

PARKING ENFORCEMENT
AGREEMENT BETWEEN BAY CITY AND DDA

THIS AGREEMENT, is made this 19th day of June, 2006, by and between the CITY OF BAY CITY, of 301 Washington Avenue, Bay City, Michigan 48708 [hereinafter referred to as the "City"] and the BAY CITY DOWNTOWN DEVELOPMENT AUTHORITY, of 901 Saginaw Street, Bay City, Michigan 48708 [hereinafter referred to as the "DDA"], pursuant to MCL 600.8395(2), for the purpose of designating the DDA to assist in the operations of the parking violations bureau pursuant to said statute. The administration, expenses, personnel, distribution of parking violation revenue and related matters shall be as follows:

1. Description of services.

The DDA will provide the following services:

- (a) The DDA shall provide parking enforcement within the boundaries of the Downtown Development Authority district as defined by Section 46-55 of the Bay City Code of Ordinances [hereinafter "designated area"].
- (b) The DDA shall provide the personnel for enforcement of parking regulations within the designated area, said personnel to be known as the "Parking Ambassador".
- (c) The DDA shall provide all equipment necessary in conjunction with the services to be provided by the Parking Ambassador, including the following: Parking Violation Notices, uniforms, computers, vehicles, vehicle maintenance and gasoline.
- (d) The Parking Ambassador shall be an employee of, or under contract with, the DDA and the DDA shall pay all wages, costs and expenses of employment or such contract, including insurances and fringe benefits, if any.

The City will provide the following services:

- (a) Collection of parking fees.
- (b) Distribution of parking violation revenue generated from Parking Violation Notices issued in the designated area.
- (c) An administrative review of the facts and circumstances surrounding the issuance of a particular Parking Violation Notice, if requested.
- (d) If the Parking Violation Notice is contested in the District Court, the city attorney shall appear on behalf of the City and the DDA.

2. Term. The term of this Agreement shall begin on July 1, 2006. This Agreement shall continue on a month to month basis thereafter. Either party may terminate this Agreement by giving the other party notice of its desire to terminate this Agreement in writing at least six (6) months prior to the proposed termination date.

3. Administration. The DDA shall administer the activities of the Parking Ambassador within the designated area.

4. Expenses. The DDA shall be solely responsible for the payment of all expenses associated with the services to be provided by the DDA.

5. Personnel. The DDA shall be solely responsible for the selection of the Parking Ambassador and any other personnel deemed necessary or desirable by the DDA to provide the services rendered under the terms of this Agreement. All personnel utilized by the DDA shall be employees of the DDA or under contract with the DDA. Under no circumstances shall such personnel be considered employees of the City or to be under contract with the City.

6. Distribution of Revenue. City agrees that its Treasurer will accept payment of and process parking violation fees generated from Parking Violation Notices issued by the Parking Ambassador in the designated area. The Treasurer shall provide an accounting thereof and transmit and deliver said monies to the DDA's account. City shall retain from said proceeds its costs of collection and administration. City and DDA through the budget process shall annually agree to the fee for collection and administration.

7. Insurance and Indemnity.

General Liability. The DDA shall carry comprehensive general liability insurance through companies licensed and admitted to do business in Michigan, which shall provide protection from all claims of damage or injury, including death, to persons or property which may arise out of, result from or be caused by the Bay City Downtown Development Authority, its employees, or those in contract with the DDA, with occurrence and aggregate limits not less than \$1 Million dollars per occurrence.

DDA shall also obtain and maintain vehicle liability coverage for all owned, non-owned and hired vehicles which may be operated, maintained or used under the terms of this Agreement. Minimum combined limits of \$500,000 shall be maintained.

DDA shall obtain and maintain, or cause any independent contractor to obtain or maintain, policies of worker's compensation insurance and such other liability insurance of the types and in the amounts outlined above which will provide coverage to the City, its officers and employees for all claims which may arise out of, result from or be caused by any duties to be performed under the terms of this Agreement.

The DDA shall, upon execution of this Agreement, provide City with a certificate or other evidence of required coverages. The certificate or other evidence of coverage shall provide for a thirty (30) day written notice to the City in the event of cancellation or material changes in the coverage.

**THE CITY, ITS OFFICERS AND EMPLOYEES SHALL BE NAMED AS
ADDITIONAL INSURED AND THIS COVERAGE SHALL BE
ENDORSED ON THE CERTIFICATE AND POLICY "AS BEING
PRIMARY TO THE CITY, AND NOT EXCESS OF ANY OTHER
INSURANCE, SIMILAR PROTECTION (E.G. RISK MANAGEMENT**

ASSOCIATION) OR ANY OTHER VALID, APPLICABLE, OR COLLECTABLE INSURANCE OR SELF-INSURANCE WHICH IS OR MAY BE AVAILABLE TO OR CARRIED BY THE CITY.”

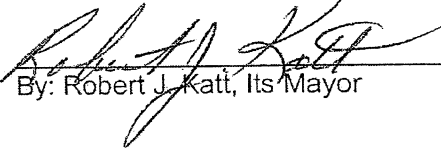
The DDA covenants and agrees to indemnify, protect, defend and save City, its officers and employees harmless from any claim, action or suit for any loss, liability and damages that may be asserted or levied against the City, its officers or employees, in whole or in part by reason of DDA's acts or omissions while performing the services to be performed by the DDA under the terms of this Agreement, including any expenses, costs and attorney fees incurred in connection with any such claim, action or suit. In the event of any incident resulting in any personal injury, including death, to any person, the DDA shall give notice to the City within twelve (12) hours after the occurrence thereof or after the DDA learns of such occurrence. The indemnity, defense and hold harmless requirements shall include and extend to bodily injury to any person or injury to any property of the DDA, its employees and all persons under contract with the DDA.

8. Assignment. The DDA shall not assign any part of this Agreement without the prior written consent of the City. In case of any assignment permitted hereunder DDA, as well as its assignee, shall remain subject to all provisions of this Agreement, including as surety and/or guarantor of all performances.
9. Default. If the DDA shall fail to observe or perform any obligation under this Agreement and shall fail to cure its default within fifteen (15) days of written notice thereof then the City may terminate this Agreement forthwith.
10. Amendment. This document contains all the agreements made between the parties hereto, and may not be modified orally or in any manner other than by an agreement in writing signed by all the parties hereto.
11. Notices. All notices to be given hereunder by either party shall be in writing and given by personal delivery or certified mail to the parties at the addresses as hereinbefore set forth. For purposes of calculating time periods under the provisions of this Agreement, notice shall be deemed effective upon mailing or personal delivery, whichever is applicable.
12. Benefit and Usage. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, representatives, successors, or assigns, except as may be hereinbefore provided, and when applicable, pronouns and relative words shall be read as plural, feminine or neuter, respectively.
13. Duplicate Original Copies. This Agreement is executed in duplicate original copies, one of which shall be retained by the City and one by the DDA, each of which shall be deemed to be an original but all of which shall be construed as one document.
14. Governing Law. This Agreement and the rights of the parties hereunder shall be governed by and interpreted in accordance with the laws of the State of Michigan.
15. Paragraph Headings. The paragraph headings appearing in this Agreement have been inserted for the purpose of convenience and ready reference. They do not

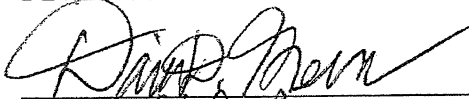
purport to, and shall not be deemed to, define, limit or extend the scope or intent of the paragraphs to which they appertain.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above written.

CITY OF BAY CITY


By: Robert J. Katt, Its Mayor

CITY OF BAY CITY DOWNTOWN
DEVELOPMENT AUTHORITY


By: David D. Green, Its Chairman

Drafted by:
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