8:00 AM departures for morning trips, 1:00 PM for afternoon trips and 5:30 PM for night dives.

Because this business is seasonal and subject to varying weather conditions, Diver's Paradise request permission to adjust its operations schedules with the permission of the Marina management which is most likely to understand the specifics of the requests at any given time.

DIVER'S PARADISE

ITEMS FOR SALE AND RENT

Diver's Paradise is an authorized dealer for most major manufacturers in the Dive Equipment Manufacturers Association (DEMA), the major suppliers organization for our industry. Such companies include U.S. Divers, Tabata, Tekna, Mares, Sequest, Cressi Sub, Wenoka, Ikelite, Nikon and many others. Diver's Paradise stays current with the many changes in the industry by attending the annual DEMA show; this years show will be held in Orlando, Florida.

Do to the numbers of manufacturers and variety of products and services available it would be impossible to list all of the potential merchandise which might be carried by Diver's Paradise, however we guarantee that all merchandise carried for resale will be of the highest quality and produced by the most reputable firms in the dive equipment manufacturing business. Examples of new merchandise we will carry include: masks, fins, snorkles, bouyancy compensators, regulators, guages, tanks, knives, cameras and film, dive equipment bags, strobe lights (for u/w cameras), dive watches, wet suits and wet skins, u/w lights, compasses, u/w books and videos, training manuals and other training aids, spear guns, nets, goodie bags, diver oriented gift merchandise (sportswear, tanning products, sun glasses, towels, jewelry, T-shirts, etc.) and many other items. All of the above items may be purchased from a variety of suppliers and in a variety of sizes, colors and styles.

Diver's Paradise agrees to discontinue the sale of any merchandise, at the request of the County, if such merchandise is deemed inappropriate by the County.

Diver's Paradise will continue to provide food service as it has for the past two years.

The following items will be continually available for rent:

<u>ITEM</u>	<u>PRICE PER DAY</u>
Tanks	\$ 7.00
Regulators w/Pressure Guage	10.00
Bouyancy Compensator	12.00
Wet Suit Jacket	7.00
Mask and Snorkel and Fins	5.50
Weight Belt w/Weights	5.00
U/W Light	8.00
U/W Camera	35.00

Diver's Paradise will offer a complete range of diver training programs from the Basic and Advances classes through a variety of specialized programs designed to fit the individual diver's interests.

DIVER'S PARADISE

Courses regularly available shall include the following:

<u>COURSE</u>	<u>PRICE</u>
Open Water Diver	\$159.00
Advanced Oper Water Diver	125.00
Rescue Diver	125.00
Divemaster	200.00
Assistant Instructor	200.00
Specialty Courses	
Wreck Diver Specialty	85.00
Night Diver Specialty	85.00
U/W Photography Specialty	135.00
Deep Diver Specialty	85.00
Search and Recovery Specialty	85.00
U/W Hunter, Equipment Specialty and All Other Specialty Courses	85.00

In time, Diver's Paradise will include an Instructor College to be offered to any divers interested in developing their skills with the intent of making a career of some aspect of the dive business.

Diver's Paradise will offer, as a minimum, the following dive trips at our facility:

<u>TRIP</u>	<u>PRICE</u>
Half Day Trip (Typically 2 Dives)	\$30.00
Sail/Dive Trip - Full Day	56.00
Snorkling Trip	20.00
Night Dive Trip (One Tank)	25.00

Diver's Paradise will also periodically offer extended "vacation" type trips to locations such as the Caymans, Cozumel, Belize, Key West, Puerto Rico and other exotic destinations. These trips are aimed at ultimately enhancing the Key Biscayne operation by developing more enthusiastic divers. However, because these trips are run at cost or if profitable only marginally, the gross receipts from such trips will not be included in determining the facilities gross sales.

REPAIR SERVICES

Diver's Paradise will offer complete repair services for all merchandise sold at the facility and in most cases will be able to offer similiar service for merchandise purchased elsewhere. Such repair services will be performed by staff specifically trained to do so.

<u>SERVICE</u>	<u>PRICE</u>
General Repairs	\$16.00 Hourly Rate
Regulator Repairs (plus parts)	16.00

HT 121

DIVER'S PARADISE

Cylinder - Visual Inspection	\$ 5.00
Cylinder - Hydrostatic Test	20.00
Cylinder - Tumble	20.00
Cylinder - Valve Clean-up	8.00

Diver's Paradise will offer air fills from a "pure air" certified system. The system will meet or exceed all stated contractual requirements. Single air fills will cost \$3.00 and a Ten Fill Air Card will be offered for \$15.00.

DIVER'S PARADISE

CONSIGNMENT MERCHANDISE

Diver's Paradise is primarily interested in the business of training divers, supplying them with state of the art dive gear and providing them with high quality, safe dive trips to the wrecks and reefs off of Key Biscayne. Our efforts to supply our customers with goods and services could end here and we would be doing as much as any other dive operator in the business.

However, Diver's Paradise desires to provide its customers with more than other dive operators, but because of the size of our company and the fickle desires of the customers in general, we propose that Diver's Paradise be permitted to provide our customers with various items, or classes of items, through our use of consignment merchandise. It is most likely that if Diver's Paradise is not allowed to deal with our proposed consignment merchandise we will not be able to afford to stock it ourselves and thus revenue will be lost both by Diver's Paradise and the County.

The merchandise would generally fall into the area of diver gift merchandise. Specific items might include: sportswear, tanning products, sun glasses, art work (framed pictures and statues), towels, and jewelry. These items are obviously not necessary to a successful dive operation, but could enhance the experience for the divers and provide additional marginal revenue.

Items typically considered as "dive gear" would not be included in this area and would be purchased only by Diver's Paradise for resale.

Items in the consignment merchandise category would be accounted for separately from other retail sales and the County would receive their percentage payment at a reduced rate.

DIVER'S PARADISE

STAFFING

Diver's Paradise will be staffed by fully trained professionals who have acquired the necessary certifications for any training which they will be providing or for the portions of the operation for which they will be responsible.

Typically all Instructors are PADI Certified and copies of the Certification and Specialty Certification Cards will be supplied upon request.

Two KEY persons within the Diver's Paradise organization are Eric Nuegaard and Rachel Hernandez. Their particular qualifications are as follows:

ERIC NUEGAARD - PADI Open Water Scuba Instructor, PADI Medic First Aid Instructor, PADI Master Scuba Diver Trainer, PADI IDC Staff Instructor, PADI Master Instructor, PADI Specialty Instructor Certifications: Deep Diver, Night Diver, Equipment Specialist, Search & Recovery, U/W Photographer, U/W Navigator, U/W Hunter, Wreck Diver, Drift Diver, Cavern Diver, Recreational Dive Boat Operations, Research Diver and Indigenous Aquariums. Also Certified as an Emergency Medical Technician.

RACHEL HERNANDEZ - PADI Open Water Scuba Instructor, PADI Medic First Aid, PADI Specialty Instructor Certifications: Night Diver, Search & Recovery, U/W Navigator, Deep Diver and Wreck Diver.

Additional personnel will be hired and utilized within the operation, however, at no time will uncertified staff members be allowed to perform any operation for which they are not fully qualified and insured.

HT 124

SHIP'S NUMBER

594474

ISSUES NUMBER

1-5

COG NO

518

UNWEED SWANES COAST GUARD



RECORDS

10 U.S. MERCHANT MARINE OFFICER

ROBERT WILLIAM ALMAN

This is hereby said _____ *having been duly examined and found competent by the*
underground's licensed inspectors) MASTER OF NEAR COASTAL STEAM OR
 MOTOR VESSELS OF NOT MORE THAN 500-GROSS TONS; ALSO, RADAR OBSERVER. (UNLIMITED)
 EXPIRES 1 OCTOBER 1992

For the term of five years from this date.

Witness my hand this 8TH *day of* DECEMBER *1987.*

MIAMI, FLORIDA

C. L. Russell
 C. L. RUSSELL
 Master in Charge of Marine Inspection

MIAMI, FLORIDA

602 400

UNIMARINE STEAMERS COMPANY



COMPANY

110 U S MERCHANT MARINE OFFICERS

ERIK W. NEUGARD

This is hereby notified that
having been duly examined and found competent by the
proper authorities, I have been appointed MASTER OF NEAR COASTAL STEAM OR MOTOR
VESSELS OF NOT MORE THAN 25-GROSS TONS

for the term of five years from this date.

Witness my hand this 11th *day of* JULY *19* 1918

MIAMI, FLORIDA

Rona R. Meno

RONA R. MENO

Officer in Charge of Marine Inspection

BY DIRECTION

2097

419 126

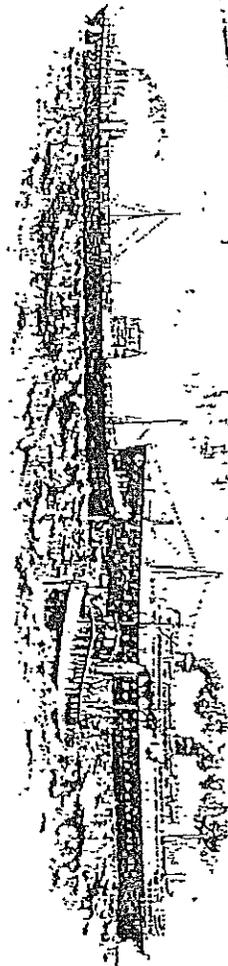
SERIAL NUMBER

603070

ISSUE NUMBER

1-1

UNIFIED BUSINESS COAST GUARD



REGULATIONS

100 U. S. MERCHANT MARINE OFFICER

ROBERT B. ECK

This certificate is valid for the term of one year, commencing on the date of issue, and is subject to the provisions of the laws of the United States relating to the operation of motor vessels of not more than 25 gross tons.

For the term of one year, from the date

(Given under my hand this 22ND day of AUGUST, 1918.

MIAMI, FLORIDA

Sign

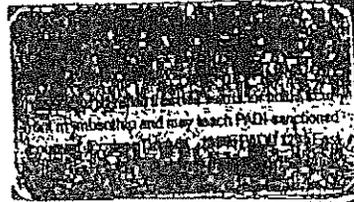
Zona R. Mingo
ZONA R. MINGO
Special Agent in Charge of Marine Inspection
BY DIRECTION

150/207

RACHEL M. HERNANDEZ

29354-0W

10/37



United States of America
Federal Communications Commission

Marine Radio Operator Permit
(Radiotelephone Operator's Certificate -- Restricted)

This certifies that the individual named and described below is a licensed radio operator and authorized to operate licensed radio stations in the maritime and aviation services for which this class of license is valid. The authority granted is subject to any endorsement placed on this permit. The authority granted is also subject to the orders, rules, and regulations of the Federal Communications Commission, the statutes of the United States and the provisions of any treaties to which the United States is a party, which are binding upon radio operators.

This permit may not be assigned or transferred to any other person. It is issued for a five year term, and expires at three o'clock A.M. Eastern Standard Time on the date shown below.

Endorsement: This permit does not authorize the operation of AM, FM, or TV Broadcast Stations.

Licensee: ***ERIK WILLIAM NEUGAARD***

Sex M	Height 6' 9"	Weight 220	Color Eyes BROWN	Color Hair BROWN	Date of Birth JUNE 29, 1963
Place of Issuance WASHINGTON, DC			Expiration Date MAY 16, 1993		License Number MP-HQ-11817

Not Valid Without FCC Seal



Signature of Licensee

128

SECTION VI

Pro Forma Statements

SECTION VII

Insurance and Bonding

123 130

CARRICARTE-LYONS AGENCY

8925 S.W. 148th ST., SUITE 208A
MIAMI, FL 33176
(305) 235-2345 FAX (305) 255-0987

Insurance - Adjustments

December 12th, 1989

To Whom It May Concern:

REF: DIVER'S PARADISE CORP. OF
KEY/BISCAYNE

Gentlemen:

Please be advise that we can provide the above mentioned insured with the following insurance coverages:

1. Comprehensive General Liability Insruance in an amount not less than \$ 1,000,000 combined single limit for bodily injury and property damage. Policy shall be endorsed to show Metropolitan Dade County as an additional insured.
2. Protection & Indemnity Insurance including Excess Collision Liability in an amount not less than \$ 1,000,000 combined single limit for bodily injury and property damage (applicable to any vehicle operation).
3. Automobile Liability Insruance covering all owned, non-owned and hired vehicles used in connection with the Agreement in an amount not less than \$ 300,000 combined single limit for bodily injury and property damage.
4. Worker's Compensation Insurance - as required by Chapter 440, Florida Statutes.
5. Contractual Liability Insurance - Covering all liability arising out of the terms of this Agreement.
6. Fire and Extended Coverage Insurance - Covering all property both real and personal, naming the County as an additional payee.
7. The Lessee shall provide or cause its contractor to provide Builder's Risk Insurance during the construction required by Paragraph 5A of this Agreement, and shall provide any other insurance or security that may be reasonably required to protect parties affected by this Agreement.

If there is any additional information required; please don't hesitate in contacting our office.

Sincerely;

Bonnie Harris
Bonnie Harris

124 131



W. E. Gonzalez Jr.
SENIOR VICE-PRESIDENT AND BRANCH-MANAGER
INTERNATIONAL PRIVATE BANKING OFFICE

December 11th, 1989

Metro Dade County Park
& Recreation Department
50 S.W. 32nd. Road
Miami, FL 33129

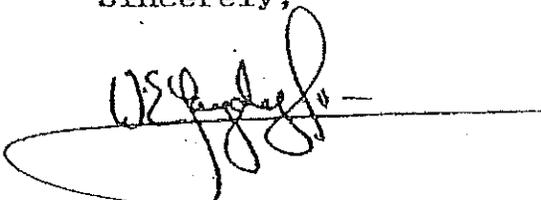
Subject: Divers Paradise of Key Biscayne, Inc.

TO WHOM IT MAY CONCERN:

Please be advised that the undersigned, representing Republic National Bank of Miami, has reviewed the contractual requirements for a Performance Bond in conjunction with the proposed Lease and Concession Agreement between Metro Dade County and Mr. Omar Cartaya - d/b/a Diver's Paradise of Key Biscayne, Inc. Please be advised that we are able and willing to provide the optional Irrevocable Letter of Credit in the amount of equal to three (3) minimum rent monthly payment of \$850.00 (\$2,550.00) to satisfy your requirements.

If you have any questions regarding this matter, please feel free to contact me at any time.

Sincerely,



WEG/np

125 132

W. E. Gonzalez Jr.
SENIOR VICE PRESIDENT AND BRANCH MANAGER
INTERNATIONAL PRIVATE BANKING OFFICE

December 11th, 1989

Metro Dade County Park
& Recreation Department
50 S.W. 32nd. Road
Miami, FL 33129

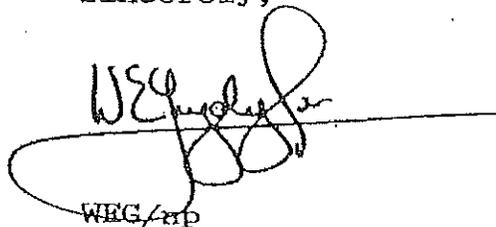
Subject: Divers Paradise of Key Biscayne, Inc.

TO WHOM IT MAY CONCERN:

Please be advised that the undersigned, representing Republic National Bank of Miami, has reviewed the contractual requirements for a Performance Bond in conjunction with the proposed Lease and Concession Agreement between Metro Dade County and Mr. Omar Cartaya - d/b/a Diver's Paradise of Key Biscayne, Inc. Please be advised that we are able and willing to provide the optional Irrevocable Letter of Credit in the amount of equal to three (3) minimum rent monthly payment of \$1,000.00 (\$3,000.00) to satisfy your requirements.

If you have any questions regarding this matter, please feel free to contact me at any time.

Sincerely,



WEG/np

SECTION VIII

Marketing Plan

125 134

DIVER'S PARADISE

MARKETING

In its proposal Diver's Paradise has agreed to spend no less than \$10,000.00 for advertising, marketing and promotion. It is most likely that Diver's Paradise greatly exceed this amount annually.

Diver's Paradise will continue to market its dive business through the use of the following techniques and media, which are presently being used:

1. Yellow Page Advertising (copy of current advertisement attached).
2. Advertising in national publications, such as SKIN DIVER and Scuba Times, and in local publications, such as Fish Eye.
3. Newsletters will be produced by the staff of Diver's Paradise which will highlight newsworthy materials, trip schedules, training schedules and similiar items. Copies of several previously produced issues are attached.
4. Flyers will be distributed which will promote special training class offerings, trip schedules or sales.
5. Diver's Paradise will continue to participate in national and local boat, aquatic and dive shows by renting booth space and promoting its services.
6. Special mailings will be produced and targeted to dive shops through out the country in our effort to promote Miami and Key Biscayne as a DIVE DESTINATION. Not only will Diver's Paradise benefit from this effort, but local hotels and restaurants will also benefit.

Diver's Paradise will always make its best effort to promote not only its own operations, but those of the marina, the Park and Recreation Department, and Dade County tourism.

135

SECTION IX

Miscellaneous

PADI 5 STAR

TRAINING FACILITY PROGRAM



THE PADI 5 STAR TRAINING FACILITY RATING IS NOT AVAILABLE TO JUST ANY DIVE SHOP OR TRAINING FACILITY, BUT IS AS INDUCEMENT AND RECOGNITION TO A SELECT GROUP OF RETAIL FACILITIES WHO HAVE MET AND EXCEEDED MOST ESTABLISHED INDUSTRY STANDARDS.

FACILITIES RECEIVING THE 5 STAR RATING HAVE DEMONSTRATED CONTINUED EXCELLENCE IN FIVE IMPORTANT AREAS:

CODE OF ETHICS

SCUBA SERVICE CENTER

PURE AIR STATION

EDUCATIONAL PROFICIENCY

COMMUNITY INVOLVEMENT

PADI ITSELF PROVIDES THE BEST EXPLANATION OF THIS PROGRAM, WHICH IS REPRODUCED AS AN APPENDIX TO THIS SECTION.

PADIL Star
Training Facility
Program

Application and Information

13138

PADI 5 Star

Training Facility Program

There is a notable group of retailers in the sport diving industry who stand out above all others. These special professionals are resourceful, innovative and progressive. Their accomplishments promote the sport of diving, expand their own retail markets and enhance the professionalism of diver training through advocating and utilizing the PADI educational philosophy and system. The PADI 5 Star Training Program has been designed to give international recognition to these dynamic retailers.

If you are a member in good standing of the PADI Training Facility Program, you may qualify for one or all of the 5 Star Awards.

These five awards are:

- Code of Ethics
- Scuba Service
- Educational Proficiency
- Pure Air
- Community Involvement

After qualifying for all five awards, you are eligible for additional benefits beyond those normally provided for the Training Facility.

These Benefits Include:

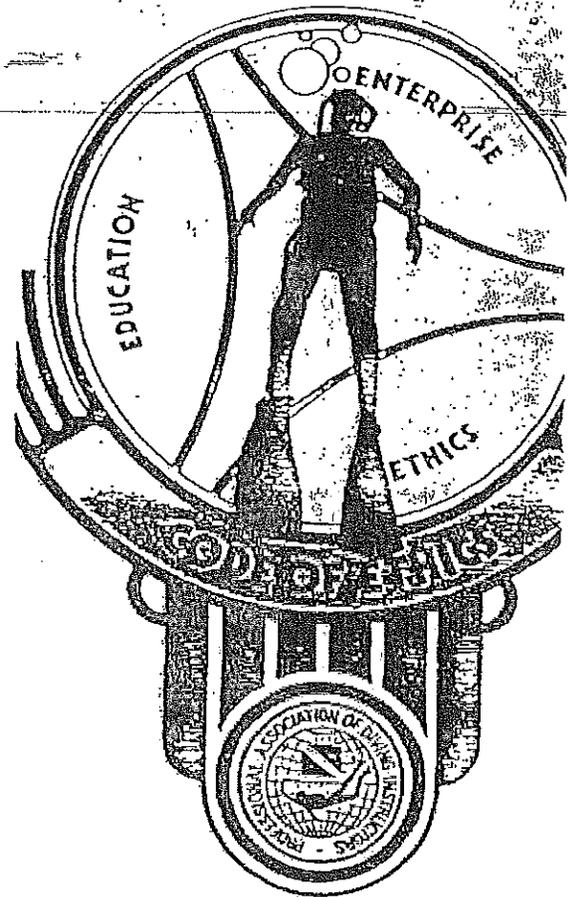
- Distinctive window decals and wall certificates
- Prestigious personalized gold certification cards for Open Water, Advanced Open Water, and Specialty Diver ratings
- 10% discount on all orders from Headquarters
- Free shipping and handling on all orders over \$2,000.00 (Continental United States only)
- Personalized EIP tank decals
- Thirty-day billing on orders, with credit approval
- Recognition in national magazine promotions and PADI informational literature
- Free 5 Star ad art and store ad kit
- 20% discount on attendance at PADI Retail Seminars
- Membership on Training Facility Program Development Council and PADI Review Committee
- Priority processing of all orders
- Priority processing of all PICs

After meeting the below prerequisites, you may begin to qualify for the 5 Star Program:

Prerequisites

1. Be in business for a minimum of one year and be a Training Facility member in good standing for at least six months.
2. Certify 100 students through PADI as a Training Facility.
3. Conduct diver training consistent with PADI's educational philosophy, using the PADI educational system of Dive Manual and Modular Scuba Course Audio/Visual Program.
4. Support the PADI Training Facility Program.
5. Display a professional image in store and staff appearance as outlined on the store rating checklist (see back page).

Note: Consideration for 5 Star status will include verification of favorable store rating checklist by a Training Facility Headquarters staff member. Final approval will be made by the 5 Star Board of Review. All stores in multi-store operations are to be sanctioned Training Facilities before one store may qualify for 5 Star status. Substantiated instructional, moral, or business complaints filed in the community or at PADI Headquarters may prevent membership in the 5 Star Program.



★ CODE OF ETHICS

The first required award is the Code of Ethics. The other awards may follow in any order, once this initial commitment is made. The Code of Ethics Award is your way of saying, "I exemplify the professional diving retailer."

Required:

1. Provide current state-of-the-art equipment in the rental; instructional units include low pressure inflators and air sources.
2. Keep rental equipment maintained in good working condition; regular overhauls as needed.
3. Insure store staff members are trained to understand function, features, benefits, and recommended maintenance support equipment.
4. Maintain the Training Facility Code of Ethics

"As a member of the Professional Association of Diving and a Training Facility owner, I pledge to abide by this Code of Ethics:

- a. Establish a professional relationship with my customers.
- b. Honor all major national certification cards.
- c. Give fair and honest equipment advice.
- d. Provide air fills and sell or rent compressed air but only to properly certified divers.
- e. Furnish submersible pressure gauges for all my rental regulators.
- f. Visually inspect my rental tanks and require evidence of annual visual inspection on all cylinders prior to filling.
- g. Rent only buoyancy control devices equipped with pressure device."

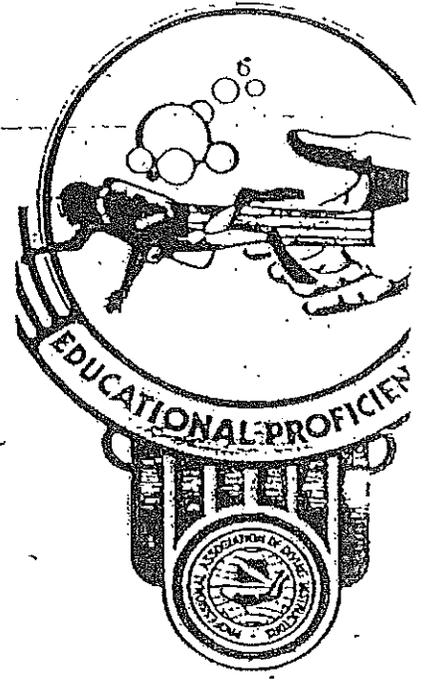
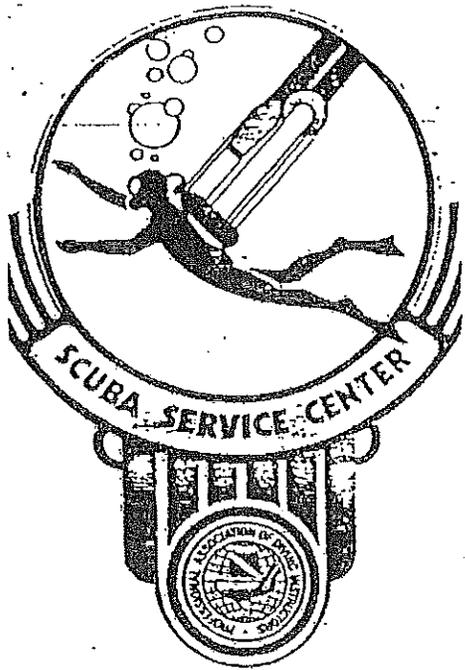
Cost:

\$50.00 one time only fee (\$25.00 for each additional

Materials Provided:

Certificate and window decal.

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★ SCUBA SERVICE CENTER

This award recognizes those stores providing the finest in professional service. A reputation for fine service gives you a definite edge with today's discerning consumer.

Required:

1. List on application the names of all manufacturers of breathing equipment you offer in your store.
2. Either you or a combination of yourself and your employees must be able to provide evidence of training to service this equipment. Submit copies of repair clinic certificates, etc., as proof of appropriate training.
3. Your store must also be equipped with tank internal inspection drop-light. Submit photo of tank internal inspection equipment and equipment repair room.

Cost:

\$50.00 one time only fee (\$25.00 for each additional location) or the purchase of personalized EIP tank decals (includes name, address, and telephone number). Order in lots of 1,000 at 22¢ each, 500 at 28¢ each, or 250 at 34¢ each. Allow four weeks for printing, reorder as necessary.

Materials Provided:

Certificate, window decal, and personalized EIP decals.

★ PURE AIR PROGRAM

Your best liability protection for air fills is a record of recognized air testing on a continuous basis. The Pure Air Program provides a format for this regular air analysis (quarterly) from your store's compressors. Air must be sampled and meet or exceed the current strict accepted standards for breathing air purity. Results of each analysis are then forwarded to PADI Headquarters as they are completed.

PADI provides the analysis service through the nation's most respected analysis laboratory. Test kits are mailed to the store four times per year; the store returns air samples directly to testing laboratory for analysis. Results are then forwarded to the store and PADI Headquarters for certification. *Note:* Stores utilizing a local analysis source may participate; it is then the store's responsibility to submit test results as required.

Required:

Furnish to PADI Headquarters every three months an analysis showing that your compressor air meets or exceeds the following specifications (based on CGA, Grade E Standards):

Oxygen	19-23%
Carbon Monoxide	10PPM maximum

Carbon Dioxide	500 PPM max
Oil Mist and Particulates	5 mg/m ³ max
Total Gaseous Hydrocarbons	25 PPM max

Cost:

\$195 for each location for PADI Analysis Service. \$40 for each location when other testing source utilized. Renewable yearly by date of application.

Materials Provided:

Certificate, gold seal for each analysis, and window decal.

★ EDUCATIONAL PROFICIENCY

The PADI educational system and philosophy have been proved to be the most effective means of training divers and are instrumental in keeping them active. Progressive retailers who recognize the importance of following a standard that helps ensure a well trained and enthusiastic diver, support and use the entire PADI educational system as it is designed to be used. If you advocate the PADI educational philosophy, use PADI's educational system, and support PADI as your primary certification, you could qualify for this award.

Required:

1. Issue PADI as the store's primary certification; PADI must be promoted above all others. PADI credentials are issued in all programs resulting in diver certification.
2. Conduct diver training consistent with PADI's educational philosophy, using the PADI educational system of Dive Master Modular Scuba Course Audio/Visual Program. All course materials including quizzes and exams, should reflect PADI philosophy.
3. Offer continuing education on a regular basis. This should include conducting at least one Divemaster course each year and being qualified to teach at least five PADI Specialty Certification programs.
4. Sponsor or promote only PADI Instructor Training Course (ITCs) and Instructor Orientation Courses (IOCs).
5. All instructors (full-time and part-time) are PADI Instructor; instructor employees without PADI credentials need to obtain a PADI instructor rating within four months.

Cost:

\$40.00 first year fee (\$25.00 for each additional location). \$25.00 renewal fee due each year with Training Facility Renewal.

Materials Provided:

Certificate, window decal.

133 140



★ **COMMUNITY INVOLVEMENT**

Creating a positive attitude regarding diving in the community is a cornerstone to the growth of your business and the diving industry. Merchants who realize the importance of giving to the community in order to benefit from the community may qualify for this award. As the sport grows through your efforts, so will your business.

Required:

1. Submit a recent newsletter with the application, and additional issues as published (minimum of four per year).
2. Participation in, and promotion of, Diving Ventures International — The PADI Diving Society.
3. Submit proof of public diving event sponsorship within one year of application, and for each succeeding year.

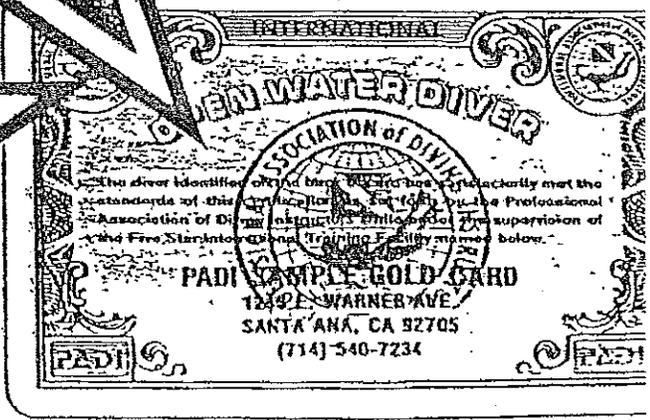
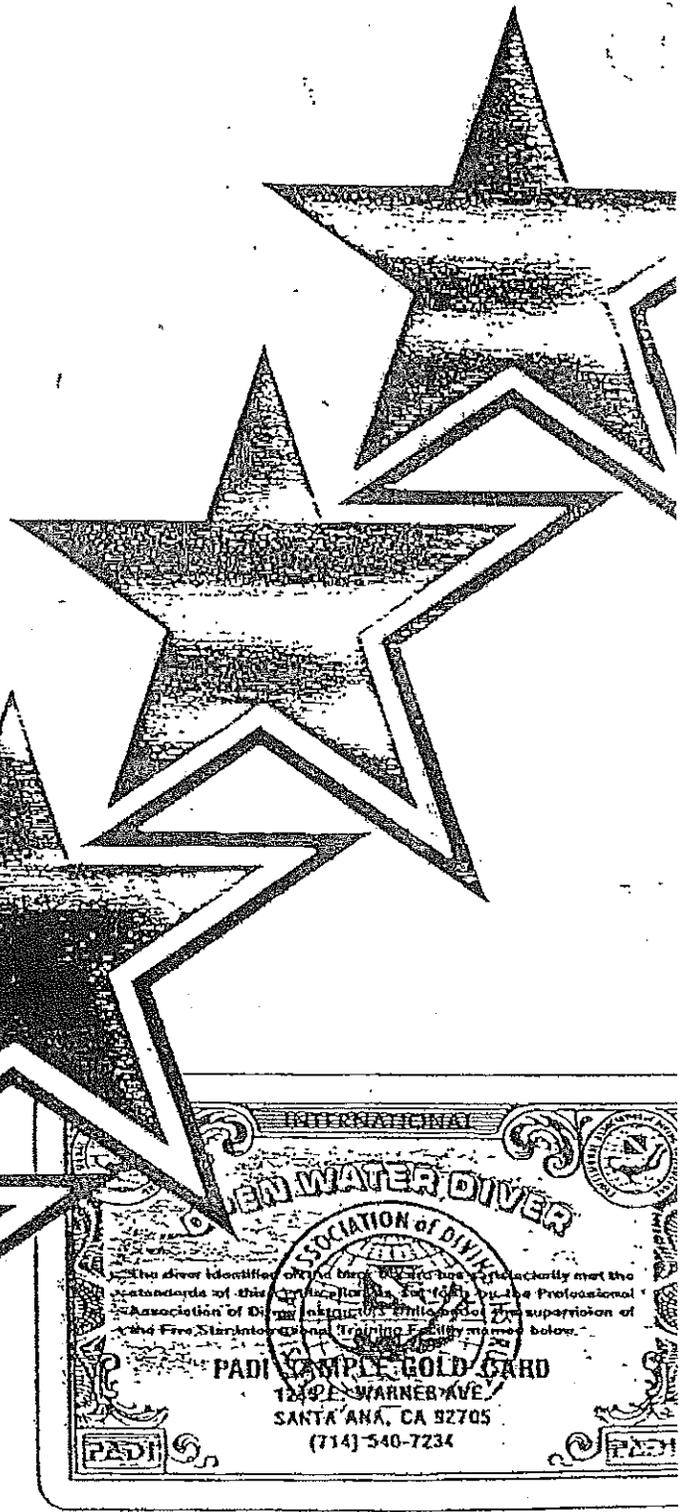
Note: It is strongly recommended that public events be sponsored jointly with other Training Facilities for maximum benefit. Participation in national Training Facility promotions also fulfills the requirement of dive event sponsorship.

Cost:

\$50.00 one time only fee (\$25.00 for each additional location).

Materials Provided:

Certificate and window decal.



★★★★★ **THE GOLD CARD**

Once you have fulfilled the requirements of all five of our awards, your store issues prestigious Gold Certification Cards for Open Water, Advanced Open Water, and Specialty ratings. Each gold card is personalized with your store's name, address, and telephone number. These impressive cards are available only at full 5 Star Training Facilities. The Gold Card provides that extra touch of distinction so valuable in capturing the imagination and patronage of the consumer. Cost: \$75.00 (each location) covers the printing of 500 personalized cards. Card fee must accompany application for your 5th Star. Fee renewable with reprint of 500 cards. Allow 6 to 8 weeks for printing; reorder as needed.

1277 141

PADI 5 Star Training Facility Application

To _____
 Amount _____
 Check No. _____
 APPROVED BY _____
 STORE NO. _____

Print or Type

Store Name _____ Store No. _____
 Street _____
 City _____ State _____ Zip _____
 Check if this is an address change Phone () _____

Primary Location

Additional Location

(Please complete one application for each location.)

This five-step program must begin with the Code of Ethics Award. You may apply for the remaining four awards in any order.

AWARD	COST	AMOUNT ENCLOSED
<input type="checkbox"/> CODE OF ETHICS:	\$50.00 one-time fee (\$25.00 for each additional location)	
<input type="checkbox"/> SCUBA SERVICE CENTER: List manufacturers of breathing equipment you offer in your store:	\$50.00 one-time fee (\$25.00 for each additional location.) OR Personalized EIPs: <input type="checkbox"/> 1,000 @ 22¢ each <input type="checkbox"/> 500 @ 28¢ each <input type="checkbox"/> 250 @ 34¢ each	
<input type="checkbox"/> Documentation enclosed <input type="checkbox"/> Photo enclosed	Information for EIP Decal: Store Name _____ Address _____ City/State/Zip _____ Phone () _____	
<input type="checkbox"/> PURE AIR PROGRAM: <input type="checkbox"/> PADI Air Analysis Service <input type="checkbox"/> Other Testing Source: _____ Name _____ Address _____	\$195 (yearly) each location for PADI Air Analysis Service OR \$ 40 (yearly) for each location if other testing source is used.	
<input type="checkbox"/> EDUCATIONAL PROFICIENCY: Note: A complete Store Instructor Roster, name(s) and number(s), must be included.	\$40.00 (yearly) (\$25.00 for each additional location)	
<input type="checkbox"/> COMMUNITY INVOLVEMENT: Note: <input type="checkbox"/> Newsletter enclosed <input type="checkbox"/> Events Flyer enclosed	\$50.00 one-time fee (\$25.00 for each additional location)	
THE GOLD CARD: Gold Card fee must accompany application for your 5th Star. Gold Card Information: Store Name _____ Address _____ City/State/Zip _____ Phone () _____	\$75.00 (each location) for 500 personalized cards. Fee renewable with each reprint.	
Send application to: PADI Training Facility Program 1243 East Warner Avenue Santa Ana, CA 92705		TOTAL ENCLOSED _____

Check or M.O. payable to PADI

MasterCard

VISA



Please consider this Training Facility for the award(s) indicated.

Card No. _____ Expiration Date _____

Signature of
Authorized Buyer

Signature

Date

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Store Rating Checklist

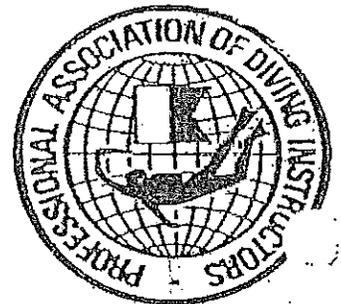
PADI 5 Star Facility Program

	YES	NO
1. Is the overall exterior appearance inviting?	_____	_____
2. Are Training Facility and Diving Ventures International decals displayed, along with current Training Facility Renewal decal?	_____	_____
3. At first glance upon entering, does store appear clean, neat, well-stocked and adequately lit?	_____	_____
4. Are in-store signs attractive and professionally done?	_____	_____
5. Are all posters, pictures, and signs in good taste and non-offensive to customers (especially families)?	_____	_____
6. Are PADI certification courses prominently displayed?	_____	_____
7. Are Diving Ventures International applications/counter card displayed?	_____	_____
8. Are the washrooms clean?	_____	_____
9. Is the repair area clean and neat, with adequate and orderly parts storage?	_____	_____
10. Is the classroom neat and clean?	_____	_____
11. Is PADI continuing education prominently displayed in classroom?	_____	_____
12. If pool is on premises: 1) is the depth adequate?	_____	_____
2) is the water clean?	_____	_____
3) is the temperature comfortable?	_____	_____
13. Are store staff members well groomed and professionally dressed?	_____	_____
14. Are customers quickly made to feel welcome by store staff?	_____	_____
15. Does the rental equipment reflect current state-of-the-art?	_____	_____
16. Does the store operation give an overall professional appearance?	_____	_____



PADI®

Professional Association of Diving Instructors



1243 East Warner Avenue • Santa Ana, California 92705 • (714) 540-PADI (7234) • Telex 678400

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Printed in USA

EXT 143



UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
UNITED STATES COAST GUARD

CERTIFICATION DATE: 11AUG87

EXPIRATION DATE: 11AUG90

Certificate of Inspection

LAST HULL EXAM: 20APR87 DRYDOCK

VESSEL NAME IVER'S PARADISE	OFFICIAL NUMBER 0918260	CALL SIGN	SERVICE PASSENGER
HOME PORT MIAMI, FL	HULL MATERIAL FRP	HORSEPOWER 640	PROPULSION DIESEL REDUCTION
PLACE BUILT MIAMI FL	DATE BUILT 31DEC81	GROSS TONS 23	NET TONS 18
OWNER IVER'S PARADISE OF TAVERNIER INC 3854 S.W. 56TH STREET MIAMI, FL 33175	OPERATOR IVER'S PARADISE OF TAVERNIER INC 13854 S.W. 56TH STREET MIAMI, FL 33175		

THIS VESSEL MUST BE MANNED WITH THE FOLLOWING LICENSED AND UNLICENSED PERSONNEL, INCLUDED IN WHICH THERE MUST BE 0 CERTIFICATED LIFEBOATMEN AND 0 CERTIFICATED TANKERMAN.

<u>1</u> MASTER	___ MASTER & 1ST CLASS PILOT	___ ABLE SEAMEN	___ CHIEF ENGINEER	___ FIREMEN-WATERTENDERS
___ CHIEFMATE	___ CLASS PILOT	___ ORDINARY SEAMEN	___ 1ST ASST. ENGINEER	___ OILERS
___ 2ND MATE	___ RADIO OFFICER(S)	<u>2</u> DECKHANDS	___ 2ND ASST. ENGINEER	___
<u>4</u> MATES	___ OPERATOR(S)	___	___ ENG'RS.	___

IN ADDITION, THIS VESSEL MAY CARRY 30 PASSENGERS, 0 OTHER PERSONS IN CREW, 0 PERSONS IN ADDITION TO CREW, AND TOTAL PERSONS ALLOWED: 34

PERMITTED AND CONDITIONS OF OPERATION:
 EASTWISE: ATLANTIC OCEAN AND GULF OF MEXICO BETWEEN MELBOURNE, KEY WEST AND CAPE ROMANO, FLORIDA, NOT MORE THAN 20 MILES FROM A HARBOR OF SAFE REFUGE, UNDER REASONABLE OPERATING CONDITIONS.

WHEN VESSEL IS AWAY FROM A SHORESIDE DOCK, OR HAS PASSENGERS ON BOARD, OR BOTH, FOR NOT MORE THAN 12 HOURS IN ANY 24-HOUR PERIOD, THE VESSEL'S CREW MAY BE REDUCED TO ONE MASTER, ONE DECKHAND AND 32 PASSENGERS.

*** SEE NEXT PAGE FOR ADDITIONAL CERTIFICATE INFORMATION ***

WITH THIS INSPECTION HAVING BEEN COMPLETED AT MIAMI, FL. ON 11AUG87, THIS VESSEL IS CERTIFIED BY THE OFFICER IN CHARGE, MARINE INSPECTION, MIAMI, FLORIDA TO BE IN ALL RESPECTS IN CONFORMITY WITH THE APPLICABLE VESSEL INSPECTION LAWS AND THE RULES AND REGULATIONS PRESCRIBED THEREUNDER.

PERIODIC REINSPECTIONS			THIS CERTIFICATE ISSUED BY:
DATE	ZONE	SIGNATURE	
13 Sep 88	MIAMI	[Signature]	E. L. [Signature], USCG OFFICER IN CHARGE, MARINE INSPECTION MIAMI, FLORIDA INSPECTION ZONE
1 SEPT 89	MIAMI	[Signature]	



Certificate of Inspection

IVER'S PARADISE

PAGE 2

CERTIFICATION DATE: 11AUG87

LETTER

--- STABILITY ---

APPROVAL DATE/ 11AUG87

OFFICE/ MIAMI

--- INSPECTION STATUS ---

TAILSHAFT ID
DUE DATES NOT
APPLICABLE

TAILSHAFT(S)

DATE DRAWN

NEXT DUE DATE

--- LIFESAVING EQUIPMENT ---

TOTAL EQUIPMENT FOR	NUMBER PERSONS	REQUIRED
LIFEBOATS (PORT).....	54	LIFE PRESERVERS (ADULT)...
LIFEBOATS (STBD).....		LIFE PRESERVERS (CHILD)...
MOTOR LIFEBOATS*.....		RING BUOYS (TOTAL).....
RESCUE BOATS/PLATFORMS,		WITH LIGHTS*.....
LIFEBOATS W/RADIO*.....		WITH LINE ATTACHED*.....
INFLATABLE RAFTS.....		OTHER*.....
LIFE FLOATS/BUOYANT APP	2	IMMERSION SUITS.....
(* INCLUDED IN TOTALS)	17	PORTABLE LIFEBOAT RADIOS,
		EQUIPPED WITH EPIRB?.....
		NO

--- FIRE FIGHTING EQUIPMENT ---

NUMBER OF FIRE AXES/ NUMBER OF FIRE PUMPS/

FIXED EXTINGUISHING SYSTEMS

SPACE PROTECTED	AGENT	CAPACITY
ENGINE SPACE	HALON	15

FIRE EXTINGUISHERS - HAND PORTABLE AND SEMI-PORTABLE

A-II	1	B-I	3	B-II	2	B-III	1
B-IV		B-V		C-I		C-II	

*** END ***

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Certificate of Inspection

EVERE PARADISE III

PAGE 2

CERTIFICATION DATE: 04MAR88

LETTER

--- STABILITY/ ---
APPROVAL DATE: 04MAR88

OFFICE: KEAMS

--- INSPECTION STATUS ---

TAILSHAFT B/

DATE DRAWN

NEXT DUE DATE

TAILSHAFT II
NOT APPLICABLE

--- LIFESAVING EQUIPMENT ---

NUMBER PERSONS

REQUIRED

TOTAL EQUIPMENT FOR

20

LIFE PRESERVERS (ADULT)...

20

LIFEBOATS (PORT)..... 0

LIFE PRESERVERS (CHILD)...

2

LIFEBOATS (STED)..... 0

RING BUOYS (TOTAL).....

1

MOTOR LIFEBOATS*..... 0

WITH LIGHTS*.....

1

RESCUE BOATS/PLATFORMS.

WITH LINE ATTACHED*.....

1

LIFEBOATS W/RADIO*.....

OTHER*.....

0

INFLATABLE RAFTS.....

IMMERSION SUITS.....

LIFE FLOATS/BUOYANT APP 1 12

PORTABLE LIFEBOAT RADIOS.

(* INCLUDED IN TOTALS)

EQUIPPED WITH EPIRB?.....

NO

--- FIRE FIGHTING EQUIPMENT ---

TOTAL HOSE LENGTH/

NUMBER OF FIRE AXES/

NUMBER OF FIRE PUMPS/ 1

FIXED EXTINGUISHING SYSTEMS

SPACE PROTECTED

AGENT

CAPACITY

ENGINE ROOM

HALON

7

FIRE EXTINGUISHERS - HAND PORTABLE AND SEMI-PORTABLE

A-II

1 B-I

2 B-II

B-III

B-IV

B-V

C-I

C-II

*** END ***

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UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
UNITED STATES COAST GUARD

Certificate of Inspection

VESSEL NAME YVES PARADISE III	OFFICIAL NUMBER 1-158521	CAL. NO.
HOME PORT TAVELIER, FL	HULL MATERIAL FIBERGLASS	HORSEPOWER 150
PLACE BUILT TAVELIER, FLORIDA	DATE BUILT 12-1-72	GROSS TONS 15
OWNER YVES PARADISE OF TAVELIER, FL 1001 W. BAYVIEW BLVD TAVELIER, FL 32070	OPERATOR YVES PARADISE OF TAVELIER, FL 1001 W. BAYVIEW BLVD TAVELIER, FL 32070	NET TONS 15
		DWT 15
		LENGTH 30

THIS VESSEL MUST BE MANNED WITH THE FOLLOWING LICENSED AND UNLICENSED PERSONNEL, INCLUDED IN WHICH THERE MUST BE 0 CERTIFICATED LIFEBOATMEN AND 1 CERTIFICATED TANKERMAN.

<input type="checkbox"/> MASTER	<input type="checkbox"/> MASTER & 1ST CLASS PILOT	<input type="checkbox"/> ABLE SEAMEN	<input type="checkbox"/> CHIEF ENGINEER	<input type="checkbox"/> FIREMEN-WATERTENDERS
<input type="checkbox"/> CHIEFMATE	<input type="checkbox"/> CLASS PILOT	<input type="checkbox"/> ORDINARY SEAMEN	<input type="checkbox"/> 1ST ASST. ENGINEER	<input type="checkbox"/> OILERS
<input type="checkbox"/> 2ND MATE	<input type="checkbox"/> RADIO OFFICER(S)	<input type="checkbox"/> DECKHANDS	<input type="checkbox"/> 2ND ASST. ENGINEER	
<input type="checkbox"/> MATES	<input type="checkbox"/> OPERATOR(S)		<input type="checkbox"/> ENG'RS.	

IN ADDITION, THIS VESSEL MAY CARRY 0 PASSENGERS, 0 OTHER PERSONS IN CREW, 0 PERSONS IN ADDITION TO CREW, AND 0 TOTAL PERSONS ALLOWED.

DATE PERMITTED AND CONDITIONS OF OPERATION:

INDISTINGUISHABLELY ATLANTIC OCEAN AND GULF OF MEXICO BETWEEN PELICANNE, ME, 45°N, AND CAPE ROMANO, FLORIDA, NOT MORE THAN 20 MILES FROM A HARBOR OF SAFE REFUGE, UNDER REASONABLE OPERATING CONDITIONS.

WHEN THE VESSEL IS AWAY FROM A SHORESIDE DOCK, OR THE PASSENGERS ON BOARD, IS BOTH, FOR NOT MORE THAN 12 HOURS IN ANY 24-HOUR PERIOD, THE VESSEL'S CREW MAY BE REDUCED TO ONE MASTER AND ONE DECKHAND; THE TOTAL NUMBER OF PASSENGERS MAY BE INCREASED ACCORDINGLY.

SEE NEXT PAGE FOR ADDITIONAL PERTINENT INFORMATION

WITH THIS INSPECTION HAVING BEEN COMPLETED AT TAVELIER, FLORIDA, ON 12-1-72, THIS VESSEL IS CERTIFIED BY THE OFFICER IN CHARGE, MARINE INSPECTION, TAVELIER, FLORIDA, TO BE IN ALL RESPECTS IN CONFORMANCE WITH THE APPLICABLE VESSEL INSPECTION LAWS AND THE RULES AND REGULATIONS PRESCRIBED THEREUNDER.

PERIODIC REINSPECTIONS			THIS CERTIFICATE ISSUED BY:
DATE	ZONE	SIGNATURE	
			OFFICER IN CHARGE, MARINE INSPECTION TAVELIER, FLORIDA INSPECTION ZONE

US Department
of Transportation

United States
Coast Guard



Commanding Officer
Marine Safety Office

155 S. Miami Ave.
Miami, FL 33130
(305) 536-4520

16711

04 March 1988

Divers Paradise of Tavernier
Tavernier Creek Marina
U.S. Highway 1, MM 90.5
Tavernier, Florida 33070

Subj: M/V DIVERS PARADISE III, O.N. 926325; STABILITY

Dear Sir:

A stability test, supervised by the Coast Guard in accordance with Title 46 Code of Federal Regulations 171.030 was performed on the M/V OCEAN EXPRESS, O.N. 920114 at Marathon, Florida on 23 September 1987. On the basis of this test, stability calculations have been performed. Results indicate that the M/V DIVERS PARADISE III, O.N. 926325, a sister vessel to the M/V OCEAN EXPRESS, O.N. 920114, as presently outfitted and equipped, subject to the restrictions specified below, has satisfactory stability for the carriage of 30 persons (passengers and crew) on partially protected waters, under all reasonable operating conditions. Since the passenger capacity and route are based on other criteria as well as stability and may be further limited thereby, you are cautioned that:

THE NUMBER OF PASSENGERS TO BE CARRIED SHALL BE AS SPECIFIED ON THE CERTIFICATE OF INSPECTION.

The following restrictions apply:

- a. The total height of the superstructure, including structural canopies, shall not exceed 8.3 feet from the load waterline and shall not be altered without prior authority of the Officer in Charge, Marine Inspection.
- b. Bulkheads and structure shall not be removed or altered without prior authorization of the Officer in Charge, Marine Inspection.
- c. No permanent ballast or other weights shall be added, removed, altered and/or relocated without authorization and supervision of the cognizant Officer in Charge, Marine Inspection.
- d. Bilges shall be kept pumped to a minimum content at all times.

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U.S. Department
of Transportation

United States
Coast Guard



16711

04 March 1988

Subj: M/V DIVERS PARADISE III, O.N. 926325; STABILITY

e. It shall be the responsibility of the master to insure that the vessel has satisfactory stability at all times. Should any additional weight be brought on board (for example: dive equipment), the licensed operator must make allowance by reducing the number of passengers accordingly. For purposes of stability, the weight of each passenger was taken as 160 lbs. and the total weight allowed for passengers is 4800 lbs. No additional equipment may be carried when the vessel is carrying its full complement of 30 persons (passengers and crew).

This stability letter shall be posted under glass or other suitable transparent material in the pilothouse of the subject vessel.

Sincerely,

C. C. Martin
C. C. MARTIN

Captain, U.S. Coast Guard
Officer in Charge, Marine Inspection

Copy: Stability File

142-149



16711
11 August 1987

DEPARTMENT OF TRANSPORTATION COAST GUARD 270 (REV. 5-82)		CERTIFICATE OF DOCUMENTATION				OMB APPROVED 2115-0110	
VESSEL NAME IVER'S PARADISE		14. PROPULSION Yes		15. HULL MATERIAL Fiberglass			
OFFICIAL NUMBER 18260	3. TONNAGE GROSS NET L. B. D. 23 18		16. TRADE ENDORSEMENTS. DO NOT INSERT ANY TRADES FROM WHICH VESSEL IS RESTRICTED. SEE BLOCK 8.				
HOME PORT Miami, Florida		37.0 x 13.5 x 7.0		THIS VESSEL IS PRESENTLY DOCUMENTED FOR: COASTWISE FISHERY PLEASURE		THIS VESSEL IS PRESENTLY DOCUMENTED FOR:	
REGISTRY (4) Miami, Florida 1981		DATE: 29 July 1987		SIGNATURE: <i>L. Kretschmer</i>		DATE: SIGNATURE:	
OWNER'S ADDRESS Iver's Paradise of Tavernier, Inc. 854 S. W. 56th Street Miami, Florida 33175		THIS VESSEL IS PRESENTLY DOCUMENTED FOR:		THIS VESSEL IS PRESENTLY DOCUMENTED FOR:			
RESTRICTIONS REGISTRY (4)		DATE: SIGNATURE:		DATE: SIGNATURE:			
CONDITIONS REGISTRY (4)		THIS VESSEL IS PRESENTLY DOCUMENTED FOR:		THIS VESSEL IS PRESENTLY DOCUMENTED FOR:			
DATE OF ISSUANCE Miami, Florida 29 July 1987		DATE: SIGNATURE:		DATE: SIGNATURE:			
NATURE & SEAL		CG-1230A (REV. 8-83)		CG-1230A (REV. 3-83)		DATE: SIGNATURE:	
SIGNATURE: <i>L. Kretschmer</i>						DATE: SIGNATURE:	
CHANGES CHANGE IN ITEM. NATURE OF		PREFERRED MORTGAGE ENDORSEMENTS					
MORTGAGE ENDORSEMENT		MORTGAGE AMENDMENTS					
INSTRUMENT PM _____ INST. _____ MORTGAGOR		1. INSTRUMENT AMENDED PM _____, INST. _____ CHANGE					

1803 1SD

stream; and by combining with the hemoglobin in the red blood cells, it prevents oxygen from doing so, thus causing oxygen starvation of the tissues (hypoxia).

A concentration of carbon monoxide as low as 0.001 atmosphere will replace one-half of the oxygen which would normally be carried by the hemoglobin, even though the lungs may contain a normally ample supply of oxygen. Carbon monoxide poisoning also depends on the duration of exposure to the gas; very low levels breathed over a period of time can have the same effect as breathing higher levels over a short period.

Carbon monoxide poisoning expresses itself as a tightening across the forehead, a pounding headache around the temples, and bright red fingernail beds and lips. Even more insidious is the fact that when diving deep, the partial pressure of the oxygen may be great enough to ward off any symptoms until you begin to surface. As you begin to rise, the partial pressure of the oxygen which has forcibly displaced the carbon monoxide in your blood plasma diminishes and the full effect of the poisoning will be felt instantly.

Carbon dioxide is also classed as a toxic gas, but it can be tolerated in much higher concentrations than carbon monoxide without ill effect. The carbon dioxide content of normal atmospheric air is about 300 parts per million — or 0.03%. A generally agreed upon maximum allowable concentration for an 8-hour day is 5000 PPM/v. At increasing concentrations, carbon dioxide first stimulates the respiratory center leading to an increased rate and depth of breathing; this has the secondary effect of increasing the intake of any other contaminants which may be present. However, it takes several hours' exposure to concentrations of 12% to 15% to cause unconsciousness, and of about 25% (or 250,000 PPM/v) to cause death.

Other symptoms are headache, dizziness, weakness, unusual perspiration, and nausea; in extreme cases possibly muscle twitching and convulsions. Serious and long-lasting damage is not likely with carbon dioxide poisoning caused by contaminated air. A diver who has lost consciousness solely because of excess carbon dioxide can usually be revived by adequate ventilation with fresh air. Breathing an excess of carbon dioxide may increase the possibility of decompression sickness.

PADI PURE AIR ANALYSIS PROGRAM

PADI provides an air analysis service through a national testing laboratory and strongly recommends all air stations use these facilities. Stores who are presently having their air analyzed locally may participate in this program provided they abide by the standards and pay an annual service charge for filing and handling.

A "Pure Air Station" certificate is issued to stores that participate in the Pure Air Program. The store takes air samples regularly from each

the analysis is reported to PADI Headquarters. If the analysis is approved, a gold seal will be issued for that particular analysis to be affixed to the certificate.

Equipment for obtaining meaningful air samples from compressed air supplies has been developed and is in current use on a number of sampling programs. The system employs a method that lowers the pressure of air supplies to less than three atmospheres absolute pressure, which, in turn, reduces the size and weight of the equipment and containers needed to obtain the samples. The equipment is safe and readily transportable by any mode of transportation including U.S. priority mail and United Parcel Service.

DESCRIPTION OF EQUIPMENT

The basic system consists of a scuba input fitting, a particulate filter and holder, a flow measuring section, an air transfer fitting, a sample bottle, and a muffler for noise control. Expanding air is introduced at the scuba fitting and passes through the particulate filter into the flow measuring section. A slight back pressure created by the orifice is measured by the pressure gage. This back pressure forces air into the sample bottle via the air transfer fitting, and accurately measures the flow rate of air through the system. The muffler has a thermometer attached to it so that the air flow rate measured can be corrected to standard conditions.

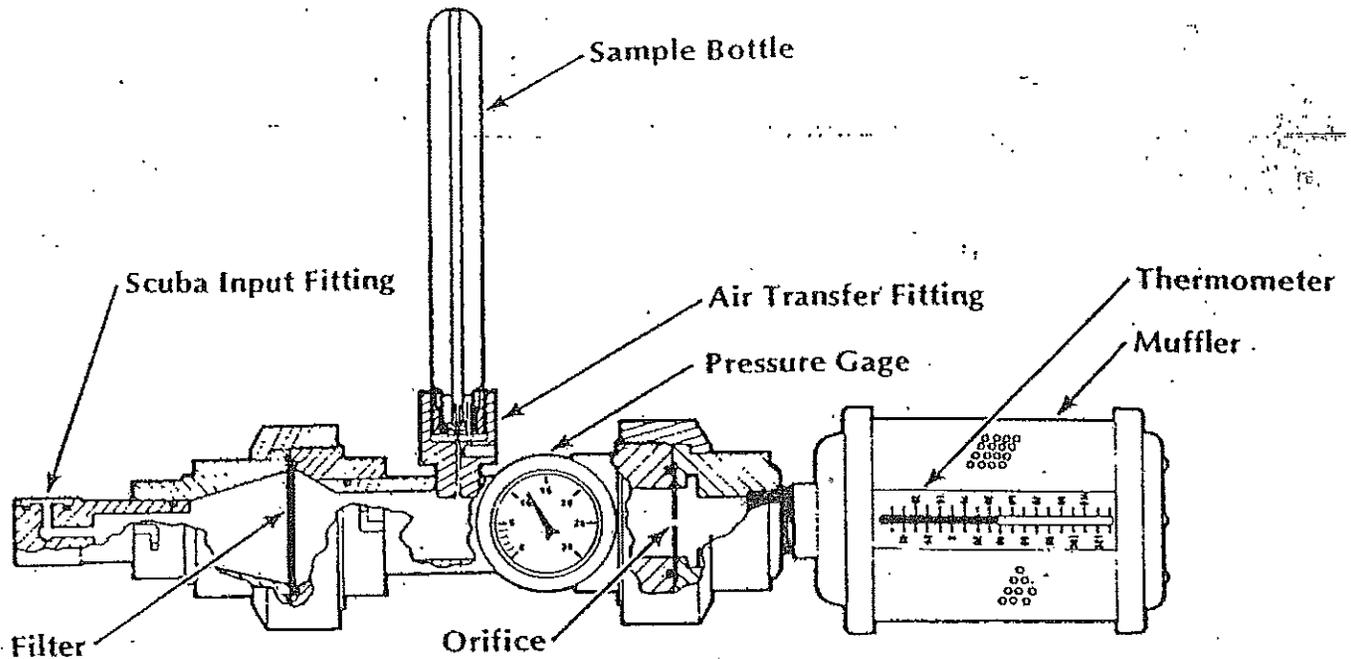
The air transfer fitting has a cupped end to receive the sample bottle. When the sample bottle is inserted into the fitting, two hypodermic needles attached to the fitting penetrate the septum through an opening in the cap. The septum effects a temporary gas tight seal. The center needle allows air from the flow section to enter the center chamber of the sample bottle and the off-center needle permits air from the outer chamber of the sample bottle to vent to the atmosphere. During the taking of an air sample, air is permitted to flow through the bottle a sufficient length of time to completely purge the tube of its previous contents. The inner chamber of the sample tube is equipped with a float to indicate that the necessary minimum flow rate is obtained.

AUXILIARY EQUIPMENT

In order to provide data for helping to diagnose the origin of an out-of-spec air sample, an ambient air sampler is used. We recommend that a sample of air be taken at the compressor intake at the same time the compressor discharge air is sampled. The ambient air transfer fitting is similar to the one that fits on the flow section, except that the center needle is connected to the side port and the air is drawn through the bottle by the rubber vacuum bulb at less than atmospheric pressure.

Occasionally, a sample of air without a companion particulate sample is needed. An example

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of this is when re-checking an air supply known to be out-of-spec only in one or more of the gaseous contaminants. A miniature air sampling device is used for this purpose.

Results of 174 diver's air samples taken earlier this year show that about 11% of the air supplies tested were out-of-spec on CO and/or Oil Mist and particulates and that the average off-spec concentration seems dangerously high. A substantial fraction were off of CO₂, but the average off-spec concentration was only 20% high. There is a fairly high degree of correlation between gaseous contamination in diver's air and that in ambient air samples. Furthermore, each of the categories of air supplies seems to have distinct chemical characteristics which are related to their respective environments. For example, commercial air supplies which are often in shopping centers have a very high percentage of samples with greater than 500 ppm CO₂. This is due to inside intakes, large numbers of people, and recirculating air conditioning systems. Compressors located in stock rooms with minimal air circulation probably run hotter and may breathe in self generated gaseous hydrocarbons.

LIFE SUPPORT AIR QUALITY CONTROL

While the air sampling and analysis programs have succeeded in focusing attention on some of the problems in air quality for divers, there are some other tools that have potential value. Running time meters, thermometers, and pressure

gages are relatively inexpensive, and if used in conjunction with good record keeping, will alert the compressor operator of changes in the mechanical condition of his compressor. Periodic air capacity measurements have value also.

In any case, a positive program should be followed for replacing filters, dessicants, servicing the compressor, and pressure testing air flasks, etc. A compressed air sample should be collected and analyzed regularly. Without a carbon monoxide alarm, an oil lubricated compressor should be checked for carbon monoxide at least every other week.

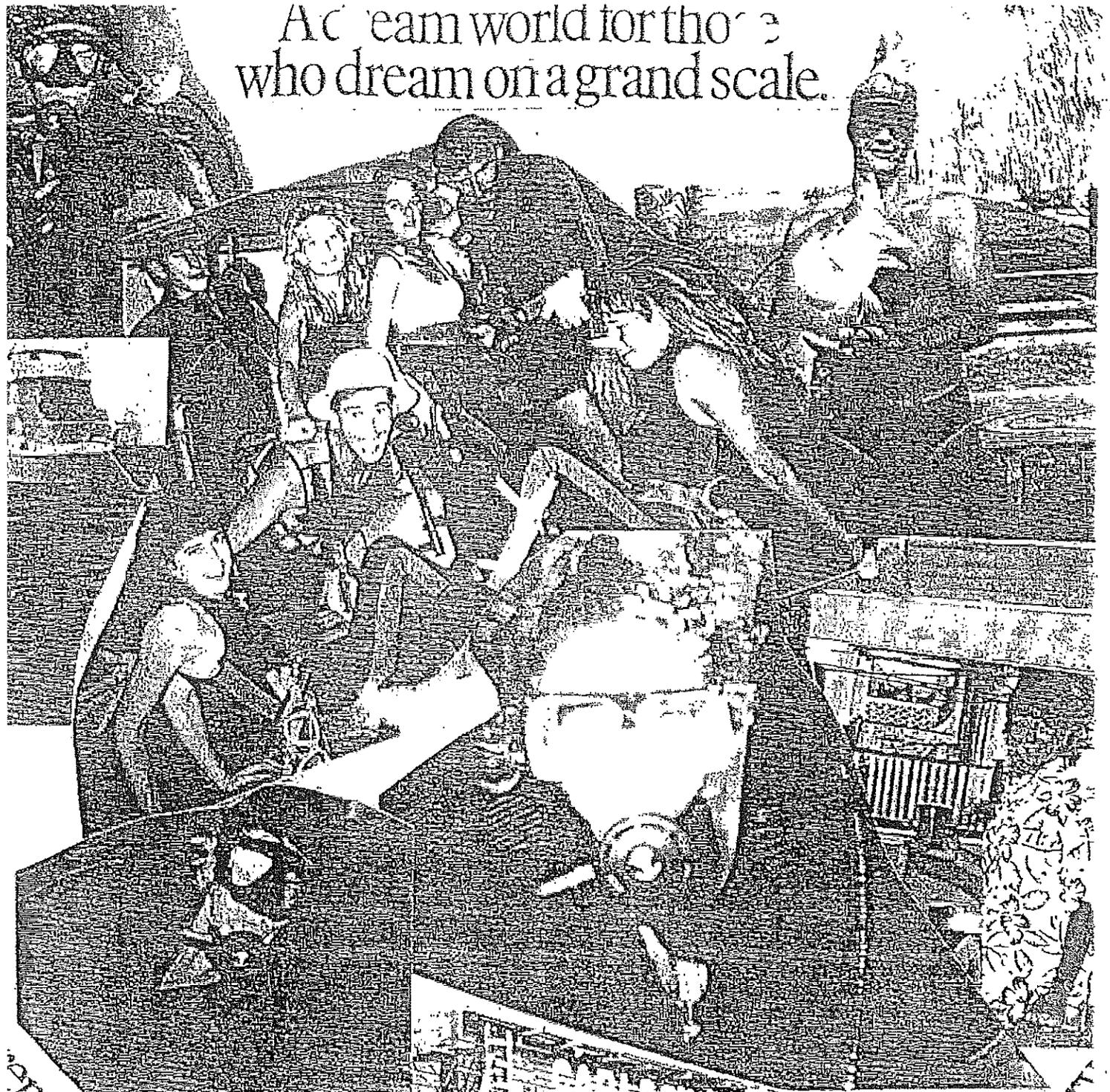
A log of all repairs, maintenance, and tests performed upon the compressor system should be kept. This will not only be a valuable aid in scheduling periodic maintenance, but will be of material benefit in case of a legal suit arising from an accident to a customer while diving. The primary goal of all compressor operators should be to insure safe diving by regularly providing air of a quality suitable for use underwater.

Through the PADI Pure Air Program, the diving industry has been provided with its first and only ongoing program of regular air analysis. The analysis is provided by the Texas Research Institute, the leading company in the United States for air analysis. The responsible retailers of the PADI Training Facility program have voluntarily joined together to participate in the Pure Air program and have set aside a portion of their profits to pay for this service. PADI urges you to support the dealer who displays the Pure Air Station emblem.



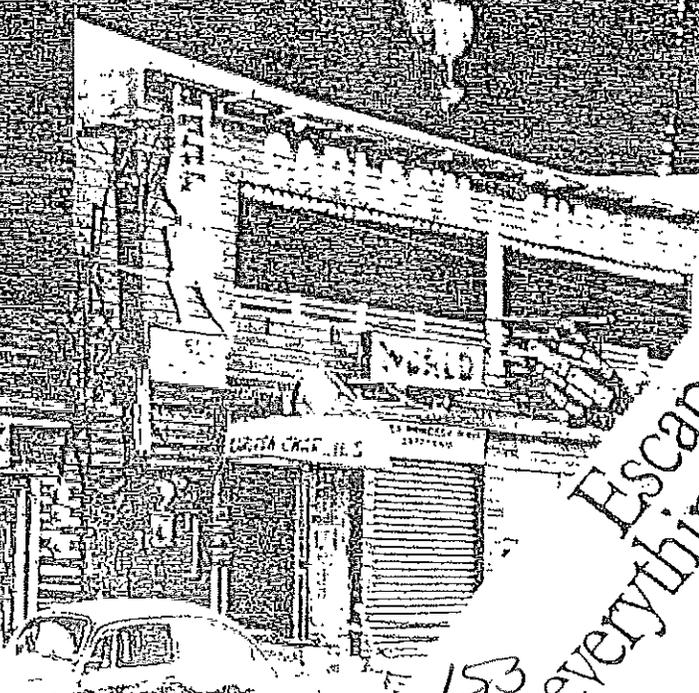
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A team world for those
who dream on a grand scale.



Remarkable collaboration
between man and nature.

Escape from
everything that's ordinary
about life.



C. Evaluate results of DP policy in terms of the achievement of the goals established; and

D. Improve or correct those areas of implementation where DP policy does not result in the accomplishment of its goals.

The Equal Employment Opportunity program must be conducted in such a manner as to insure that the total selection process of hiring, promotion and transfer is conducted without bias in order to achieve DP goals and to this end, all personnel functions must be related solely to the description of the job and ability of the candidate to perform such job. Any form or manner of interviewing, testing, evaluating or investigating of job applicants, or the establishment of qualification criteria not job-performance related, will be carefully guarded against and where discovered, will be eliminated in order that such devices may not be used to discriminate against minorities.

The goal of DP is to achieve Equal Employment Opportunity for all through diligent application of the policy and practices stated herein. This program is intended to reflect DP's recognition of necessity for particular diligence in the protection of minorities in all areas of employment practices.

AFFIRMATIVE ACTION PLAN

1. Policy Statement

Consistent with the requirements set forth under Title VII, Executive Orders 11246, 11141 and the Vocational Rehabilitation Act of 1973, it will be our policy regarding equal employment opportunities to ensure that all recruitment and placement of employees shall be done regardless of age, race, religion, color, handicap, national origin or sex, and that all employees shall be treated equally with respect to compensation, training, layoff, and recall, as well as opportunities for advancement, including upgrading, promotion and transfer, and selection of apprenticeship insofar as it is within our control.

We further acknowledge that all services will be provided and administered in a non-discriminatory manner.

To further this policy, DP will take affirmative action to achieve the following goals: to reach a balance of workforce which will reflect the representation of women, minorities and handicapped individuals in the labor market; to increase the subcontracting opportunities of companies owned by women, minorities and handicapped individuals; and to encourage similar efforts from those companies with which we do business on County contracts.

Our policy on Equal Employment Opportunity shall be publicized internally by use of the following methods: company bulletin boards, newsletters, handbooks, work rules and employee meetings.

All personnel announcements, contracts, agreements, etc., shall contain statements of our policy of Affirmative Action and our commitment to non-discrimination in employment and personnel practices.

Persons in a position to implement this policy, including those engaged in recruiting, training, and other personnel activities, shall be fully advised of this equal employment policy.

2. Designation of EEO Officer

DP's President shall be responsible for the implementation and enforcement of this plan. The President may delegate this responsibility to another chief administrative or management individual.

3. Good Faith Efforts and/or Action Oriented Programs

In order to improve the representation of women, minorities and handicapped persons in our workforce, encourage participation by minorities, women and handicapped, subcontractors and community support, we will work cooperatively with all on the following good faith efforts.

A. Recruitment

(1) Conduct specialized recruitment to attract qualified women, minorities and handicapped persons.

(2) Establish visibility and working relationships with the advocacy groups for women, minorities and handicapped.

12-13-89

1. OMAR CARTAYA being first duly sworn, state:

1. The full legal name and business address* of the person or entity contracting or transacting business with Dade County are:

OMAR CARTAYA PRESIDENT
DIVER'S PARADISE OF KEY BISCAYNE
4000 CRANDON BLVD

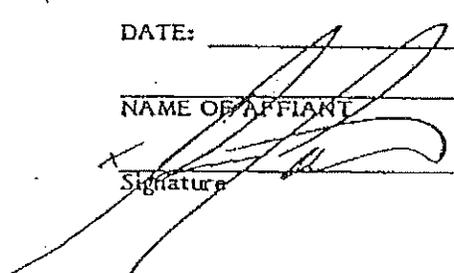
2. If the contract or business transaction is with a corporation, the full legal name and business address* shall be provided for each officer and director and each stockholder who holds directly or indirectly five percent (5%) or more of the corporation's stock. If the contract or business transaction is with a partnership, the full legal name and business address* shall be provided for each partner. If the contract or business transaction is with a trust, the full legal name and address* shall be provided for each trustee and each beneficiary. All such names and addresses are:

OMAR CARTAYA PRESIDENT
DIVER'S PARADISE OF KEY BISCAYNE
4000 CRANDON BLVD

3. The full legal names and business address* of any other individual (other than subcontractors, materialmen, suppliers, laborers, or lenders) who have, or will have, any interest (legal, equitable, beneficial or otherwise) in the contract or business transaction with Dade County are:

DATE: _____, 19__

NAME OF AFFIANT _____

Signature 

SWORN to and subscribed before me this 13th day of December, 1989.

Gledys H. Roan
NOTARY PUBLIC, State of Florida
at Large

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. FEB. 1, 1991
BONDED THRU GENERAL INS. UND.

*Post office box addresses not acceptable.

Use separate attached pages if necessary.

"Any person who willfully fails to disclose the information required by...this section, or who knowingly disclose false information in this regard, shall be punished by a fine of up to five hundred dollars (\$500.00), or by imprisonment in the county jail for up to sixty (60) days, or both in the discretion of the court." Ordinance 88-121, effective 12/30/88

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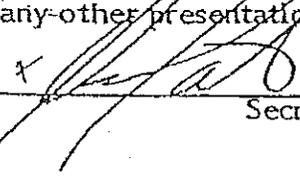
WAIVER AND RELEASE

The undersigned Proposer understands that Dade County is relying on information contained within this response. The Proposer warrants that the information contained herein is accurate and that Proposer has made all investigations adequate to satisfy Proposer about all matters related to its proposal and has not materially or substantially relied on information provided by the County.

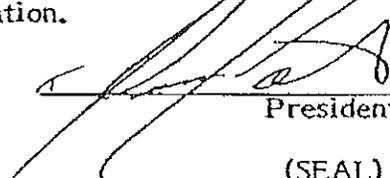
The undersigned Proposer grants the County the right to make any investigation regarding the Proposer; its officers, directors and managers; related companies; credit background; criminal background; past and existing litigation; ethical and moral background and any other areas as the County may reasonably decide. The undersigned Proposer waives confidentiality, releases and holds blameless the County from any liability arising out of such investigation and waives any defense against the County in any action relating to such investigations.

It is expressly understood by the Proposer that evaluations in awarding an Agreement are based on objective and subjective criteria. In addition, alternate or additional service will be considered upon submission; however, such changes or additions will be critically examined and may or may not be accepted regardless of merit.

Proposer agrees to waive its right to attend any meeting at which the Proposal of any other proposer is being presented. Proposers who do not wish to waive this right shall notify the Director or Contract Management Section at (305) 579-4455 so that their presentation may be given first. Proposer, in any event, agrees not to be present during any other presentation prior to its own presentation.



Secretary



President

(SEAL)

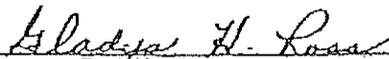
STATE OF FLORIDA)
) SS:

OMAR CARTAYA being duly sworn deposes and says that he is
President of DIVERS PARADISE OF KEY BISCAYNE
(Name of Organization)

and that the answers to the foregoing questions and all statements therein contained are true and correct.

Sworn to Before Me this 13th day of December, 1989.

My Commission Expires: NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. FEB. 1, 1991
BORDED THRU GENERAL INS. ORD.



Notary Public
State of Florida at Large

SECTION XI

Disclosure Affidavit, Waiver and Release

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