December 13, 2016

TO: ALL STATE AGENCIES, SCHOOL DISTRICTS, MUNICIPALITIES, VOLUNTEER FIRE COMPANIES AND POLITICAL SUBDIVISIONS

FROM: REBECCA LOVIN
PARALEGAL III
302-739-4206

SUBJECT: AWARD NOTICE ADDENDUM #2
CONTRACT NO. NAT12011-FISHING
PUBLIC FISHING CENTER AND BAIT AND TACKLE SHOP AT CAPE HENLOPEN STATE PARK

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KEY CONTRACT INFORMATION

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KEY CONTRACT INFORMATION

1. CONTRACT PERIOD

Each contractor’s contract shall be valid for a three (3) year period from March 1, 2012 and ending February 28, 2015. CONCESSIONAIRE and the DIVISION shall have the option to renew on an annual basis for an additional three (3) years with an option to renew for an additional four (4) years based on successful completion of the terms and conditions.

This contract is extended from March 1, 2015 through February 28, 2018.
This contract is extended from March 1, 2018 through December 31, 2022.

2. VENDORS

David R. Beebe
LighthouseView Bait & Tackle, LLC
15 Oakridge Drive
Milton, DE 19968-9692
tiderunnerstackle@gmail.com

3. GENERAL CONDITIONS

a. Changes – No alterations in any terms, conditions, delivery, price, quality, or specifications of items ordered will be effective without the written consent of the State of Delaware.

b. Additional Terms and Conditions – The State of Delaware reserves the right to add terms and conditions as amendments to the contract when it is in the best interest of the State to do so.

4. QUALITY AND PRICING

a. The CONCESSIONAIRE warrants that all products and services offered by it to the public shall be of the highest quality and consistent with the quality specifications provided by the CONCESSIONAIRE pursuant to this section. The CONCESSIONAIRE shall have the right and privilege to charge such prices and rates as are reasonable and fair. All prices and price changes shall be subject to the prior written approval of the DIVISION.

b. The CONCESSIONAIRE shall submit a schedule of services to be offered at the beginning of each year and the fees charged for each service. The CONCESSIONAIRE agrees to offer only such services and merchandise at prices charged for similar classes of services and merchandise furnished outside the areas administered by the DIVISION under similar conditions.

c. If, in the sole opinion of the DIVISION, any goods or services offered by the CONCESSIONAIRE are inconsistent with the image or reputation of the DIVISION or the State
of Delaware, or are otherwise deemed unsuitable for sale or are considered over-priced, the
DIVISION shall request the CONCESSIONAIRE to immediately cease selling such goods or
services or lower the price of said goods and services upon receipt of such in a written request
from the DIVISION.

d. The CONCESSIONAIRE, as a fee for the contract and concession rights herein granted,
agrees to pay to the Department of Natural Resources and Environmental Control, Division of
Parks and Recreation, 89 Kings Highway, Dover, DE 19901, an annual contract fee as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Payment Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$15,000.00 and 10% of gross receipts.</td>
</tr>
<tr>
<td>2013</td>
<td>$15,000.00 and 10% of gross receipts.</td>
</tr>
<tr>
<td>2014</td>
<td>$15,000.00 and 10% of gross receipts.</td>
</tr>
<tr>
<td>2015</td>
<td>16% of gross receipts.</td>
</tr>
<tr>
<td>2016</td>
<td>$15,000 flat fee and 10% of gross receipts.</td>
</tr>
<tr>
<td>2017</td>
<td>$15,000 flat fee and 10% of gross receipts.</td>
</tr>
<tr>
<td>2018</td>
<td>$15,000 flat fee and 10% of gross receipts.</td>
</tr>
<tr>
<td>2019</td>
<td>$15,000 flat fee and 10% of gross receipts.</td>
</tr>
<tr>
<td>2020</td>
<td>$15,000 flat fee and 10% of gross receipts.</td>
</tr>
<tr>
<td>2021</td>
<td>$15,000 flat fee and 10% of gross receipts.</td>
</tr>
<tr>
<td>2022</td>
<td>$15,000 flat fee and 10% of gross receipts.</td>
</tr>
</tbody>
</table>

The payment terms on this extension are adjusted to accommodate any Pier closures or
construction schedule. For the extension term, the Delaware Division of Parks and Recreation
will waive the Concessionaire flat annual fee for year 2015 and the annual contract fee will be
percent based. If the Pier closure or construction schedule continues in year 2016 and/or 2017,
the fee schedule may be renegotiated by mutual consent.

The percentage of gross receipts shall be calculated annually. Lighthouse View Bait & Tackle
agrees to pay the amount based on the specified percentage of total gross receipts to the
Delaware Division of Parks and Recreation on or before November 15th of each year. All other
contract terms and conditions apply.

ADDITIONAL TERMS AND CONDITIONS

5. CONCESSIONAIRE RESPONSIBILITIES

The CONCESSIONAIRE will be granted the right to provide a public fishing center and bait &
tackle shop at Cape Henlopen State Park that is approved by the DIVISION. The
CONCESSIONAIRE’S responsibilities under this contract shall include the following:

a. The CONCESSIONAIRE will be required to furnish and install the necessary equipment, if not
provided, at the concession operation for the fishing center and bait & tackle shop in order to
provide the specified service.

b. The CONCESSIONAIRE must also furnish and use an approved cash register or Point of Sale
(POS) system with accumulating total to record all customer sales and receipts.
c. All of the equipment and fixtures used in the concession operation shall be subject to approval by the DIVISION, if applicable, as to their workability, appearance, appropriateness and compliance with all applicable codes.

d. Daily cleaning and janitorial service of the sales area, and other building space assigned to the CONCESSIONAIRE.

e. Daily collection and deposit of litter, garbage and refuse from the grounds and buildings assigned to or used by the CONCESSIONAIRE into the parks dumpster.

f. Repairs and maintenance to interior building fixtures and utilities (locks, light bulbs, water faucets, etc.).

g. The CONCESSIONAIRE shall ensure that all facilities and equipment supplied by the DIVISION be returned to the DIVISION in good order, condition and repair, reasonable wear and tear expected.

h. The CONCESSIONAIRE shall publicly display in a conspicuous place at the concession area a neat and legible sign listing rates, prices and charges for all products and services.

i. The CONCESSIONAIRE shall be responsible for providing quality products and services at a reasonable price to park visitors.

j. The CONCESSIONAIRE shall be responsible to employ only competent, mature and orderly employees and their employees shall keep themselves neat and clean and be courteous to all guests and patrons of the park. CONCESSIONAIRE shall check all prospective employees they intend to hire at the contracted area against the Delaware or any other applicable sex offender registry. CONCESSIONAIRE shall notify the DIVISION if they desire to hire an individual who is on a registry. Written approval by the DIVISION shall be required before the CONCESSIONAIRE can employ said individual to work at the contracted area.

k. The CONCESSIONAIRE shall establish and maintain books of account and records of all operations and establish systems of bookkeeping, records and accounting in a manner satisfactory to the DIVISION.

l. The CONCESSIONAIRE also agrees to submit an annual financial statement, which includes listing of all gross receipts/sales ending December 31 of each year. This annual statement shall be submitted to the DIVISION on or before April 15 of each year.

m. The CONCESSIONAIRE will be required to furnish and install the necessary equipment and supplies including the temporary storage facilities not to exceed 8ft X 8ft X 8ft at the concession operation for the mobile beach accessory rental and snack food service concession in order to provide the specified service.
n. All of the equipment and fixtures used in the concession operation shall be subject to approval by the DIVISION, Division of Public Health, if applicable, as to their workability, appearance, appropriateness and compliance with all applicable codes.

o. Daily cleaning and janitorial service of the sales area, space assigned to the CONCESSIONAIRE.

p. Daily collection of litter, garbage and refuse from the grounds and buildings assigned to or used by the CONCESSIONAIRE.

q. The CONCESSIONAIRE shall ensure that all facilities and equipment supplied by the DIVISION be returned to the DIVISION in good order, condition and repair, reasonable wear and tear expected.

r. The CONCESSIONAIRE shall publicly display in a conspicuous place at the concession area a neat and legible sign listing rates, prices and charges for all products and services.

s. The CONCESSIONAIRE shall be responsible for providing quality products and services at a reasonable price to park visitors.

t. The CONCESSIONAIRE shall be responsible to employ only competent, mature and orderly employees and their employees shall keep themselves neat and clean and be courteous to all guests and patrons of the park. CONCESSIONAIRE shall check all prospective employees they intend to hire at the contracted area against the Delaware or any other applicable sex offender registry. CONCESSIONAIRE shall notify the DIVISION if they desire to hire an individual who is on a registry. Written approval by the DIVISION shall be required before the CONCESSIONAIRE can employ said individual to work at the contracted area.

u. The CONCESSIONAIRE shall establish and maintain books of account and records of all operations and establish systems of bookkeeping, records and accounting in a manner satisfactory to the DIVISION.

v. The CONCESSIONAIRE also agrees to submit an annual financial statement, which includes listing of total gross receipts/sales for each calendar year. This annual statement shall be submitted to the DIVISION on or before April 15 for the preceding year’s sales.

6. **ITEMS FOR SALE OR RENT:**

   The CONCESSIONAIRE may, as part of the contract hereunder, upon compliance with all provisions herein and in accordance with State Health regulations and other applicable laws, offer for sale or rent the following items:

   a. Any equipment and supplies necessary for the satisfactory operation of the concession services authorized to them under this contract.
b. Snack foods, candies, and canned sodas and other prepackaged non-alcoholic beverages and food approved by the DIVISION and that follow healthy vending guidelines established by Nemours. Additional items may be offered for sale upon advanced written approval by the DIVISION. Any items using the DIVISION’S name or logo shall be submitted for approval by the DIVISION prior to sale.

7. **Disapproval of Items:**

The CONCESSIONAIRE agrees to withdraw from sale or rent any item or service disapproved by the DIVISION. No alcoholic beverages or tobacco products shall be served, sold or stored on State property.

8. **Operating Schedule:**

The CONCESSIONAIRE agrees to provide a concession service in accordance with a minimum schedule that includes but is not limited to the following:

Open on a daily basis, seven days a week, including holidays, from May 1 through October 31 of each year during the following minimum schedule of hours:

- 7:00 a.m. to 8:00 p.m. Sunday through Thursday
- 6:00 a.m. to 8:00 p.m. Fridays and Saturdays

CONCESSIONAIRE will contact the Park Superintendent prior to canceling service for the day and receive his or her permission to cancel service. The Division reserves the right to revoke the Contract of the CONCESSIONAIRE if they do not adhere to the schedule of operations.

9. **INDENMINIFICATION AND HOLD HARMLESS**

The CONCESSIONAIRE expressly agrees to indemnify and hold the State of Delaware, the Department or any of its employees harmless from any and all claims arising out of any violations by the CONCESSIONAIRE of any law, rule, regulation or order, and from any and all claims for loss, damage or injury to persons or property of whatever kind or nature arising from the operation of this contract by the CONCESSIONAIRE or from the negligence or carelessness of employees of the CONCESSIONAIRE while on the job. The CONCESSIONAIRE expressly agrees to indemnify the State of Delaware, the Department or any of its employees to the extent of any recoveries against them individually and/or jointly arising from it.

10. **DIVISION RESPONSIBILITIES**

The DIVISION’S responsibilities under this contract shall be the following:

a. The Division shall provide the following equipment:
i. A 1300 square feet building for fishing center storage and operation. Limited space in front of the building may be used for temporary seasonal display of merchandise subject to the approval of the Division.

ii. An operational golf cart for shuttle service to the fishing pier.

b. The Division shall be responsible for major utility and structural repairs and exterior maintenance.

c. The Division reserves the right to enlarge, close and/or reduce the size of any area for the purposes of improvement, repair, construction or any other legitimate purpose. It is understood that any of the above actions shall not entitle the Concessionaire to any reduction or suspension of the Contract fee unless otherwise approved by the Division.

For a complete list of contract specifications please refer to the original bid solicitation document(s) or contact the Division for original contract.