

COPY

SAN FRANCISCO ZOO

LEASE AND

MANAGEMENT AGREEMENT

By and Between

The City and County of San Francisco

and

The San Francisco Zoological Society

Dated: July 1, 1993

A07A/092393

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- Exhibit H: Additional Attachments (See Sec. 30.20)

SAN FRANCISCO ZOO

LEASE AND MANAGEMENT AGREEMENT

This San Francisco Zoo Lease and Management Agreement (the "Agreement") is made and entered into as of July 1, 1993, by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation (the "City"), acting through its Recreation and Park Commission (the "Commission"), and the SAN FRANCISCO ZOOLOGICAL SOCIETY, a California non-profit corporation ("SFZS").

RECITALS

A. City currently owns, and operates jointly with SFZS, public zoological gardens located in the City of San Francisco and commonly known as the San Francisco Zoo (the "Zoo"). The Zoo is located on certain land owned by City and described in greater detail in Exhibit "A-1" attached hereto.

B. SFZS is a non-profit public benefit corporation organized in 1954 for charitable, scientific and educational purposes for the study and promotion of zoology and wildlife conservation and for the education and recreation of the public. SFZS currently provides a limited range of services for the City's Recreation and Park Department (the "Department") at the Zoo, including the operation of the Children's Zoo, the Insect Zoo, the Zoo's Education Department, the Zoo's food and concession services, the gift shop, Zoo membership, the development office and the Avian Conservation Program.

C. As set forth in its Resolution No. 16420 passed on July 16, 1992, the Commission has determined that it would be in the best interest of City to enter into an agreement with SFZS to lease the Zoo premises to SFZS and provide for the management by SFZS of the entire Zoo operation under the terms and conditions set forth herein.

D. The Department believes that, by shifting increases in Zoo operating costs to SFZS, City funds that would otherwise be required for the operation of the Zoo would be available for other City programs. In addition, the Department believes that management of the Zoo by SFZS would increase private contributions in support of the Zoo, such as the Founders Fund described in this Agreement, that would not otherwise be available so long as the Zoo remained under the management of the City. The Department and SFZS believe that this agreement will provide the greatest opportunity for success of the San Francisco Zoo in fulfilling its mission in education, recreation and conservation of wildlife, providing benefit to the citizens of

San Francisco, and developing the San Francisco Zoo as an important civic asset and attraction.

E. The Board of Supervisors of the City and County of San Francisco, on 7 September, 1993, adopted Ordinance No. 278-93 approving the form and substance of this Agreement, which ordinance was approved by the Mayor on 8 Sept., 1993.

F. The goals of the affiliation between City and SFZS as memorialized by this Agreement are to provide for the highest possible welfare of the animals located at the Zoo through the highest quality animal care and the timely renovation and rebuilding of the Zoo facilities, and to provide for public access to the Zoo and for services to serve the public who visit the Zoo, all in accordance with the "Mission and Goals for the San Francisco Zoological Gardens", as adopted by the Commission on July 18, 1991, in its Resolution No. 16165.

G. City desires to lease the land, improvements and personal property described below to SFZS, and to employ SFZS to provide management and supervisory services in the operation of the Zoo, and SFZS desires to accept such lease and provide such services, under the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the mutual promises and undertakings hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

#### AGREEMENT

1. Definitions. As used in this Agreement, the following terms shall have the following meanings:

1.1 "AAZPA" shall mean the American Association of Zoological Parks and Aquariums.

1.2 "Animal Purchase and Exchange Fund" shall mean City's Animal Purchase and Exchange Fund established pursuant to Section 10.187 of City's Administrative Code.

1.3 "Board of Directors" shall mean the Board of Directors of the San Francisco Zoological Society.

1.4 "Board of Supervisors" shall mean the Board of Supervisors of the City and County of San Francisco, State of California.

1.5 "Business Day" shall mean any day on which banks in the State of California are open for business, excluding Saturdays.

1.6 "Charter" shall mean the Charter of the City and County of San Francisco, as it may be amended from time to time.

1.7 "City" shall mean the City and County of San Francisco, State of California, and all of its boards, commissions, departments, agencies and other subdivisions, including the Commission and the Department.

1.8 "Civil Service Employees" shall mean those permanent, full-time City employees subject to and governed by the civil service and other related provisions of the Charter, including those provisions found in Sections 8.300 et seq. of the Charter.

1.9 "Commission" shall mean City's Recreation and Park Commission.

1.10 "Controller" shall mean City's Controller.

1.11 "Department" shall mean City's Department of Recreation and Parks.

1.12 "Fiscal Year" shall mean a 12-month period beginning on July 1 of each calendar year and ending on June 30 of the following calendar year.

1.13 "General Manager" shall mean the General Manager of the Department.

1.14 "Gross Revenue" shall mean all revenues, from whatever source, received by SFZS or City from or in respect of the operation of the Zoo and from any income-generating activity carried on therein, including but not limited to the following: (i) all revenues received from admission fees, concessions and fees and charges for all other services provided to the public at the zoo; (ii) membership fees received by SFZS from its members, limited to the amount of the fee required for all categories of membership in SFZS up to and including the "basic" family membership; (iii) all revenue from pay telephones, vending machines and the selling price of all merchandise sold in, on, about or from the Zoo in the ordinary course of business; provided, however, that, with respect to pay telephone revenue and sales of merchandise by vending machines, only the amount of the commission paid to SFZS on account of such sales shall be included; and (iv) all other charges of any character made by SFZS for the rendering of any service or work of any kind

conducted in, on, about or from the Zoo. Except for "basic" membership fees, as set forth in subsection (ii) above, "Gross Revenue" shall not include contributions, donations, pledges or other gifts made by third parties to SFZS that are not derived directly from the services provided by SFZS at the Zoo.

1.15 "Joint Zoo Committee" shall mean the committee described in Section 16.3 below.

1.16 "Operating Expenses" shall mean all operating and maintenance expenses incurred in the operation of the Zoo, including without limitation the following: (a) salaries, payroll taxes and other payroll expenses; (b) charges for utility services; (c) expenses for repair and maintenance of equipment and furnishings; (d) expenses for Routine Maintenance and Repair and for cleaning of the Zoo, including but not limited to expenses related to the vandalism or other damage to gates, equipment, supplies or the Zoo facility; (e) the cost of supplies and equipment; (f) license and permit fees; (g) the cost of insurance attributable to insuring the Property and insuring SFZS against liability relating to the management and operation of the Zoo; (h) the cost of Worker's Compensation Insurance for employees of SFZS; (i) deductible amounts required under any insurance policies; (j) amounts paid by SFZS in settlement of claims against SFZS that are not paid by insurance carriers; and (k) sales taxes and all other taxes resulting from operation of the Zoo.

1.17 "Personal Property" shall mean the personal property described in Section 3.3 below.

1.18 "Pre-Existing Condition" shall mean any condition of disrepair, structural weakness, latent defect or other fault of any part of the Property, or any non-compliance of any part of the Property with any applicable local, state or federal law, that existed on or before July 1, 1993; provided, however, that a Pre-Existing Condition shall not include (a) the aggravation of any such condition by the action of SFZS or its officers, employees or agents, whether negligent or non-negligent, or (b) any condition of disrepair, structural weakness, latent defect or other fault of any part of any building or other structure that was constructed and continuously managed by SFZS prior to the Effective Date of this Agreement.

1.19 "Premises" shall mean the real property and improvements described in Section 3 below.

1.20 "Property" shall mean the Premises and the Personal Property, collectively.

1.21 "Routine Maintenance and Repairs" shall mean all ordinary maintenance and repair of the Zoo facilities and equipment, and replacement of supplies that are normally performed on a day-to-day, periodic, or routine basis in order to keep such facilities and equipment in a good, clean, efficient and safe condition. "Routine Maintenance and Repairs" shall include such minor improvements to the buildings, structures, equipment and facilities of the Zoo as are necessary in the reasonable discretion of SFZS to improve animal care and management.

1.22 "Zoo" shall mean the zoological gardens and related facilities operated on the Premises, which is the subject of this Agreement.

2. Term of Agreement.

2.1 Term. The term of this Agreement (the "Term") shall be for a period commencing at 12:01 a.m. on the Effective Date (the "Commencement Date"), and expiring at 11:59 p.m., June 30, 1998 (the "Termination Date"), unless sooner terminated as provided herein.

2.2 Automatic Extension of Term; Right to Terminate. The Term of this Agreement shall be automatically extended for successive periods of five (5) years beyond the Termination Date unless either party terminates the Agreement by giving written notice to the other party by November 30 of the final Fiscal Year of the then current 5-year Term of such party's election to terminate. Termination shall be effective immediately upon expiration of the Fiscal Year in which such notice was given. In no event shall the Term of this Agreement as so extended exceed ninety-nine (99) years. Each reference in this Agreement to "Term" shall mean and refer to the five-year Term then in effect, and each reference to "Termination Date" shall mean and refer to the final day of such term.

3. Premises and Personal Property; As Is Condition.

3.1 Leased Premises. Subject to the terms, covenants and conditions set forth in this Agreement, City leases to SFZS and SFZS leases from City approximately sixty-five (65) acres of land and improvements shown on Exhibit "A-1" attached hereto on which the Zoo is currently operated ("Current Zoo Premises"). The Current Zoo Premises and any of the additional premises added pursuant to Section 3.2 below shall be referred to collectively herein as the "Premises".

3.2 Additional Premises. The following property shall be added to the leased premises, and to the definition of "Premises" as used in this Agreement, under the conditions set

forth below, it being the intention of the parties that the Zoo shall ultimately occupy all such property as the Premises:

(a) Fleishhacker Pool Site. At such time as Commission determines that the approximately fifteen (15) acres of land and improvements from the western perimeter of the Current Zoo Premises to the Great Highway and described in more detail in Exhibit "A-2" attached hereto (the "Fleishhacker Pool Site"), should be annexed to the Zoo and used for Zoo purposes, and upon the written agreement of SFZS to accept such land as part of the Premises, the Fleishhacker Pool Site shall be leased to SFZS as part of the leased premises (and added to the definition of "Premises" under this Agreement). City hereby grants to SFZS, until such time as the Fleishhacker Pool Site is added to the Zoo premises pursuant to this Section, a license to use the Fleishhacker Pool Site for vehicle access and parking over those portions of the site that are used by SFZS for such purposes as of the date of this Agreement; provided that any Indemnification of SFZS to City under this Agreement relating to the Premises shall be construed so as to include an Indemnification for Losses relating to those activities and uses carried on by SFZS on the Fleishhacker Pool Site pursuant to such license.

(b) Oceanside Water Pollution Control Plant. At such time as the Oceanside Water Pollution Control Plant currently being constructed on the real property described in Exhibit "A-3" attached hereto (the "Oceanside Premises") is completed in accordance with the "Approved Mitigations, Conditions of Approval and Accepted Joint Use Measures" set forth in the Commission's Resolution No. 15306, adopted March 16, 1989, as determined by the Commission, and upon the written agreement of SFZS to lease such land as part of the Premises on the terms and conditions contained herein, the Oceanside Premises shall be leased to SFZS as part of the leased premises (and added to the definition of "Premises" under this Agreement as of such date).

At such time as the Oceanside Premises are added to the Premises, SFZS agrees to comply with such reasonable restrictions on the use of the Oceanside Premises as may be required by the Commission's Resolution No. 15306 to protect and maintain the underground improvements incorporated into the Oceanside Water Pollution Control Plant.

(c) National Guard Property. At such time as that certain real property currently used by the California National Guard as an armory and described in Exhibit "A-4" attached hereto (the "National Guard Premises"), or any other real property immediately contiguous thereto, becomes available to City for recreational purposes, as determined by the Commission, and upon the written agreement of SFZS to lease such

land as part of the Premises, such National Guard Premises shall be leased to SFZS as part of the leased Premises on the terms and conditions contained herein (and added to the definition of "Premises" under this Agreement as of such date).

The Commission shall use its best efforts to consult with SFZS regarding the progress of and the Commission's intentions regarding the addition of the additional premises described above to the Premises. Notwithstanding any other provision in this Agreement to the contrary, the additional premises set forth above shall not be added to the Premises, nor shall SFZS initiate any improvement to such additional premises, until such time as City has made a determination of the environmental impact of any such improvement, and SFZS has accepted such determination.

3.3 Personal Property. Subject to the terms, covenants and conditions set forth in this Agreement, City leases to SFZS and SFZS leases from City the personal property, vehicles and equipment described in Exhibit "B" attached hereto (the "Personal Property"), and all other personal property owned by City currently located at the Zoo and necessary to the operation and maintenance of the Zoo. City hereby authorizes employees of SFZS to operate any vehicles and other equipment owned by City and leased to SFZS pursuant to and in furtherance of this Agreement, provided that such operation shall be specifically covered by the insurance policies required to be maintained by SFZS under this Agreement. SFZS shall maintain all such Personal Property in good condition and repair, subject to Pre-Existing Conditions, and shall replace with items of similar quality any of the Personal Property that becomes inoperable or unusable and is necessary for the operation of the Zoo in SFZS' reasonable discretion. SFZS shall have the right during the Term of this Agreement to change, replace or remove any logos or other identification markings (other than serial numbers) on any such Personal Property; provided, however, that, as to City-owned passenger vehicles, identification of City ownership approved by the General Manager as to form and location shall be included on such vehicles.

4. Rent. During the Term beginning on the Commencement Date, SFZS shall pay to City annual rent equal to \$1.00 (the "Rent").

5. Management Fee.

5.1 Payment of Management Fee.

5.1.1 Subject to Section 5.1.2 below, as compensation for all of SFZS' services in managing the operation of the Zoo pursuant to this Agreement, and for payment by SFZS of

all Operating Expenses, City shall pay SFZS an annual management fee (the "Management Fee") equal to FOUR MILLION DOLLARS (\$4,000,000.00). The Management Fee shall be paid to SFZS in twelve equal monthly installments on or before the fifteenth (15th) day of each month.

5.1.2 City intends to fund the payment of the Management Fee in each Fiscal Year from a general fund appropriation, which shall be separate and apart from the budget of the Department. The payment of the Management Fee in any Fiscal Year (including any adjustments thereto pursuant to Section 5.2 below) shall also be governed by and subject to the budget and fiscal provisions of the Charter.

5.1.3 As provided in Section 30.15 below, in the first Fiscal Year of the Term of this Agreement, the Management Fee shall be paid by City to SFZS on a prorated basis. In addition, Gross Revenue generated by Zoo operations from July 1, 1993, to the Effective Date, from whatever source, including admission fees collected by the Department and concession revenues and membership fees collected by SFZS, shall be used by the Department and SFZS to fund Zoo Operating Expenses of the current Fiscal Year.

5.2 Adjustment to Management Fee Upon Extension of Term. Upon each extension of the Term of this Agreement as described above, the Management Fee set forth in Section 5.1 above shall be adjusted once to reflect any change in the cumulative amount of wages and benefits paid to all permanent Civil Service Employees then employed at the Zoo as described below; provided, however, that (a) in no event shall the Management Fee as adjusted in accordance with this Section be less in any Fiscal Year after such adjustment than the amount required to be reimbursed by SFZS to City pursuant to Section 6.2 below for such Fiscal Year for the payment of salary and fringe benefits for permanent Civil Service Employees employed at the Zoo, and (b) such adjusted Management Fee shall be subject to the provisions of Section 5.1 of this Agreement.

In making such adjustment to the Management Fee, aggregate, non-overtime wages and benefits paid to permanent Civil Service Employees shall be compared, as of June 30, for the two Fiscal Years most recently ended prior to preparation of the applicable City budget, to determine a percentage change in such wages and benefits (the "Percentage Change in Wages and Benefits"). (By way of example, the adjustment to the Management Fee payable during the first renewal Term would be based upon comparing such wages and benefits, as applicable, in effect as of the end of the third and fourth Fiscal Years of the initial Term hereunder.) Only those Civil Service Employees employed at the Zoo on both such dates shall be considered for purposes of the

foregoing calculation, and appropriate adjustment shall be made in such calculation to the extent that a wage freeze or "catch up" wage increase following a freeze would otherwise distort the calculation. The Management Fee shall then be adjusted upward or downward, as the case may be, by an amount determined by taking only that portion of the Management Fee that equals the amount expended by SFZS in the most recently completed Fiscal Year to reimburse City for the wages and benefits of Civil Service Employees in accordance with Section 6.2 below, and multiplying that portion of the Management Fee by the Percentage Change in Wages and Benefits.

6. Payment to City for Services Rendered.

6.1 Generally. As described below and elsewhere in this Agreement, SFZS shall pay to City the cost of all services provided by City to SFZS under this Agreement and otherwise as requested by SFZS. The payment of all costs for services as set forth below shall be made by SFZS to City within thirty (30) days of receipt by SFZS of a written invoice, and other reasonably required documentation, for such services. SFZS and the Commission shall develop a process to coordinate and document the provision of services by City to SFZS at the Zoo and the payment by SFZS of the costs therefor pursuant to this Section.

6.2 Personnel Costs. SFZS shall pay to City the salary and fringe benefits (including overtime pay when authorized or approved in writing by SFZS, excluding workers' compensation premiums or claims, which shall continue to be paid by City), at the rate for each Civil Service Employee job classification, for all City personnel performing services directly for the Zoo, and requested in advance by SFZS in writing (except in the case of emergency services, which may be authorized orally subject to subsequent written authorization).

6.3 Utilities. Unless such services are to be provided without charge pursuant to separate agreements between SFZS and City, SFZS shall pay to City the cost of all utility services provided to the Zoo in accordance with Section 11 below; provided, however, that (a) if and to the extent that the Department is not charged for water or other utilities used by the Department, there shall be no charge to SFZS for the provision of water or other utilities to the Zoo, and (b) the rate paid by SFZS for such utility services shall not exceed the rate charged to the Department or other City departments for comparable services.

6.4 Miscellaneous Services. SFZS shall pay to City a mutually agreed charge for any other services from time to time requested by SFZS, including without limitation those services listed in Exhibit "C" attached hereto.

7. Use of Premises.

7.1 Permitted Use. SFZS shall use and continuously occupy the Property during the Term solely for the operation of a public zoological gardens and related and incidental purposes in accordance with this Agreement, and for no other purpose.

7.2 Days and Hours of Operation. Except in the case of public disaster or other major emergency, or as otherwise permitted by resolution of the Commission, the Zoo shall remain open 365 days per year, at least seven (7) hours per day, the specific opening and closing times to be set by SFZS.

7.3 No Illegal Uses or Nuisances. SFZS shall not use or occupy any of the Premises, and shall use its reasonable efforts not to permit the use or occupancy thereof, in any unlawful manner or for any illegal purpose, and shall exercise reasonable efforts not to permit to be carried on any activity that would constitute an actionable nuisance under the laws of the State of California. SFZS shall take all reasonable precautions to eliminate any nuisances or hazards relating to its activities on or about the Premises, except as to Pre-Existing Conditions.

8. Management and Supervisory Responsibilities. SFZS is hereby given general authority to manage and supervise the day-to-day operation of the Zoo as an independent contractor and to perform the specific duties hereinafter set forth, subject to the terms and provisions of this Agreement.

9. Permits, Licensing and Accreditation.

9.1 Required Permits, Licenses and Accreditation. Throughout the Term (including any extensions thereof), SFZS shall cause both itself and the Zoo to be at all times (a) accredited in good standing with the AAZPA; and (b) licensed with the United States Department of Agriculture. Any failure on the part of SFZS to comply with this Section shall constitute a material breach of this Agreement.

9.2 Other Licenses and Permits. Attached hereto as Exhibit "D" is a list of all licenses and permits currently held by City in connection with the operation of the Zoo. Subject to any necessary approvals, City hereby agrees to transfer all such licenses and permits to SFZS, and SFZS and City

shall use their best efforts to either have those licenses and permits legally transferred to SFZS or to have them canceled upon SFZS's obtaining replacement permits or licenses in its name if transfer is not possible; provided, however, that certain licenses and permits shall remain in the possession of City and under City's name, and SFZS shall hereby be authorized as the agent of City to perform such services under such licenses and permits as are required in the operation of the Zoo to the extent permitted by applicable law, if (a) such licenses or permits are required to be held by a governmental entity and/or owner of the Premises, or (b) it is more cost effective for such licenses or permits to remain with City. Upon any termination of this Agreement for any reason, SFZS shall transfer all licenses and permits listed on Exhibit "D" back to City and SFZS shall use its best efforts to assist City with the documentation of any such transfer or reapplication for any such permit or license to be held in City's name after such termination.

10. Capital Improvements and Alterations.

10.1 Improvements and Alterations, Generally.

Subject to Section 10.2 below and the requirements of the Charter, SFZS may make such capital improvements and alterations to the Premises and the Zoo facilities as SFZS shall determine in its reasonable discretion are necessary to operate the Zoo, all in accordance with the "Zoo 2000 Master Plan" as approved by the Commission and SFZS (subject to subsequent modification and amendment); provided, however, that, other than Routine Maintenance and Repairs or any capital expenditure of \$50,000 or less, SFZS shall not make any expenditure of funds for a capital improvement or alteration to the Premises or Zoo facilities without passage by the Commission of a Resolution specifically approving such expenditure.

Prior to making any alterations or capital improvements to the Premises pursuant to this Section, SFZS shall submit preliminary plans for such alterations or improvements to the Commission for its review and, to the extent required under the preceding paragraph, approval. Upon completion of any such project, SFZS shall provide copies of the final as-built plans and specifications to the Department. Any alterations or capital improvements made by SFZS to or on the Premises shall comply with any and all applicable local, state and federal laws, rules and regulations, and SFZS shall obtain any required permits for such alterations and capital improvements, at its expense.

Notwithstanding any other provision in this Agreement to the contrary, SFZS shall not make any alteration or improvement to the Premises that may require the approval of the California Office of Statewide Health Planning and Development (OSHPD), or which may involve "asbestos-related work" as defined

in Section 25914.1 of the California Health and Safety Code, without the prior written approval of the Commission. Any capital improvements or alterations involving "asbestos-related work" as defined above shall be performed in accordance with the applicable provisions of state law, and SFZS shall post all warning notices required for asbestos-related work required under Section 25916 of the California Health and Safety Code.

10.2 Prohibited Capital Improvements and Alterations. SFZS shall not under any condition, without the express authorization of the Commission after passage of a Resolution, (a) make any capital improvement or alteration to the Property or the Zoo facilities not in conformance with the City's Master Plan, (b) make any capital improvement or alteration to the Property or the Zoo facilities that is subject to the approval of a City department, commission or agency, when such approval has not been obtained, or (c) demolish or substantially alter any building on the Premises that has been designated as a local, state or federal historic landmark.

10.3 Title to Improvements. Except as otherwise provided in this Agreement, all appurtenances, fixtures, improvements, equipment, additions and other property attached to or installed in the Premises during the Term shall be and remain the property of City and shall not be removed by SFZS.

10.4 SFZS's Personal Property. All furniture, furnishings and articles of movable personal property installed in the Premises by or for the account of SFZS, without expense to City, and which can be removed without structural or other material damage to the Building (all of which are herein called "SFZS' Property") shall be and remain the property of SFZS and may be removed by it subject to the provisions of Section 24. At least ten (10) days prior to delinquency, SFZS shall pay all taxes levied or assessed upon SFZS's Property and shall deliver satisfactory evidence of such payment to City.

## 11. Utilities and Services.

11.1 Utilities and Services. City hereby agrees to furnish, or cause to be furnished, to the Premises the utilities and services (the "Furnished Utilities") specified in Exhibit "E" attached hereto; provided that SFZS shall pay the cost of such utilities as provided in Section 6 above. Except as provided above, SFZS shall furnish, at its cost, any other utilities or services necessary or appropriate for the operation of the Zoo in accordance with this Agreement.

11.2 Maintenance of Utilities. City hereby agrees to maintain, repair and replace as necessary the lines and equipment serving the Furnished Utilities only up to the point at

which such utilities are metered on the Premises (the "Metering Points"). Except for such work as is anticipated to be completed in accordance with Section 11.4 below or may be required of the San Francisco Clean Water Program in furtherance of the operation of the Oceanside Water Pollution Control Plant or to install or maintain an alternate source of water supply to the Zoo in accordance with Section 11.5 below, SFZS shall have the responsibility and obligation to maintain, repair and replace as necessary the lines and equipment serving the Furnished Utilities after the Metering Points for such utilities. The Department shall cooperate with SFZS in processing any applicable manufacturer's or contractor's warranty claims for any damage or required maintenance or repair to any utility serving the Premises.

11.3 Cost of Furnished Utilities. Subject to the provisions of Sections 6.3 and 11.5.2, City hereby agrees that any charges levied shall be paid by SFZS for the Furnished Utilities at the rate customarily charged by City to other facilities owned by City and operated by the Department.

11.4 Completion of Infrastructure Repairs. City agrees to expend a portion of the proceeds of certain general obligation bonds authorized by the voters prior to the date of this Agreement, if and when such bonds are issued and funds therefrom appropriated by City, for certain subsurface and infrastructure work on the Premises, the scope and an approximate schedule of which is attached hereto as Exhibit "F". However, no guarantee is hereby made that any such bonds will be issued, or that any proceeds of such bonds will be appropriated and expended for any particular purpose. SFZS shall not be required to reimburse City for the cost of any subsurface or infrastructure work performed on the Premises the costs of which are paid by such bonds.

#### 11.5 Water Supply.

11.5.1 Alternative Water Sources. SFZS acknowledges and agrees that the water supply to the Premises for certain limited purposes, such as irrigation, animal exhibit cleaning and animal drinking, may be provided through such alternative sources as reclaimed waste-water or well-water in such amounts and at such times as may be determined by City; provided, however, that any such alternative source of water shall be of adequate quantity and quality for the particular purpose, and shall comply with any applicable local, state or federal standards for the particular use, and with any requirements imposed by the AAZPA or United States Department of Agriculture with respect to water used in zoological gardens.

11.5.2 Water Wells. SFZS acknowledges and agrees that (a) any water wells currently or in the future in place on the Premises shall remain under the exclusive control and jurisdiction of City, (b) any such wells may be capped by City at any time in City's discretion, or the water from any such wells may be diverted from the Premises for use outside of the Premises at City's discretion, provided that SFZS shall continue to be provided water of comparable quantity and quality at no additional cost, and (c) that City may, at its discretion, sink additional water wells on the Premises, provided that SFZS shall be consulted prior to the sinking of such wells, and that the placement and operation of such wells shall not materially impair SFZS' ability to operate or manage the Zoo pursuant to the terms of this Agreement. The City shall maintain the water wells and related pump facilities at its expense.

11.6 Emergency Services. In the event of a natural disaster or other life-threatening public emergency, City shall use its reasonable efforts, consistent with City's police powers, to make such emergency repairs as shall be required on the Premises to avert or minimize harm or injury to persons, animals or property on the Premises, as determined by City in its reasonable discretion. The costs of any such services that are beyond the scope of services customarily provided by City to the public shall be reimbursed by SFZS to City based upon the cost of such services that City would normally charge to City Departments.

## 12. Zoo Animals.

12.1 Ownership of Animals. Except those animals under loan from other institutions or governmental entities, all animals currently and in the future exhibited, housed or otherwise kept or cared for on the Premises (collectively, the "Zoo Animals"), shall be and remain the sole property of City.

12.2 Care of Animals. SFZS shall care for all Zoo Animals; provided, however, that such animal care shall be provided in accordance with all federal, state and local laws and regulations, and in accordance with the policies and guidelines adopted by the AAZPA.

12.3 Sale and Purchase of Animals. Subject to the conditions set forth below, SFZS shall have the authority to sell or otherwise acquire or dispose of Zoo Animals in the course of SFZS' operation of the Zoo:

(a) The purchase, sale or other disposition of Zoo Animals shall be made in strict accordance with (i) all applicable federal, state or local laws, regulations and policies, (ii) the guidelines and policies of the AAZPA, and

(iii) the "Animal Acquisition and Disposition Policy" adopted by the Commission, as it may be supplemented in consultation with SFZS;

(b) Subject to the fiscal provisions of the Charter, City shall appropriate to SFZS each Fiscal Year the full amount held in the Animal Purchase and Exchange Fund, or such other funds that may be established for the purpose of animal purchases at the Zoo (including without limitation those funds referred to in Section 15.8), for expenditure by SFZS for the purchase of animals in accordance with this Section;

(c) SFZS may also purchase Zoo Animals using funds other than those identified in subsection (b) of this Section 12.3, provided that such animals shall become the property of City; and.

(d) Unless otherwise approved by Resolution of the Commission, all cash proceeds of any sale or other disposition of Zoo Animals shall be immediately deposited by SFZS upon their receipt into the Animal Purchase and Exchange Fund or other segregated fund established by SFZS; provided, however, that (i) expenditures from any such other fund must be specifically restricted to animal purchases and may not be used for any other operating or capital expense at the Zoo, and (ii) all amounts in such other fund shall be held in trust by SFZS for the benefit of City and shall be transferred to the Animal Purchase and Exchange Fund immediately upon the expiration or sooner termination of this Agreement.

12.4 Golden Gate Park Bison Exhibit. As part of its obligations under this Agreement, SFZS shall provide animal and veterinary care to the bison and consultation regarding capital improvements to the bison exhibit located within Golden Gate Park as the Department shall reasonably request from time-to-time. The Department expects that City will expend a portion of the proceeds of certain general obligation bonds authorized by the voters prior to the date of this Agreement, if and when such bonds are issued by City, for certain improvements to the bison exhibit at Golden Gate Park. However, no guarantee is hereby made that any such bonds will be issued, or that any proceeds of such bonds will be used for any particular purpose.

12.5 Other Park Facilities. SFZS shall provide veterinary care services as may be reasonably requested by the Department for animals at the Randall Museum and other park facilities.

12.6 San Bruno Jail Bison. SFZS shall provide animal and veterinary care for the bison herd located at the San Bruno Jail facilities in accordance with USDA requirements until such time as responsibility for such care shall be transferred from the Department to City's Sheriff's Department, or until the herd shall be sold in accordance with Zoo policy.

13. Maintenance.

13.1 Generally. SFZS shall maintain the Zoo in a clean, safe, sanitary and sightly condition, and as necessary to maintain all licenses and accreditations in accordance with Section 9 above; provided, however, that such obligation shall not, except as specifically set forth herein, require SFZS to repair or otherwise remedy a Pre-Existing Condition. SFZS shall employ sufficient personnel, or show evidence satisfactory to City of personal service contracts which provide such personnel, to perform the maintenance and repair work in a prompt and efficient manner in order to keep the Zoo premises at all times in an operating condition that is clean, safe and attractive.

13.2 Contractor Insurance. Each party hereto shall provide evidence acceptable to the other that any contractor engaged by a party to perform work on the Premises maintain insurance in amounts, on policies of coverage and offered by companies satisfactory to City and SFZS, including but not limited to Worker's Compensation Insurance (including Employers' Liability Insurance) and insurance against liability for injury to persons and property arising out of all such contractor's operations, and the use of owned, non-owned or hired automotive equipment in the pursuit of all such operations.

14. Staffing and Employees.

14.1 Generally. Except as provided below, and except for the employees of contractors under agreement with SFZS for the provision of services to the Zoo, all personnel engaged in the Zoo operation shall be employees of SFZS subject to its sole supervision, direction and control, and under no circumstances shall they be considered employees of the City. Except as otherwise provided herein, SFZS shall have the exclusive right to hire and discharge its employees and to fix rates of compensation. SFZS shall control and supervise the conduct, demeanor and appearance of its employees and shall train its employees to render a high degree of courteous and efficient service to the public. SFZS shall comply with all applicable federal, state and local laws, ordinances and regulations pertaining to all employees at the Zoo.

14.2 Civil Service Employees. SFZS acknowledges and agrees that the permanent Civil Service Employees employed at

the Zoo as of the date of this Agreement, as listed on Exhibit "G-1" attached hereto, may remain employees of City assigned to the Zoo, whose employment shall be governed by the terms and conditions of (a) the labor agreements included within the "Concepts for Expanded Partnership Lease Agreement" as approved by the Board of Supervisors and as such agreements are set forth in Exhibit "G-2" attached hereto, and (b) the applicable union contracts or memoranda of understanding, as applicable to such Civil Service Employees, listed in the schedule attached hereto as Exhibit "G-3" (Exhibits G-2 and G-3 collectively, and as the same may hereafter be amended or superseded, the "Civil Service Employee Agreements"). Any amendments to the terms of the Civil Service Employee Agreements shall not alter any of the other provisions of this Agreement. To the extent consistent with applicable law, SFZS shall be consulted in any negotiations regarding the employment conditions of Civil Service Employees, including any negotiations that might result in an amendment to any of the Civil Service Employee Agreements.

All Civil Service Employees assigned to the Zoo pursuant to this Section shall remain subject to the civil service provisions of the Charter (including without limitation Sections 8.300 et seq.) and the applicable rules of City's Civil Service Commission; provided, however, that (a) City hereby authorizes SFZS to supervise such Civil Service Employees in the performance of their jobs at the Zoo and to direct the work force, organize the services provided, determine the methods, means and personnel by which Zoo operations are to be conducted, establish and/or revise performance levels, standards or norms, prepare work schedules, measure employees' performance, recommend discipline for employees who perform at less than acceptable levels, and promulgate reasonable rules and regulations pertaining to Zoo employees; and (b) SFZS shall have the right to request the Department to petition City's Civil Service Commission to effect a change in job classification or title of Civil Service Employees in accordance with the Charter. Positions of current Civil Service Employees assigned to the Zoo that become vacant for any reason, including but not limited to resignation, termination, reassignment or retirement, shall not be filled by City employees subject to Civil Service provisions. With respect to the discipline of Civil Service Employees, the Department acknowledges that it shall continue to abide by its Uniform Disciplinary Procedure as adopted by the Department in September, 1986, and any amendments or modifications the Commission shall make thereto.

14.3 Zoo Director and Chief Veterinarian. The Zoo Director and Chief Veterinarian of the Zoo shall be appointed and removed in accordance with Charter Section 3.551; provided, however, that (a) the General Manager and the Commission shall

consult with SFZS in good faith regarding the appointment or removal of the Zoo Director and the Chief Veterinarian, (b) the Zoo Director and the Chief Veterinarian shall be employees of SFZS throughout the Term of this Agreement, and (c) SFZS shall have the right to terminate this Agreement upon written notice to City that SFZS does not approve of the termination or appointment of a Zoo Director or Chief Veterinarian (provided that before such termination by SFZS becomes effective, City, acting through the General Manager, shall have a reasonable period of time necessary to exercise due process to make a decision and obtain Commission approval regarding the removal or appointment, as the case may be, of a Zoo Director or Chief Veterinarian acceptable to SFZS). In the event Charter Section 3.551 is amended after the Effective Date of this Agreement, this Section shall be construed to be consistent with such Section as amended.

14.4 Payroll and Taxation. SFZS shall make or cause to be made all necessary payroll deductions for disability and unemployment insurance, social security, withholding taxes and other applicable taxes, and prepare, maintain and file or cause to be filed all necessary reports with respect to such taxes or deductions, and all other necessary statements and reports pertaining to labor employed by SFZS in or about the Zoo (other than the Civil Service Employees).

14.5 Independent Contractor; Payment of Taxes and Other Expenses. In the event City or a state or federal taxing authority, determines that SFZS or any of its employees (other than the Civil Service Employees) is an employee of the City for purposes of collection of any employment taxes, the amounts payable to SFZS under this Agreement shall be reduced by an amount (the "Tax Liability") equal to both the employee and employer portions of the amount due to such taxing authority pursuant to that determination (offsetting any credits for amounts already paid by SFZS that can be applied against such tax liability). The City shall then forward the Tax Liability to the relevant taxing authority. In the event a relevant taxing authority determines that a Tax Liability exists for past services performed by SFZS or its employees under this Agreement, upon notification of such determination by City, SFZS shall promptly remit such Tax Liability to the Controller. If such Tax Liability is not promptly remitted, the Controller shall cause the amount of such Tax Liability to be withheld from future payments due to SFZS under this Agreement (offsetting any amounts already paid by SFZS that can be applied as a credit against such Tax Liability). A determination of employment status pursuant to this Section shall be solely for the purposes of the particular tax in question, and for all other purposes of this Agreement, SFZS and its employees shall not be considered employees of the City. Notwithstanding the foregoing, should any court, arbitrator, or administrative authority determine that SFZS or

any of its employees is an employee of the City, then the Controller shall reduce the amount owed to SFZS under this Agreement pursuant to principles similar to those stated in the foregoing sentences of this Section so that the total expenses of the City under this Agreement shall not be greater than they would have been had the court, arbitrator, or administrative authority determined that SFZS and its employees were not employees of the City.

15. Fiscal Matters.

15.1 Founders' Fund. SFZS agrees to establish a "Founders' Fund" and to provide from private sources a minimum of \$10,000,000 within the first five (5) years of the Term of this Agreement to be deposited into such fund. All amounts deposited into the Founders' Fund shall be expended approximately as follows: \$5,000,000 shall be used to fund Zoo capital improvements; \$2,000,000 shall be used to fund Zoo Operating Expenses; and \$3,000,000 shall be used to increase the SFZS Endowment Fund. SFZS shall have the right to increase allocation of undesignated funds to capital improvements or Zoo Operating Expenses, and decrease allocation to the Endowment Fund, to meet the immediate needs of the Zoo. Should SFZS have raised less than \$10,000,000 for the Founders' Fund as of the Effective Date of this Agreement, SFZS shall agree to provide a minimum of \$8,150,000 in cash and pledges by such date, approximately \$5,000,000 of which shall be used for capital improvements, \$2,000,000 for Zoo Operating Expenses, and the balance for the Endowment Fund.

15.2 Capital Campaign. SFZS shall use its reasonable efforts to initiate and complete a fund-raising campaign in a minimum amount of \$25,000,000 to finance the construction of capital improvements at the Zoo in accordance with the terms of this Agreement.

15.3 SFZS Revenue; Payment of Expenses. SFZS shall collect a minimum of \$7,000,000 annually in revenue from Zoo operations and contributions to SFZS from other sources (excluding the Management Fee payable hereunder), all of which revenue shall be expended by SFZS on Operating Expenses, capital improvements at the Zoo and other Zoo purposes. All Operating Expenses shall be the obligation of SFZS and shall be paid by SFZS promptly when due. All revenue collected by SFZS at the Zoo, including without limitation fees and receipts from admission, concessions, souvenirs and other services offered by SFZS to the public at the Zoo, and all contributions collected by SFZS from any other source, shall be expended or invested by SFZS exclusively for Zoo purposes.

15.4 Bond Issuances. City shall use its reasonable efforts to place before the voters during the initial Term of this Agreement, in accordance with the Charter, a measure calling for the issuance of general obligation bonds or other acceptable method of public financing in an aggregate amount of at least \$25,000,000 to finance capital improvements at the Zoo, including a new front Zoo entrance, new animal exhibits and such other facilities as City and SFZS may reasonably agree; provided, however, that (a) nothing in this Agreement shall limit the authority of the Board of Supervisors to determine whether or not to place such a bond issuance measure before the electorate in any year, and (b) in the event such bonds are authorized by the voters, no guarantee is hereby made that any such bonds will be issued, or that any proceeds of such bonds will be used for any particular purpose. Except as explicitly set forth in this Agreement, in the event such a general obligation bond issuance measure is not placed on the ballot, or such a measure is not approved by the requisite majority of the voters, City shall not be required to contribute any funds to SFZS or the Zoo operations in excess of the Management Fee required under this Agreement.

15.5 Miscellaneous Fees and Prices. Except for fees for general admission to the Zoo, as set forth in Section 15.7 below, and subject to Joint Zoo Committee review as provided in Section 16.3 below, SFZS shall have the authority to set the amount of all prices and fees for services rendered or sales made to the public or otherwise at the Zoo, including without limitation food and drink concessions, tram or other vehicle rides, souvenirs, parking, special exhibits and other special events.

15.6 Admission Fees and Gate Receipts. The Commission shall have the right to approve the fees charged by SFZS for admission to the Zoo; provided, however, that (a) SFZS shall notify the Commission of a proposed change to the admission fees at least ninety (90) days prior to the proposed effective date of such change; and (b) the proposed fee change shall not become effective without an approving Resolution of the Commission, which approval shall not be unreasonably withheld. The Commission's decision to approve or disapprove of any proposed change to the admission fees at the Zoo shall be made in consideration of the following and other relevant factors: Admission fees at comparable zoos in other locations; admission fees at other City facilities open to the general public; the level of Operating Expenses at the Zoo; changes to the Consumer Price Index Urban Wage Earners and Clerical Workers (base years 1982-1984 = 100) for San Francisco-Oakland-San Jose area as published by the United States Department of Labor; and factors affecting labor costs at the Zoo, including without limitation agreements with labor unions and City's Civil Service rules and ordinances.

15.7 Solicitation of Private and Public Funding. SFZS shall (a) use its best efforts to (i) actively solicit private support for SFZS through membership fees and charitable contributions and (ii) actively solicit federal, state or local grants or other funds to support the operation and purposes of the Zoo; and (b) except as otherwise approved in writing by the Commission, apply all funds contributed to it as membership fees, charitable donations, public grants or loans, or any other sources, to the Operating Expenses, capital improvements at the Zoo and other Zoo purposes in accordance with this Agreement, and to the administrative and operating expenses of SFZS. City hereby agrees to use its reasonable efforts to assist SFZS in the solicitation of federal and state grants or other sources of public funding to support the operation of the Zoo.

15.8 Capital Improvement Funds. City hereby agrees that all City funds that have been, are currently, or are in the future explicitly and specifically dedicated to the maintenance or improvement of the Zoo, as determined by City in its reasonable discretion, including without limitation those funds established within the Department's budget known as the Zoo Gift Fund and the Augostoff L. Honore Fund, bond issues, bequests and other charitable gifts, shall be made available to SFZS for its use in maintaining and improving the Zoo facilities; provided, however, that (a) such funds shall be used by SFZS consistent with the designated purposes and conditions of such funds, as determined by City in its sole discretion, and (b) no guarantee is hereby made that the proceeds of any bonds will be used for any particular purpose. Without limiting the foregoing, City may advance such funds to SFZS with respect to infrastructure or Clean Water Program work as referred to in Sections 11.2 and 11.4 above to the extent elements of such work may be incorporated in other capital improvements being undertaken by SFZS.

15.9 Annual Budget and Report. Within thirty (30) days of the mutual execution of this Agreement, and on or before May 1 of each year throughout the Term of this Agreement, SFZS shall, at its sole expense, prepare and submit to the Commission for its review an annual report and budget (the "Budget") setting forth a summary of the operations of the Zoo and the services provided by SFZS at the Zoo, and the estimated Gross Revenues, Operating Expenses and capital expenses of the Zoo for the following Fiscal Year (or, in the case of the initial Budget, for the first such Fiscal Year of this Agreement). The Commission may, at its discretion, provide comments or suggestions to SFZS on a submitted budget. In addition, the Commission shall have the right to disapprove the Budget in the event the Commission determines that the Management Fee or other Gross Revenues are projected to be expended for purposes inconsistent with the requirements of this Agreement. If the

Commission disapproves a Budget pursuant to the preceding sentence and SFZS fails to resubmit a Budget acceptable to the Commission within sixty (60) days of such disapproval, such event shall constitute an "Event of Default" under Section 22.1 below.

15.10 Annual Accounting. Within thirty (30) days after the end of each Fiscal Year, SFZS shall arrange for an audit of its books and records by an independent, certified public accountant approved by the Controller, which audit shall be conducted at SFZS's sole cost and expense and shall cover the previous Fiscal Year. SFZS shall deliver to the Commission for its acceptance an original, signed copy of each such annual audit, by the earlier of (a) thirty (30) days after the completion of such audit or (b) 120 days after the end of the Fiscal Year covered by such audit.

15.11 Books and Records; Audits. SFZS shall establish and maintain at the Zoo books, records and systems of account relating to the Zoo's Gross Revenue, Operating Expenses and the Founders' Fund in accordance with good accounting practices. These books, records and systems of account shall be retained by SFZS during the Term and shall be available at all reasonable times, with or without notice, for inspection and audit by City or its agents. Such books, records and systems of account shall be retained by SFZS in accordance with generally accepted accounting practices, and, upon termination of this Agreement, all retained books, records and systems of account shall be delivered to the Controller.

## 16. Public Access and Open Government Provisions.

16.1 Generally. SFZS agrees to operate the Zoo with the goal of providing the widest possible access of the Zoo to the general public, at an affordable cost. In furtherance of that goal, SFZS agrees to retain the policy of providing free access to the Zoo on certain days, of providing free admission to the Zoo for school groups, and to pursue other options for ease of access to the Zoo and special services at the Zoo for children, seniors, the disabled and disadvantaged groups. These policies may be revised from time to time in accordance with Commission policies applicable to other City facilities managed by the Department.

16.2 Public Access to Records and Information. SFZS shall provide public access to information concerning the operation of the Zoo to the same extent that such information would have been available to the public pursuant to local ordinances if the Department had continued to operate the Zoo in the same manner as it did prior to the date of this Agreement. In addition, SFZS shall comply with all state and federal laws, rules and regulations that govern access by the public to records

and information, including without limitation the California Public Records Act (California Government Code Secs. 6250 et seq.). Without limiting the foregoing, SFZS further agrees that (a) minutes shall be taken at each meeting of its Board of Directors, and that the minutes of those meetings shall be considered public documents available for public inspection in accordance with the Public Records Act, and (b) all information concerning the status of all animals exhibited or otherwise housed or cared for at the Zoo shall be deemed public information subject to public inspection under the Public Records Act.

16.3 Joint Zoo Committee. City and SFZS hereby agree that the standing committee known as the "Joint Zoo Committee" shall be maintained throughout the Term of this Agreement, which committee shall consist of three (3) members of the Commission and three (3) members of the Board of Directors (chosen at the discretion of the Commission and the Board of Directors, respectively). The Joint Zoo Committee shall hold regular, public meetings at least eleven (11) times per calendar year to discuss and hear public testimony regarding major policies affecting the Zoo, including without limitation the setting of fees, new animal exhibits, animal acquisition and disposition policies, land use, and capital and operating budgets. The Joint Zoo Committee shall be an advisory committee and shall not have any legislative authority not specifically granted to it by this Agreement.

16.4 Designated Positions of Board of Directors. SFZS hereby agrees that two (2) positions on its Board of Directors shall be held by community representatives who shall at all times be held by residents of San Francisco who are neither employees nor officers of City nor of SFZS.

17. Insurance.

17.1 Required Insurance. Subject to approval by the City's Risk Manager of the insurers and policy forms, SFZS shall place and maintain throughout the Term of this Agreement and pay the cost thereof as part of the Operating Expenses, the following insurance policies:

(a) Comprehensive general liability insurance with limits not less than \$5,000,000 each occurrence, combined single limit for bodily injury and property damage, or in such greater amount and limits as City may reasonably require from time to time (subject to availability at commercially reasonable rates), including coverage for contractual liability (including coverage for the indemnity by SFZS contained in Section 21 below), fire damage legal liability (of not less than Two Hundred Fifty Thousand Dollars (\$250,000)), bodily injury and

broadform property damage. Any deductible under such policy shall not exceed \$10,000 for each occurrence.

(b) Comprehensive automobile liability insurance with limits not less than \$1,000,000 for each occurrence combined single limit for bodily injury and property damage, including coverage for owned, non-owned and hired automobiles, as applicable. Any deductible under such policy shall not exceed \$10,000 for each occurrence.

(c) Workers' Compensation Insurance, including Employers' Liability, with limits not less than \$1,000,000 for each accident, covering all employees employed by SFZS (excluding Civil Service Employees) in or about the Zoo to provide statutory benefits as required by the laws of the State of California. Said policy shall be endorsed to provide that the insurer waives all rights of subrogation against City.

(d) Errors and omissions coverage for SFZS officers and members of its Board of Directors, with a policy limit not less than \$1,000,000.

(e) Malpractice liability insurance covering the Chief Veterinarian, in the same general form and amount as that in effect on the Commencement Date.

(f) Commercial crime insurance, including Employee Dishonesty, Loss Inside/Outside and Depositors Forgery coverage, in the same general forms and amounts as that in effect on the Commencement Date.

## 17.2 Miscellaneous Insurance Matters.

17.2.1 Should any of the required insurance be provided under a claims-made form, SFZS shall maintain such coverage continuously throughout the Term hereof and, without lapse, for a period of three (3) years beyond the expiration or termination of this Agreement, to the effect that, should occurrences during the Term give rise to claims made after expiration or termination of this Agreement, such claims shall be covered by such claims-made policies.

17.2.2 Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit of less than \$10,000,000 or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general aggregate limit shall double the occurrence or claims limits specified above.

17.2.3 All insurance policies obtained pursuant to this Section shall be written or endorsed to provide:

(a) Name as additional insured the City and County of San Francisco, its officers, agents and employees, to the extent of losses as to which SFZS has Indemnified City under Section 21 below;

(b) That thirty (30) days written notice of cancellation, non-renewal or reduction in coverage or limits shall be given to the General Manager in the manner and at the addresses specified below; and

(c) That such policies are primary insurance to any other insurance available to the additional insureds, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought.

17.2.4 SFZS shall deliver to City certificates of insurance in form and with insurers satisfactory to City, evidencing the coverages required hereunder, on or before the Commencement Date, together with complete copies of the policies promptly upon City's request, and SFZS shall provide City with certificates or policies thereafter at least thirty (30) days before the expiration dates of expiring policies. In the event SFZS shall fail to procure such insurance, or to deliver such policies or certificates, City may, at its option, procure the same for the account of SFZS, and the cost thereof shall be deducted from the Management Fee payable to SFZS by City; provided, however, that City shall not be entitled to procure such insurance for the account of SFZS unless City shall have given SFZS thirty (30) days' prior written notice of its intention to do so, and during such time SFZS shall not have procured such insurance for its own account in accordance with the terms of this Agreement.

17.2.5 SFZS and City shall periodically review the limits and types of insurance carried pursuant to this Section. If the general commercial practice in the City and County of San Francisco is to carry liability insurance in an amount or coverage materially greater than the amount or coverage then being carried by SFZS with respect to risks comparable to those associated with the Property, then the amounts or coverages carried by SFZS shall be increased to conform to such general commercial practice, so long as such increased coverage is available at commercially reasonable rates.

17.2.6 SFZS's compliance with the provisions of this Section shall in no way relieve or decrease SFZS's liability under any indemnity contained in any other provision of this Agreement.

17.2.7 SFZS shall comply with the provisions of any insurance policy covering SFZS or the City, and with any notices, recommendations or directions issued by any insurer under such insurance policies so as not to adversely affect the insurance coverage.

17.2.8 Notwithstanding anything to the contrary contained herein, to the extent permitted by their respective policies of insurance and to the extent of insurance proceeds received with respect to the loss, City and SFZS each hereby waive any right of recovery against the other party and against any other party maintaining a policy of insurance with respect to the Property or any portion thereof or the contents of any of the same, for any loss or damage maintained by such other party with respect to the Property or any portion thereof or the contents of the same or any operation therein, whether or not such loss is caused by the fault or negligence of such other party. If any policy of insurance relating to the Premises carried by SFZS does not permit the foregoing waiver or if the coverage under any such policy would be invalidated as a result of such waiver, SFZS shall, if possible, obtain from the insurer under such policy a waiver of all rights of subrogation the insurer might have against City or any other party maintaining a policy of insurance covering the same loss, in connection with any claim, loss or damage covered by such policy.

18. Representations and Warranties. SFZS hereby represents and warrants to City and covenants as follows:

18.1 Experience. SFZS is experienced in the operation and management of zoological gardens and hereby agrees to apply its best efforts and most efficient methods in the operations and management of the Zoo.

18.2 Formation. SFZS is a non-profit corporation duly incorporated, validly existing and in good standing under the laws of the State of California. SFZS shall at all times during the Term of this Agreement maintain its tax-exempt status under Sections 501(c)(3) of the Internal Revenue Code.

18.3 Authority. SFZS has full power and authority (corporate or otherwise) to enter into this Agreement and to consummate the transactions contemplated by it. This Agreement has been duly authorized by all necessary action on the part of SFZS and no other corporate or other action on the part of SFZS is necessary to authorize the execution and delivery of this Agreement.

18.4 Management and Organization. SFZS is and shall at all times during the Term of this Agreement be managed and organized to provide managerial capacity and skills, and a

broad representation of the San Francisco community, necessary in City's reasonable discretion to carry out the terms of this Agreement.

18.5 Conflicts and Consents. The execution and delivery by SFZS of this Agreement and the performance by SFZS of the transactions contemplated in it will not violate any federal, state or local law, rule or regulation, or conflict with or result in any breach or violation of, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or constitute an event or condition that would permit termination or acceleration of the maturity of, the Articles of Incorporation, bylaws or partnership agreement of SFZS (as applicable) or any indenture, mortgage, lease, agreement or other instrument or obligation to which SFZS is a party or by which it may be bound which would materially adversely affect the ability of SFZS to perform its obligations under this Agreement. No approval, authorization, consent or other order or action of, or filing or registration with, any person, entity or governmental authority is required for the execution and delivery by SFZS of this Agreement.

18.6 Conflict with Orders, etc. The execution and delivery by SFZS of this Agreement will not conflict with any order, judgment or decree of any court, government, government agency or instrumentality, whether entered pursuant to consent or otherwise, by which SFZS may be bound or affected.

18.7 Litigation. There is no litigation, action, arbitration, grievance, administrative proceeding, suit or claim filed and pending, nor is there any investigation by a governmental agency of SFZS or any of its affiliates that, if adversely decided, could have a material adverse impact on SFZS's ability to perform its obligations under this Agreement.

19. Force Majeure. As used herein, the term "Force Majeure" with respect to a delay in performance shall mean any delay that is attributable to (1) any strike, lockout or other labor or industrial disturbance (whether or not on the part of the employees of either party hereto), civil disturbance, future order claiming jurisdiction, act of the public enemy, war, riot, sabotage, blockade, embargo, inability to secure customary materials, supplies or labor through ordinary sources by reason of regulation or order of any government or regulatory body; (2) any changes in any applicable laws or the interpretation thereof; or (3) any lightning, earthquake, fire, storm, hurricane, tornado, flood, washout, explosion, or any other cause beyond the reasonable control of the party from whom performance is required, or any of its contractors or other representatives. Any prevention, delay or stoppage in a party's performance hereunder due to Force Majeure shall excuse the performance of

the party affected for a period of time equal to any such prevention, delay or stoppage; provided, however, that during the period of any such delay or stoppage, the party whose performance hereunder is excused shall take all reasonable steps necessary to minimize the length of such delay or stoppage.

20. Limitation on City's Liability. City shall not be responsible for or liable to SFZS, and SFZS hereby waives all claims against City and its agents and releases City and its agents from, all claims for any injury, loss or damage to any person or property in or about the Property by or from any cause whatsoever (other than the negligence or willful misconduct of City and its agents, or any Civil Service Employee, or as otherwise provided in Section 21.1 below) including, without limitation, theft; burst, stopped or leaking water, gas, sewer or steam pipes; or gas, fire, oil or electricity in, on or about the Property.

21. Indemnities.

21.1 Definitions. For purposes of this Section, "Indemnify" shall mean, whenever this Section requires an entity (the "Indemnitor") to Indemnify any other entity or person (the "Indemnitee"), the Indemnitor shall be obligated to defend, indemnify and protect the Indemnitee, its officers, employees, agents, stockholders, constituent partners, and members of its boards and commissions harmless from and against any and all Losses (as defined below) arising directly or indirectly, in whole or in part, out of the act, omission, event, occurrence or condition with respect to which the Indemnitor is required to Indemnify such Indemnitee, whether such act, omission, event, occurrence or condition is caused by the Indemnitor or its agents or employees; provided that no Indemnitor shall be obligated to Indemnify any Indemnitee against any Loss from the negligence or intentional wrongful acts or omissions of such Indemnitee, or such Indemnitee's agents, employees or contractors. If a Loss is attributable partially to the negligent or intentionally wrongful acts or omissions of the Indemnitee (or its agents, employees or contractors), such Indemnitee shall be entitled to Indemnification for that part of the Loss not attributable to such Indemnitee's (or its agents, employees or contractors) negligent or intentionally wrongful acts or omissions.

Also for purposes of this Section, "Losses" shall mean any and all claims, demands, losses, damages, liens, liabilities, injuries, deaths, penalties, fines, lawsuits and other proceedings, judgments and awards rendered therein, and costs and expenses, including, but not limited to, reasonable attorneys' fees. "Losses" shall not include those claims, demands, losses, damages, liens, liabilities, penalties, fines, lawsuits and other proceedings brought, made, initiated, levied, filed or asserted

directly against the Indemnitor by an Indemnitee (excluding such Indemnitee's employees, officers, directors, principals or agents).

21.2 City's Indemnity. City shall Indemnify SFZS and its respective directors, officers, agents and employees (individually or collectively for purposes of this paragraph, an "Indemnitee") against any and all Losses arising out of (a) a Pre-Existing Condition, (b) the negligent or wrongful acts or omissions of any Civil Service Employees (including without limitation discriminatory or harassing behavior or acts of any such employees), or (c) except as expressly limited in this Agreement, any default by City in the observance or performance of any of the terms, covenants or conditions of this Agreement prior to termination hereof by SFZS. In the event any action or proceeding is brought against an Indemnitee by reason of a claim arising out of any loss, claim, injury or damage suffered on or about the Zoo for which City has Indemnified the Indemnitees, and upon written notice from such Indemnitee, City shall at its sole expense answer and otherwise defend such action or proceeding using counsel approved in writing by the Indemnitee. The Indemnitees shall have the right, exercised in their sole discretion, but without being required to do so, to defend, adjust, settle or compromise any claim, obligation, debt, demand, suit or judgment against the Indemnitee in connection with the Zoo. City shall fully cooperate with any investigation conducted by SFZS pursuant to any claim by an SFZS employee regarding the actions or behavior of a Civil Service Employee. The provisions of this paragraph shall survive the termination of this Agreement with respect to any Loss occurring prior to or upon termination.

21.3 SFZS' Indemnity. SFZS shall Indemnify City and its respective officers, agents and employees (individually or collectively for purposes of this paragraph, an "Indemnitee") against any and all Losses arising out of: (a) any injury to or death of any person or damage to or destruction of any property occurring in, on or about the Zoo premises or any part thereof for which SFZS is legally responsible, (b) the negligent or wrongful acts or omissions of any SFZS employees (including without limitation discriminatory or harassing behavior or acts of any such employees), or (c) any default by SFZS in the observance or performance of any of the terms, covenants or conditions of this Agreement prior to termination hereof by City. In the event any action or proceeding is brought against an Indemnitee by reason of a claim arising out of any loss, claim, injury or damage suffered on or about the Zoo for which SFZS has Indemnified the Indemnitees, and upon written notice from such Indemnitee, SFZS shall at its sole expense answer and otherwise defend such action or proceeding using counsel approved in writing by the Indemnitee. If both SFZS and its general liability insurer refuse to defend and Indemnify the Indemnitees

hereunder or under any applicable policy of insurance, then the Indemnitees shall have the right, exercised in their sole discretion, but without being required to do so, to defend, adjust, settle or compromise any claim, obligation, debt, demand, suit or judgment against the Indemnitee in connection with the Zoo. SFZS shall fully cooperate with any investigation conducted by City pursuant to any claim by a Civil Service Employee regarding the actions or behavior of an SFZS employee. The provisions of this paragraph shall survive the termination of this Agreement with respect to any Loss occurring prior to or upon termination.

22. Default; Termination of Agreement; Remedies.

22.1 Termination by City. City shall have the right to terminate this Agreement immediately following an Event of Default. The following shall constitute "Events of Default" under this Agreement:

(a) Failure of SFZS to perform or comply with any covenant or condition made under this Agreement (including Section 28 below), or failure of any material representation or warranty made by SFZS in this Agreement to continue to be true and correct, provided SFZS shall have a period of sixty (60) days from the date of written notice from City within which to cure such default, or, if such default is not capable of cure within such 60-day period, SFZS shall have a reasonable period to complete such cure if SFZS promptly undertakes action to cure such default within such 60-day period and thereafter diligently prosecutes the same to completion;

(b) Abandonment or assignment by SFZS, without the prior written consent of City; and

(c) The appointment of a receiver to take possession of all or substantially all of the assets of SFZS, or an assignment by SFZS for the benefit of creditors, or any action taken or suffered by SFZS under any insolvency, bankruptcy, reorganization, moratorium or other debtor relief act or statute, whether now existing or hereafter amended or enacted, if any such receiver, assignment or action is not released, discharged, dismissed or vacated within sixty (60) days.

22.2 Termination By SFZS. In the event City fails to pay any portion of the Management Fee when due, or to perform any obligation required to be performed by City hereunder, and such failure is not cured within sixty (60) days after written notice of such failure has been delivered to City by SFZS, SFZS shall have the right to terminate this Agreement.

The foregoing is in addition to any other right to terminate explicitly given to SFZS elsewhere in this Agreement.

In addition, SFZS shall have the right to terminate this Agreement under the following circumstances:

(a) SFZS shall have the right to terminate this Agreement if any Civil Service Employee Agreement materially conflicts with the ability of SFZS, as determined in its reasonable discretion, to meet its obligations under any provision of this Agreement; and

(b) In the event the Commission fails to approve a change to the admission fee as proposed by SFZS within the 90-day period set forth in Section 15.6, SFZS shall have the option to terminate this Agreement; provided, however, that (i) SFZS shall give the Commission prior written notice of SFZS' desire to terminate the Agreement, which notice shall be accompanied by a detailed statement, including appropriate references to attached financial statements, from the Board of Directors explaining the reasons why SFZS, without the proposed increase to the Zoo's admission fees, is financially impaired in its ability to perform its obligations under this Agreement, and (ii) SFZS' requested termination of this Agreement shall become effective only if the Commission fails to approve the proposed admission fee change within thirty (30) days after the Commission's receipt of such notice.

22.3 Failure to Perform. In addition to the right to terminate under Section 22.2, upon the occurrence of an Event of Default by SFZS, City shall have the right to cause such work or service to be performed and City shall deduct the cost thereof from the Management Fee due to SFZS; provided, however, that (a) in the event the failure of performance creates an imminent risk of harm or damage to person or property, as determined by City in its sole discretion, City may cause such work or service to be performed following notice to SFZS but prior to the expiration of the cure period provided in Section 22.2(a); (b) if City's estimate of the cost of the work or service to be performed exceeds \$50,000, as determined by City in its sole discretion, then SFZS shall have the right to terminate this Agreement within thirty (30) days after written notice is given by City of its intent to perform such work or service on SFZS' behalf; and (c) City shall not have the right to perform any work or service on SFZS' behalf under this Section that is being performed to correct a Pre-Existing Condition.

23. Surrender of Premises; Transition. Upon the Termination Date or other termination of this Agreement, SFZS shall (a) promptly remit to City all Gross Revenues arising from admission fees or representing payments of the Management Fee, in

either case not expended but held by SFZS, and (b) peaceably quit and surrender to City the Premises and Property together with all permanent improvements approved by City, in good order and condition, normal wear and tear and damage caused by casualty or condemnation excepted. In determining the proper remittance to City under the foregoing clause (a), SFZS agrees to segregate admission fees and payments of the Management Fee in an account or accounts separate from other funds held by SFZS. The Premises shall be surrendered free and clear of all liens and encumbrances other than presently existing liens and encumbrances and any other encumbrances created or approved in writing by City. SFZS shall, immediately before the Termination Date or other termination of this Agreement, remove all of SFZS's Property as provided in this Agreement, and repair any damage resulting from the removal. SFZS's obligations under this Section shall survive the Termination Date or other termination of this Agreement. Any items of SFZS's Property which shall remain in the Premises after the Termination Date of this Agreement may, at the option of City, be deemed abandoned and in such case may be disposed of by City in accordance with Section 1980 et seq. of the California Civil Code or in any other manner allowed by law.

Upon the termination of this Agreement for any reason, SFZS and City shall cooperate to the fullest reasonable extent in effecting an orderly and efficient transfer of the Property and the operation of the Zoo from SFZS to City. Such cooperation shall include without limitation the entry into such agreement, the execution of such documents and the convening of such meetings as may be reasonable required to effect such transfer.

Concurrently with the surrender of the Premises as provided above, SFZS agrees, if requested by City, to execute, acknowledge and deliver to City a quitclaim deed to the Premises and any other instrument reasonably requested by City to evidence or otherwise effect the termination of SFZS's leasehold estate hereunder and to effect such transfer or vesting of title to improvements or equipment which are to remain part of the Premises as provided herein.

#### 24. Hazardous Materials.

24.1 Definitions. As used herein, the following terms shall have the meanings set forth below:

24.1.1 "Environmental Laws" shall mean any federal, state, local or administrative law, rule, regulation, order or requirement relating to industrial hygiene, environmental conditions or Hazardous Materials, whether now in effect or hereafter adopted.

24.1.2 "Hazardous Material" shall mean any material that, because of its quantity, concentration or physical or chemical characteristics, is at any time now or hereafter deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health, welfare or safety or to the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA", also commonly known as the "Superfund" law), as amended, (42 U.S.C. Sections 9601 et seq.) or pursuant to Section 25316 of the California Health & Safety Code; any "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; and petroleum, including crude oil or any fraction thereof, natural gas or natural gas liquids.

24.1.3 "Release" when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing in, on, under or about any other part of the Property.

24.2 No Hazardous Materials. SFZS covenants and agrees that neither SFZS nor any of its agents or Invitees shall cause or permit any Hazardous Material to be brought upon, kept, used, stored, generated or disposed of in, on or about the Property, or transported to or from the Property, provided that SFZS may use such substances in such limited amounts as are customarily used in the operation and maintenance of a zoological gardens so long as such use is in compliance with all applicable Environmental Laws. Each party hereto shall immediately notify the other party if and when such party learns or has reason to believe there has been any Release of Hazardous Material on or about the Premises or any other part of the Property.

24.3 SFZS's Environmental Indemnity. If SFZS breaches any of its obligations contained in this Article, or, if any act, omission or negligence of SFZS or any of its agents results in any contamination of the Premises or any other part of the Property or in the Release of Hazardous Material from, on, in, on or beneath the Premises or any other part of the Property, then SFZS shall Indemnify City from and against all Losses (including, without limitation, the loss or restriction of the use of the Premises or the Property and sums paid in settlement of claims; attorneys' fees, consultants' fees and experts' fees and costs) arising during or after the Term of this Agreement and relating to such Release; provided, however, that the Indemnity contained in this Section shall not apply to any Losses directly related to a Pre-Existing Condition. The foregoing Indemnity includes, without limitation, costs incurred in connection with

the investigation of site conditions and all activities required to locate, assess, evaluate, remediate, cleanup, remove, contain, treat, stabilize, monitor or otherwise control any Hazardous Material, and to restore the Property to its prior condition. Without limiting the foregoing, if SFZS or any of its agents causes or permits the Release of any Hazardous Materials on, about, in or beneath the Premises or any other part of the Property, SFZS shall, immediately, at no expense to City, take any and all necessary actions to abate and remediate the Release in accordance with all Environmental Laws. SFZS shall afford City a full opportunity to participate in any discussions with governmental regulatory agencies regarding any settlement agreement, cleanup or abatement agreement, consent decree, or other compromise or proceeding involving Hazardous Material.

24.4 City's Environmental Indemnity. If any act, omission or negligence of City or any of its agents (other than SFZS) results or has resulted in any contamination of the Premises or any other part of the Property or in the Release of Hazardous Material from, on, in, on or beneath the Premises or any other part of the Property, then City shall Indemnify SFZS from and against all Losses (including, without limitation, the loss or restriction of the use of the Premises or the Property and sums paid in settlement of claims, attorneys' fees, consultants' fees and experts' fees and costs) arising during or after the Term of this Agreement and relating to such Release; provided, however, that the foregoing Indemnity shall not include Indemnification for any Losses resulting from SFZS' aggravation of any Pre-Existing Condition through SFZS' actions, or the actions of its agents, officers or employees, whether negligent or non-negligent. The foregoing Indemnity includes, without limitation, costs incurred in connection with the investigation of site conditions and all activities required to locate, assess, evaluate, remediate, cleanup, remove, contain, treat, stabilize, monitor or otherwise control any Hazardous Material, and to restore the Property to its prior condition. City shall afford SFZS a full opportunity to participate in any discussions with governmental regulatory agencies regarding any settlement agreement, cleanup or abatement agreement, consent decree, or other compromise or proceeding involving Hazardous Material.

25. Damage or Destruction. In the event the Zoo is wholly or partially destroyed or damaged by fire or other casualty, City shall have the option to repair such damage at its cost and expense at its sole discretion. In the event City chooses to and does in a timely fashion repair such damage, this Agreement shall continue in full force and effect. In the event City determines, in its sole and absolute discretion, that it is unfeasible or uneconomical to repair or rebuild the Zoo, this Agreement shall, at the option of either City or SFZS, be

terminated upon thirty (30) days prior written notice given at any time after the occurrence of such damage.

26. Assignments; Subcontracting. SFZS has been chosen by City to manage the Zoo in reliance upon SFZS' stated and unique expertise, skill and experience in operating zoological gardens. SFZS shall not assign, transfer, mortgage or encumber its interest in this Agreement or any other right, privilege or license conferred by this Agreement, either in whole or in part, without obtaining City's prior written consent. Any assignment or encumbrance without such consent shall be voidable and, at City's election, shall constitute a material default under this Agreement. A sale or transfer of the stock, assets or other equitable interests of SFZS that has the effect of a material change in SFZS' ownership, as determined by City in its sole discretion, shall constitute a transfer of this Agreement requiring City's prior written approval pursuant to this Section. Without limiting the obligations of SFZS under this Agreement, SFZS shall have the right and the authority to enter into contracting arrangements with any other person or entity (including without limitation the Department or other City agency) for the provision of any service required to be performed by SFZS under this Agreement.

27. Notices. All notices required to be given hereunder shall be in writing and either served personally or sent by certified mail to the appropriate address listed below, or at such other address as shall be provided by written notice. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section. For convenience of the parties, copies of notices may also be given by telefacsimile; however, neither party may give official or binding notice by facsimile.

SFZS:

San Francisco Zoological Society  
Sloat Boulevard at the Pacific Ocean  
San Francisco, California 94132-1098  
Attn.: Zoo Director

Department:

San Francisco Recreation and Park Department  
McLaren Lodge  
Corner, Fell & Stanyan  
San Francisco, California

Controller:

City and County of San Francisco  
Office of the Controller  
City Hall, Room 109  
San Francisco, California 94102

28. Compliance with Laws.

28.1 Generally. SFZS shall comply and conform with all laws and all governmental regulations, rules and orders that may from time to time be put into effect relating to, controlling or limiting the use and operation of the Zoo. SFZS shall secure, or cooperate with City in its securing, all permits and licenses specifically required for the operation of the Zoo (copies of which shall be promptly provided to the Department), and shall comply with all applicable laws and regulations relating to labor employed in and relating to the operation of the Zoo.

28.2 Pre-Existing Conditions. Notwithstanding any other provision of this Agreement to the contrary, SFZS shall incur no liability for, or assume any obligation to correct, any Pre-Existing Condition; provided, however, that SFZS shall use its reasonable efforts to (a) identify all such Pre-Existing Conditions and notify City immediately of their existence, (b) take all reasonable action necessary to minimize any risk of injury or liability that may be occasioned by such a Pre-Existing Condition, and (c) to the extent funds are or become available, as referred to in the following sentence, take all reasonable action necessary to correct any such Pre-Existing Condition; provided further, however, that the foregoing shall not condition or limit City's Indemnity under Section 21.2 above. City hereby agrees to use its reasonable efforts to assist SFZS in obtaining such grants or other funds as may be available to assist in the financing of any work performed to bring any building, structure or service within the Premises into compliance with any local, state or federal law or regulation, including without limitation the Americans With Disabilities Act of 1990. Nothing in this Section shall eliminate any obligation of SFZS to ensure that all new construction, remodeling or rehabilitation work performed by SFZS at the Zoo is completed in compliance with all applicable local, state and federal laws and regulations.

28.3 Conflicts of Interest Prohibited. SFZS represents that it is familiar with the provisions of Section 8.105 of the San Francisco Charter and Sections 87100 et seq. of the California Government Code relating to prohibited conflicts of interest, certifies that it knows of no facts which constitute a violation of said sections and agrees that it will

give notice to City if any such facts shall hereafter become known to it.

28.4 Americans with Disabilities Act. SFZS acknowledges that the Americans with Disabilities Act (the "ADA") requires that programs, services and other activities provided by a public entity to the public, whether directly or through a contractor, must be accessible to the disabled public. Subject to the provisions of Section 28.2 above, SFZS further acknowledges its obligation to comply with the ADA and any other federal, state or local disability rights legislation. SFZS warrants that it will fulfill that obligation, and that it will not discriminate against disabled persons in the provision of services, benefits or activities pursuant to this Agreement.

28.5 Non-Discrimination Ordinances. SFZS shall comply with all provisions of Chapters 12B and 12C of the San Francisco Administrative Code, as amended from time to time, relating to equal opportunity in employment and business practices. Such provisions are incorporated herein and by reference made a part of this Agreement as though fully set forth herein. Pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50.00 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Agreement may be deducted from payments due to SFZS under this Agreement.

28.6 Other Local Contracting Ordinances. Except to the extent compliance would be inconsistent with the requirements imposed upon non-profit corporations under Section 501(c)(3) of the Internal Revenue Code or with prudent and reasonable Zoo management practices, SFZS shall comply with the following local contracting ordinances:

(a) South Africa Divestment Ordinance. The provisions of Article XIX of Chapter 10 of the San Francisco Administrative Code, and any amendments thereto, relating to prohibition of contracts with businesses having certain relations with South Africa, are incorporated herein and by reference made a part of this Agreement as though fully set forth herein. SFZS represents and warrants that (a) it is not the government of South Africa, a person or business entity organized under the laws of South Africa or a person or entity doing business in South Africa, and (b) it does not have a prohibited ownership interest as defined in Section 10.211(k) of Chapter 10, Article XIX of the San Francisco Administrative Code. In the event SFZS takes any action, or fails to take any action, that results in the terms of this Agreement failing to be in compliance with any of the provisions of said Article XIX, SFZS shall be liable to the City for liquidated damages for each violation in an amount equal to the greater of (a) SFZS's net profit on this contract,

(b) ten percent (10%) of the total contract amount, or (c) \$1,000.00. Any such liquidated damages assessed against SFZS shall be payable to City upon demand and may be set off against any moneys due to SFZS from City.

(b) MacBride Principles. The City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles.

(c) Tropical Hardwood Ban. The City and County of San Francisco urges contractors not to import, purchase, obtain or use for any purpose, any tropical hardwood or tropical hardwood product.

29. Taxes, Assessments, Licenses, Permit Fees and Liens. SFZS agrees to pay taxes of any kind, including possessory interest taxes (unless exempt under California law), that may be lawfully assessed on the leasehold interest hereby created and to pay all other taxes, excises, licenses, permit charges and assessments based on SFZS's use of the Premises that may be imposed upon SFZS by law, all of which shall be paid when the same become due and payable and before delinquency. SFZS agrees not to allow or suffer a lien for any such taxes to be imposed upon the Premises or upon any equipment or property located thereon without promptly discharging the same, provided that SFZS, if so desiring, may have reasonable opportunity to contest the validity of the same. San Francisco Administrative Code Sections 23.6-1 and 23.6-2 require that the City and County of San Francisco report certain information relating to this Agreement, and any renewals thereof, to the County Assessor within sixty (60) days after any such transaction; and that SFZS report certain information relating to any assignment of or sublease under this lease to the County Assessor within 60 days after such assignment or sublease transaction. SFZS agrees to provide such information as may be requested by the City to enable the City to comply with this requirement.

30. Miscellaneous.

30.1 Litigation Expenses. If either party hereto, including without limitation City and its officers and agents, brings an action or proceeding (including, without limitation, any cross-complaint, counterclaim, or third-party claim) against another party by reason of a default under this Agreement, or otherwise arising out of this Agreement, the prevailing party in such action or proceeding shall be entitled to its costs and expenses of suit, including but not limited to

reasonable attorneys' fees, which shall be payable whether or not such action is prosecuted to judgment. "Prevailing party" within the meaning of this Section shall include, without limitation, a party who dismisses an action for recovery hereunder in exchange for payment of the sums allegedly due, performance of covenants allegedly breached, or consideration substantially equal to the relief sought in the action. Attorneys' fees under this Section shall include attorneys' fees on any appeal, and, in addition, a party entitled to attorneys' fees shall be entitled to all other reasonable costs and expenses incurred in connection with such action. For purposes of this Agreement, reasonable fees of attorneys of the City's Office of City Attorney shall be based on the fees regularly charged by private attorneys with an equivalent number of years of professional experience in the subject matter area of the law for which the City Attorney's services were rendered who practice in the City in law firms with approximately the same number of attorneys as employed by the Office of City Attorney.

30.2 Liability of the City. The City's obligations to SFZS under this Agreement shall be limited to the terms and conditions set forth herein. Notwithstanding any other provision in this Agreement to the contrary, in no event shall the City be liable, regardless of whether any claim is based on contract or tort, for any special, consequential, indirect or incidental damages, including without limitation lost profits, arising out of or in connection with this Agreement or the services performed in connection with this Agreement.

30.3 Liens. SFZS shall keep the Premises and City's Personal Property free from any liens arising out of any work performed, material furnished or obligations incurred by or for SFZS and any other liens or encumbrances.

30.4 Parties and Their Agents. As used herein, the term "agents" when used with respect to either party shall include the agents, employees, officers and representatives of such party. All approvals, consents or other determinations permitted or required by City hereunder shall be made by or through the Commission unless otherwise provided in this Agreement.

30.5 No Implied Waiver. No failure by either party hereto to insist upon the strict performance of any obligation of the other party under this Agreement or to exercise any right, power or remedy arising out of a breach thereof, irrespective of the length of time for which such failure continues, shall constitute a waiver of such breach or of that party's right to demand strict compliance such term, covenant or condition or operate as a surrender of this Agreement. No express written waiver of any default or the performance of any

provision hereof shall affect any other default or performance, or cover any other period of time, other than the default, performance or period of time specified in such express waiver. One or more written waivers of a default or the performance of any provision hereof shall not be deemed to a waiver of a subsequent default or performance. The consent of either party hereto given in any instance under the terms of this Agreement shall not relieve the other party of any obligation to secure the consent of the other party in any other or future instance under the terms of this Agreement.

30.6 Interpretation of Agreement. The captions preceding the articles and sections of this Agreement and in the table of contents have been inserted for convenience of reference and such captions in no way define or limit the scope or intent of any provision of this Agreement. This Agreement has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein and shall be interpreted to achieve the intents and purposes of the parties, without any presumption against the party responsible for drafting any part of this Agreement. Provisions in this Agreement relating to number of days shall be calendar days, unless otherwise specified, provided that if the last day of any period to give notice, reply to a notice or to undertake any other action occurs on a Saturday, Sunday or a bank or City holiday, then the last day for undertaking the action or giving or replying to the notice shall be the next succeeding business day. Use of the word "including" or similar words shall not be construed to limit any general term, statement or other matter in this Agreement, whether or not language of non-limitation, such as "without limitation" or similar words, are used.

30.7 Successors and Assigns. The terms, covenants and conditions contained in this Agreement shall bind and inure to the benefit of City and SFZS and, except as otherwise provided herein, their personal representatives and successors and assigns. There are no third party beneficiaries to this Agreement.

30.8 Authority. All rights, powers and privileges of City and the Department under this Agreement may be exercised, on behalf of City and the Department, by the General Manager, or such other person designated by the Commission, without special approval or consent of any legislative body, except where such approval or consent is expressly required by charter or ordinance of City or by other applicable law.

30.9 Access to Zoo. City, the Department, the Commission and their duly authorized agents shall have access to the Zoo at all times for the purpose of (a) inspection and to make any repairs, additions or renovations as City may have the

right to do under the provisions of this Agreement, and (b) for use by City in case of emergency, as determined by City in its sole discretion.

30.10 Relationship of Parties. The services to be rendered by SFZS pursuant to this Agreement are as an independent contractor only and the relationship between SFZS and City is solely that of landlord and tenant and owner and contractor, as applicable. Nothing contained in this Agreement shall be construed to create a partnership, joint venture, or a relationship of employment or agency.

30.11 Agreement made in California. This Agreement shall be deemed to be made in and shall be construed in accordance with the laws of the State of California.

30.12 Integrated Agreement; Modification. This Agreement contains all the agreements of the parties hereto relating to the subject matter addressed herein, and cannot be amended or modified except by a written agreement mutually executed between each of the parties hereto.

30.13 Severability. In the event any covenant, term or condition herein contained is held to be invalid by any court of competent jurisdiction, such invalidity shall not affect any other valid covenant, term or condition herein contained.

30.14 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

30.15 Effective Date; Proration of Management Fee and Expenses. This Agreement shall become effective thirty (30) days following the date upon which the Board of Supervisors and the Mayor enact an ordinance approving this Agreement (the "Effective Date"). In the event the Effective Date occurs after July 1, 1993, the Management Fee payable from City to SFZS pursuant to Section 5 above, and all reimbursable expenses payable from SFZS to City pursuant to Section 6 above, shall all be prorated as of the Effective Date, on the basis of a 365-day year. If any of the prorations cannot be calculated accurately on the Effective Date, then they shall be calculated as soon after such date as feasible. City and SFZS shall cooperate in good faith to determine, assess and pay any prorations required by this Section.

30.16 No Recording. SFZS shall not record this Agreement nor any memorandum hereof in the public records.

30.17 Non-Liability of Officials, Employees and Agents. No elective or appointive board, commission, member, officer, employee or other agent of City shall be personally liable to SFZS, its successors and assigns, in the event of any default or breach by City or for any amount which may become due to SFZS, its successors and assigns, or for any obligation of City under this Agreement. Likewise, no elective or appointive board, commission, member, officer, employee or other agent of SFZS shall be personally liable to City, its successors and assigns, in the event of any default or breach by SFZS or for any amount which may become due to City, its successors and assigns, or for any obligation of SFZS under this Agreement, except and to the extent only of any proceeds of officers' and directors' insurance as referred to in Section 17.1(d) above.

30.18 Time of Essence. Time is of the essence of each provision of this Agreement.

30.19 Survival of Indemnities. Termination of this Agreement shall not affect the right of either party to enforce any and all Indemnities and representations and warranties given or made to the other party under this Agreement, nor shall it affect any provision of this Agreement that expressly states it shall survive termination hereof.

30.20 Additional Attachments. The following documents are hereby collectively attached hereto as Exhibit H: (a) San Francisco Zoological Gardens Animal Inventory; (b) San Francisco Zoological Gardens Physical Facilities; (c) San Francisco Zoological Gardens Facilities Pre-Existing Conditions per City and County of San Francisco CAMS Facility Condition Monitoring; and (d) Letter of interpretation concerning Section 14.2 above. City and SFZS agree that these additional attachments are for illustrative purposes only, and shall not be legally conclusive or binding with respect to the matters covered them.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, SFZS ACKNOWLEDGES AND AGREES THAT NO OFFICER OR EMPLOYEE OF CITY HAS AUTHORITY TO COMMIT CITY TO THIS AGREEMENT UNLESS AND UNTIL AN ORDINANCE OF CITY'S BOARD OF SUPERVISORS SHALL HAVE BEEN DULY ENACTED APPROVING THIS AGREEMENT AND AUTHORIZING THE TRANSACTIONS CONTEMPLATED HEREBY. THEREFORE, ANY OBLIGATIONS OR LIABILITIES OF CITY HEREUNDER ARE CONTINGENT UPON ENACTMENT OF SUCH AN ORDINANCE, AND THIS AGREEMENT SHALL BE NULL AND VOID IF CITY'S MAYOR AND THE BOARD OF SUPERVISORS DO NOT APPROVE THIS AGREEMENT, IN THEIR RESPECTIVE SOLE DISCRETION. APPROVAL OF THIS AGREEMENT BY ANY DEPARTMENT, COMMISSION OR AGENCY OF CITY SHALL NOT BE DEEMED TO IMPLY THAT SUCH ORDINANCE WILL BE ENACTED NOR WILL ANY SUCH APPROVAL CREATE ANY BINDING OBLIGATIONS ON CITY.

IN WITNESS WHEREOF, the parties hereto have executed  
this Agreement as of the date first written above.

RECREATION AND PARK DEPARTMENT  
OF THE CITY AND COUNTY OF SAN FRANCISCO

By: Mary E Burns  
Mary Burns  
General Manager

SAN FRANCISCO ZOOLOGICAL SOCIETY,  
a California non-profit corporation

By: Margaret W. Baird  
\_\_\_\_\_  
[Printed Name and Title]

APPROVED AS TO FORM:  
LOUISE H. RENNE, City Attorney

By: Lamy Wayte  
Deputy City Attorney

Exhibit A-1

Description of Current Zoo Premises

That portion of Block 7281, Lot 6, in the City and County of San Francisco, actively used as of July 1, 1993, by the City and County of San Francisco as a part of the San Francisco Zoological Gardens, excepting those portions of such lot included in that parcel of land described in parcel map entitled "Parcel Map Showing Certain Park Land Proposed to be Used Jointly," recorded August 12, 1975, in Parcel Map Book Number One at Page 96 in the office of the recorder of the City and County of San Francisco.

Exhibit A-2

Description of Fleishhacker Pool Site

That portion of Block 7281, Lot 6, in the City and County of San Francisco, not actively used as of July 1, 1993, by the City and County of San Francisco as part of the San Francisco Zoological Gardens, and excepting those portions of such lot included in that parcel of land described in parcel map entitled "Parcel Map Showing Certain Park Land Proposed to be Used Jointly," recorded August 12, 1975, in Parcel Map Book Number One at Page 96 in the office of the recorder of the City and County of San Francisco.

Exhibit A-3

Description of Oceanside Water Treatment Plant Site

That parcel of land described in parcel map entitled "Parcel Map Showing Certain Park Land Proposed to be Used Jointly," recorded August 12, 1975, in Parcel Map Book Number One at Page 96 in the office of the recorder of the City and County of San Francisco.

Exhibit A-4

Description of National Guard Armory Site

All of that certain real property known as Block 7281, Lot 4, in the City and County of San Francisco.

Exhibit B

List of Personal Property

(SEE ATTACHED)



Assigned to SFZS Operations

electric cart	1987	#651-979	Ser#32590
electric cart	1988	#651-2391	Ser#74348
electric cart	1988	#651A-311	Ser#87704
electric cart	1988	#651S-312	Ser#87705

Assigned to Vetrinarian

3/4 ton p/u	1992 Ford	#651-561	ID# 1FTHF25H5NLA8602
electric cart	1988	#651-923	Ser#85396

Stored in Hay Barn

fork lift	1974 TCM	#651-801	Ser# 2191470
fork lift	1990 Toyota	#651-804	Ser#405FG18-40535
fork lift	1992 Calrklift	#651-800	Ser#GPX23002277600KOF

Stored in Well House #2 (Assigned to Engineers)

generator	0000 Dayton	#651A-123	Ser#105250U
pump trash 4"	1983 Dayton	#651S-773	Ser#19904

Stored in Elephant House Hay Loft

hay loader 4 hp.	0000	#651A-122	Ser#E497775
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Stored in Alcove #1

tractor	1982 Bobcat	#651S-482	Ser#4996M16756
st. sweeper	1991 Clarklift	no number	Ser#450491
hi lift	1987 Genie	no number	Ser#14847193

Stored at Zoo Mant Shop (Iron Workers)

3/4 ton p/u	1991 Ford	#651Y652	ID#FPHF25HOMKBO62
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Stored at Gardeners Shack (Assigned to Gardeners)

3/4 ton p/u	1991 Ford	#651-Y545	ID#1FTHF25HXMB18255
turftruk	1990 Cushman	#651-978	Ser#898532-8410
golf cart	1991 Cushman	#651-310	Ser#636421

Stored in Zoo Service Yard (general use, Koala, Night Keeper)

3/4 ton p/u	1989 Ford	#651-674	ID#1FTF25HXKPBO9684
3/4 ton van	1986 Chev	#651Y638	ID#1GCC635MX67143806
turftruk	1991 Cushman	#651-301	Ser#1CUNH222XKLO19060
turftruk	1991 Cushman	#651-989	Ser#1CUNH222JLO12031
golf cart	1991 Cushman	#651-309	Ser#639287

Stored in Elephant House Lobby (Custodians)

golf cart	1991 Cushman	#651-311	Ser#205407632
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Stored next to Giraffe Barn (Hvy. Truck Drivers)


12yd dump	1987 Ford	#651-756	ID#1FDXD84N4HVA51941
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On Loan To R&P Mant. Yard (plumbers truck)

3/4 ton p/u	1991 Chev	#651Y520	ID#1GCFC24F14ME209669
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Zoo Staff Car

4 Dr Sedan	1988 Dodge	#561-108	ID#1B3BD26C8FF288982
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DEA  


1 JULY 1

Inventory for 1 h Worker

All Stored at Mant. Shop

3/4 ton p/u 1992 Ford w/ lift gate #651-652 (see vehicle inventory this date) w/ tool box.  
1 welder/generator w/ 100' leads  
20# astd welding rod  
3 acetyline tanks w/ oxygne bottels, carts, hose and torches  
1 electric chop saw  
1 electric band saw  
1 verticle drill press  
1 TIG welder  
1 32' extension ladder - fiberglas  
1 24' extension ladder - fiberglas  
1 8' step ladder - fiberglas  
1 6' step ladder - wooden  
1 mechanics vise  
2 welding screens  
1 B. Tank and torch  
1 compressor  
protective clotheing, welding masks, goggles, gloves, back belt  
1 each, post hole digger, pick, shovel, sledge hammer, dirt bar.  
1 tool box w/ astd hand tools, bolt cutters, pliers, hammers, screw drivers, clamps, fence stretchers, jacks, wire pullers.  
10 bins of fittings; nuts, bolts, screws, washers, hasps, latches, hinges  
1 welding table  
1 4' X 4' sheet of 3/8" plate  
2 4' X 8' sheets of 1/8" plate  
15 2" X 12' legnth of fence pipe  
200' of chain  
100' of 8' chain link fencing  
50' of 4' chain link fencing  
50' of tie wire  
200' of stretch wire  
400' of poly coated 2" X 4" mesh  
200' of poly coated 1/2" X 1/2" mesh  
1 20' cargo container w/ materila racks.

1 JULY 1961

Inventory of Plumbers Tools & Supplies

On Loan to R&P Mant. Yard

3/4 ton p/u Ford 1992 #651-520 (see Vehicle Inventory this date) w/o tool box.

All Stored at Zoo Mant Shop

1 gas snake  
1 portable generator  
1 B. tank w/ torch, solder, flux etc.  
1 pipe vise  
1 tool box w/ astd hand tools; wrenches, pipe cutter, hack saws, pliers, screwdrivers.  
20 bins of astd fittings; valves, unions, nipples, elbows 90 and 45 degree, in sizes 1/2" to 3"  
protective clotheing, goggles, gloves, boots.  
1 bilge pump  
plungers of astd sizes  
10 flushometers  
2 toilets  
1 21' legnth of 4" pipe  
astd legnth of 1", 1 1/2", and 2" pipe  
astd valve keys

1 JULY

Inventory of Custodial Equipment,  
tools, and Supplies.

Stored in 1st Alcove

1 Clarklift Street Sweeper 1991 (see Vehicle Inventory this date)

All Stored in Elephant House

1 Cushman golf cart 1992 #651-011

1 electric floor waxer/polisher

1 electric floor stripper

1 wet/dry vaccum

Stored in Zoo office

1 upright vaccum

All Stored at Public Restrooms and/or 2nd Alcove

Astd hand tools; brooms, brushes, mops, buckets.

250' of 3/4" garden hose

6 mop buckets w/ wringers

6 cases of liquid bleach

10 cases of Ajax cleanser

3 gals. disinfectant

8 gals liquid hand soap

1 small box of sponges

11 cases, toilet tissue, flat

10 cases, paper towels flat

13 cases, paper towels, rolls

10 cases of toilet seat covers.

1 JULY 1993

TOOLS & EQUIPMENT FOR SOUTHWESTERN STATIONS

Z	1	Electric Cart		651-T-311
Z	1	Gas Engined Generator		651-T-405
Z	1	Gas Engined Pump		651-S-773
Z	1	Electric Air Compressor		136943
R/P ENG	1	"	Submersible Pump 440 Trash	
Z	1	"	Submersible Pump 120 Trash	2208877
R/P ENG	1	"	Submersible Pump	
R/P	1	"	Vacuum Cleaner	600A
R/P	1	"	Bench Grinder	C#L12-1167
Z	1	"	Portable 20" Fan	
Z	1	"	Kerosene 35kbtu Space Heater	1246328
Z	5	"	Infrared 120 & 220U Heater	
R/P ENG	2	"	Portable 1.5KW Heater	
Z	1	Welding Tubo Lite Acet.		
R/P	1	"	"B" Tank	
R/P	2	"	L.P. Torches	
R/P	1	"	L.P. Hol. Torches	
Z	1	"	Weller Soldering Gun	D-550
R/P	1	"	Weller Soldering Stick	
R/P	3	Hammers, Claw		
R/P	2	Light Drop Cords		
R/P	2	Pipe Wrench(es)	24"	
R/P	2	"	18"	1 - AL
R/P	2	"	12"	
R/P	1	"	10"	
R/P	1	"	8"	
R/P	1	"	6"	
Z	1	Sawzall Milwaukee		77421246
R/P CA	1	Motor Saw, Skil 6 1/2"		2C43943
R/P ENG	1	Motor Drill, Skil 1/2"		DG005958
Z	1	"	3/8" Cordless	DI142904
R/P	1	"	B & D, 1/4"	C#12-103
R/P ENG	1	Motor Screwdriver, B & D, 1/4" Cordless		F9119
R/P	1	Crank Drill Wood adjustable bits		
R/P	2	Set Drill Index		
R/P	1	Set Drill Masonry, incomplete		
R/P	1	Set Drill Hole Saw		
R/P	1	Set Small Tap & Die		
R/P	1	Set Large Tap & Die		
R/P PL	1	Mixed Plumbing Tap & Die		
Z	1	Drill Press 16 1/2 Floor Type		32918A
R/P	2	Bench Vices		HF12-13 TG12861
R/P	5	Hacksaws		
R/P	4	Woodsaws		

1 JULY 1990

TOOLS & EQUIPMENT FOR SOUTH WESTERN STATIONS

Z	1	Socket Set	1/2, Made in USA
Z	1	" "	3/8 "
Z	1	" " Deep	3/8 "
Z	1	" "	1/4 "
D	1	" "	3/8 Taiwan
D	1	" "	1/4 "
R/P ENG	1	Nut Driver	3/16, 1/2, Made in USA
R/P ENG	Set	Adjustable End Wrenches	6", 15", Made in USA
R/P ENG	3	Adjustable End Wrenches	8"
Z	1	Hex Key Sets	
R/P ENG	1	" " " ,	Folding
R/P ENG	Mix	" " " ,	Mixed
R/P	2	Refrigeration Gauges	
D	1	"	Vacuum Pump
R/P	1	Water Column Gauge	
R/P & D	2	Meters, Millivolt	
R/P & D	3	"	V.O.M.
R/P	1	"	Amprobe
Z	1	"	Amprobe
R/P	2	"	Volt Tester
Z	1	Ladders, Extension AL	25'
R/P	1	"	Folding Wood 8'
R/P	2	"	" Wood 6'
R/P	1	"	" Al 6'
R/P	2	"	" Wood 4'
PacBell	3	"	Leaning Wood & Fiber Glass
R/P	1	Wheel Barrow	
Z	1	Hand Truck	
R/P	4	Shovels, Pointed	
R/P	5	"	, Flat
R/P	4	"	, Pointed & Flat, short
R/P	3	"	, Scoop, large
R/P	12	Rakes and Pitch Forks	
R/P	3	Pickax	
R/P	2	Sledge Hammer	
R/P	4	Hedge & Pruning Shears	

RS-501002

RS-3 @PDC

1 JULY

LAMPS FOR SOUTHWESTERN STATIONS

			H.F.	T.G.	L.H.	S.Y.
R/P EL	Incandescent Lamps, 25W			1 Case		
" "	" " 40W			3/4 Case		
" "	" " 75W			15 Lamps	1/2c	
" "	" " 100W			2 Lamps		
" "	" " 150W		1/2c	2 Cases		
" "	" " 200W			35 Lamps		
" "	" " 300W				1/2c	
" "	" " PARH 50W		2c			
" "	" " PAR 75W			8 Lamps		
" "	" " PAR 120W			2 Cases		
" "	Infrared 250W		1 1/2c			
R/P EL	Fluorescent Lamps, F96T.2		3c			
" "	" " F96HO					1 1/2
" "	" " F40		5c	1/2c		
" "	" " F40HO		1c			1c
" "	" " F30					1/2
" "	" " F30T8		2c			
R/P EL	Fluorescent Ballasts F96T12			3		
" "	" " F96HO			1		
" "	" " F40			4		
" "	" " F30T8			3		

AIR FILTERS FOR SOUTHWESTERN STATIONS

	H.F.	S.G.	P.D.C.	L.H.	G.W.
R/P	20" x 25" x 2'	3 cases		2 1/2c	
"	20" x 24" x 2'	1 case		3	
"	20" x 20" x 2'	4 cases			
"	16" x 25" x 2'	1 case			8
"	16" x 20" x 2'	1 1/2c			
"	12" x 24" x 2'	1			
"	15" x 30" x 1'	1			
"	25" x 25" x 1'	2			
"	20" x 25" x 1'	6	1		
"	16" x 25" x 1'	1			
"	14" x 25" x 1'	4			
"	24" x 24" x 1'	2			
"	20" x 24" x 1'	2			
"	16" x 20" x 1'	2			

LUBRICANTS AT H.F.

\*H.F. = Herbert Fleishhacker

R/P	65 Gallons 32 Grade Hydraulic Oil
R/P	8 Gallons 46 " " "
R/P	30 Gallons 80 weight " "
R/P	30 Cartridges of Grease
R/P	35lbs. Freon R-12
R/P	30lbs. Freon R-502

1 JULY 1993

ZOO GROUNDS STATIONS

Miscellaneous Mixed Old Hand Tools, i.e.,  
Screwdrivers, End Wrenches, Pliers, also,  
Tools Made for Site.

T.G.	L.H.	G.
15	5	8

\*T.G. = Triple Grotto

R/P	ENG	1	Wrenches, Crescent	10"
"	"	1	"	8"
"	"	1	"	6"
"	"	1	" Pipe	24"
"	"	2	"	18"
"	"	1	"	12"
"	"	2	" Monkey	12"
"	"	3	Hammers, Claw	
"	"	2	" Wood	
"	"	1	Drop Cord with Light	
"	"	2	Extension Cords	
"	"	1	Hand Truck	
"	"	2	Ladders, 6' Folding	

\*L.H. = Lion House

R/P	ENG	2	Screwdrivers	
"	"	1	Wrenches, Crescent	
"	"	1	" Monkey	
"	"	1	Grease Gun	

\*P.D.C. = Primate Discovery Center

R/P	ENG	1	4 in 1 Screwdriver	
Z		1	Pliers, Wire Cutting	
Z		1	" Channel Lock	8"
Z		2	" Hand Com.	
Z		1	Extension Cord	

\*P.D.C. #3

R/P	ENG	1	Residual Test Kit	
"	"	1	Wrench Strap	

\*G.W. = Gorilla World

R/P	ENG	1	Pliers, Channel Lock	10"
"	"	1	Ladder, Folding Step	8'

1 JULY 1993

LANDSCAPE EQUIPMENT

<u>EQUIPMENT</u>	<u>SERIAL NUMBER</u>	<u>YEAR</u>	<u>EQUIP. #</u>	<u>CONDITION</u>
BACK BLOWER		84	651B712	FAIR
CHIPPER BRUSH BANDIT		88	651944	GOOD
GENERATOR		83	651S115	NOISY
HEDGE SHEARS		81	651S698	FAIR
POWER EDGER		83	651S114	SHOP
ROTARY MOWER		73	651S270	FAIR
ROTARY MOWER		84	651T006	FAIR
TRUCK PICK UP (on vehicle list)		91	651Y545	GOOD
WATER PUMP		83	651S278	FAIR
WEED EATER		83	651370	WEAK
"" Toro Model 51650 Ser.#2000540		92		GOOD
"" Toro Model 51650 Ser.#0000990		92	651T678	GOOD
"" Toro Model 51675 Ser.#2000385		92	651T679	GOOD
"" Toro Model 51675 Ser.#2001769		92	651T682	GOOD
"" Toro Model 51675 Ser.#2000859		92	651T680	GOOD
"" Toro Model 51670 Ser.#2001094		92	651T681	GOOD
HEDGE SHEARS				
Little Wonder 3000 SE Ser.#281448		92	651T671	GOOD
Little Wonder 3000 SE Ser.#281449		92	651T672	GOOD
ROTARY MOWER				
Toro Model 22680C Ser.#8900396		90	651T683	GOOD
BACK BLOWER				
Toro Model 30941 Ser.#2000323		92	651T675	GOOD
Toro Model 30941 Ser.#2000338		92	651T676	GOOD

1 JULY 1993

<u>EQUIPMENT</u>	<u>SERIAL NUMBER</u>	<u>YEAR</u>	<u>EQUIP. #</u>	<u>CONDITION</u>
<b>EDGER POWER</b>				
Model 802021715039201503			651T673	GOOD
Model 8020217650392051303			651T674	GOOD
<b>ROTOTILLER BCS #737-E/S 26</b>				
Attachments		93		GOOD
Dozer/Scrape #921-58301		93		GOOD
Chipper/Shredder #921-90130		93		GOOD
PTO Extension 3" 922-00010		93		GOOD
Mulching Bar 44" 921-90579		93		GOOD
Mower/Catcher 38" 921-90573		93		GOOD
<b>ROTOTILLER HONDA F210</b>				
		93		GOOD
<b>MOWER HONDA HR 173</b>				
		93		GOOD
<b>COMPRESSOR EM110 AM78 HC4V</b>				
		90		GOOD
<b>GENERATOR Honda EM-2500</b>				
Ser.#1011744		92		GOOD
<b>GENERATOR Honda EM-5000SX</b>				
Ser.#1002027		91		GOOD
<b>GENERATOR Honda EM-1000</b>				
		92		GOOD
<b>SAWS</b>				
<b>Husquarna Model 262XP</b>				
Sec.#		92		GOOD
<b>Husquarna Model 42</b>				
Sec.#		92		GOOD
<b>Husquarna Model 42</b>				
Sec.#		92		GOOD
<b>Homelite Model</b>				
		92		FAIR
<b>Homelite Model</b>				
		92		FAIR
<b>Homelite Model</b>				
		92		FAIR
<b>Husquarna PS50 Highcutter</b>				
		92		GOOD

OFFICES AND FURNISHINGS

- 1 24' X 40' Office Trailer - Administration Annex (Conf. Rm. B)
- 1 10' X 14' Office Trailer - Sr. Keeper Office @ Elephant House.
- 1 10' X 40' Office Trailer - Sr. Keeper Office @ Administration Complex.
- 1 12' X 60' Keeper Locker Room Trailer

Furnishings

Furnishings include desks, chairs, file cabinets, tables, phones, and shelves.

Equipment

- 1 IBM laser printer (# - 17323)
- 1 Epson dot matrix printer (#-OHA1038120)
- 1 Panafax UF 311 Fax Machine (#-01920300259)
- 1 Xerox 5052 Copier (#-15P-365582)
- 5 DFI PC's w/ Monitors and Keyboards

Misc. Equipment

- 1 Trash Compactor (located behind Mothers Building)

MOTOROLA HT-90

797FGN 0820  
797FGN 0821  
797FGN 0822  
797FGN 0824  
797FGN 0825  
797FGN 0826  
797FGN 0827  
797FGN 0828  
797FGN 0829  
797FGN 0831  
797FGN 0832  
797FGN 0834  
797FGN 0835  
797FGN 0836  
797FGN 0837  
797FGN 0838  
797FGN 0839  
797FGN 0840  
797FGN 0842  
797FGN 0843  
797FGN 0844  
797FGN 0845  
797FGN 0847  
797FGN 0848  
797FGN 0849  
797FGN 0852

JUL 30 1993

San Francisco Zoo Radio Serial Number List

MOTOROLA RADTUC 50+

519FRW 3222  
519FRW 3223  
519FRW 3226  
519FRW 3227  
519FRW 3228  
519FSS 4202  
519FSS 4203  
519FSS 4204  
519FSS 4205  
519FSS 4206  
519FSS 4207

MOTOROLA MAXTRAX 50

428HQN 4377  
428HQN 4378  
428HQN 4376  
428HQN 4375  
428HQN 4373

Motorola HT90

476ALLO336  
476ALLO337  
476ALLO340

M/ KV-6110 a  
S/ 42200263

Hitachi Camera  
M/ VK-C350  
S/ 00501590

A/V shop

Toa Microphone  
M/ VM 340 OU  
S/ C9445

A/V shop

Canon Facsimile machine  
M/ L770  
S/ C0228268

Toa Wireless System  
microphone  
M/ VM340U  
receiver  
M/ VTU840U  
S/ 91C50D0865  
rec. frame  
M/ VT840U  
antenna

Toa Speaker System  
speakers (2)  
M/ TOA-SL-60VH  
power mixers  
M/ MX601  
S/ 01B026754  
sound system  
M/ SM25A

video monitor  
M/ CT-2580VY

color monitor  
M/ CM-22U

Hitachi Camera  
M/ M52-000-02

Handycam Video 8 Recorder  
M/ CCD-SP9  
S/ 205479

Sony Video High 8  
M/ CCD TR 200  
S/ 1010025

1 July 1993

FIREARMS INVENTORY

LION HOUSE KEEPER'S ROOM

1 Winchester Bolt Action 30.06 Model 70, Featherweight  
Serial Number 555478

ANIMAL HOSPITAL

1 Winchester Bolt Action 30.06 Model 70, Featherweight  
Serial Number 554754  
1 Remington Wingmaster Model 870 12 Guage Pump Shotgun  
Serial Number T861695V-5 rounds

SENIOR KEEPERS OFFICE

2 Remington Wingmaster Model 870 12 Guage Pump Shotgun  
Serial Numbers T854862V and T862897V-50 rounds (slugs)

Exhibit C

List of Reimbursable Services to be Provided by City to Zoo

(SEE ATTACHED)

SCHEDULE: CITY SERVICES, 1993-94  
SAN FRANCISCO ZOO  
RECREATION & PARK DEPARTMENT  
Prepared 7/1/93  
CITYSVCS

	ESTIMATED LABOR COST
Stationary Engineer & Supv. 365 days	103,800
Truck Driver SS, 104 days	36,050
Trash Removal 104 days: 2/week	48,104
Lawn Mowing 12 days: 2/month	12,000
Heavy Equipment: Lake 4 man crew, 10 days (Sept)	10,000
Heavy Equipment: Africa 4 man crew, 10 days (April)	10,000
Tree Toppers 5 man crew, 30 days (1 week Oct, Nov, Jan & emergency, 2 weeks March)	32,400
	-----
TOTAL SUPPORT SERVICES	\$252,354

Exhibit D

Licenses and Permits

(SEE ATTACHED)

**ZOO PERMITS**

USDA - Class C Exhibitors License

USDI - (Fish and Wildlife) Captive Breeding Permit

Center for Disease Control - Non-Human Primate Importation Permit

State Permit for Movement of Animals

Hazardous Materials Permit - EPA #CAL000079684

License to Practice Veterinary Medicine in the State

Controlled Substance Registration Certificate

US Fish & Wildlife - Raptor Propagation Permit

California Department of Fish and Game - Scientific Captive Breeding Permit

MOU's California Dept. of Fish and Game - Bald Eagle genetics

Exhibit E

Furnished Utilities

(SEE ATTACHED)

1 JULY 1993

FURNISHED UTILITIES

Gas

Electricity

Domestic Water

Well Water

Reclaimed Water

Telephone

Heat, light, power

Fuel

Sewer Service

Exhibit F

Scope and Schedule of Infrastructure Bond Work

(SEE ATTACHED)



Exhibit G-1

Civil Service Employees

(SEE ATTACHED)

A07A/092393

**Exhibit G-1 - SEE ATTACHED**

FULL-TIME CIVIL SERVICE PERSONNEL ASSIGNED TO THE  
SAN FRANCISCO ZOOLOGICAL GARDEN AT 1 JULY 1993

CLASS	TITLE	NAME
1450	Executive Secretary I	Peterson, Woody
2290	Veterinarian	Bennett, Avery
2708	Custodian	Bishop, Juanita Cornwell, Bill Romero, Augusto Vigil, Victor Yee, Doris
2440	Veterinary Laboratory Techs	Brozicevic, Michelle Hedberg, Gail Martorana, Ron
3320	Animal Keeper	Aniot, Ron Barisone, Patti Bernardi, Ron Bocian, David Caratti, Linda Castor, Jack Channon, Connie Cone, Carol Corona, Steve Gershenz, Norman Grissom, John Hamburger, Lisa Hartgraves, Jeff Hartney, Ingrid Horblit, Helen Howe, David Huckle, Jane Hunter, Paul Jackson, Dan Kerr, Mary Martinez, Carol Moyles, Terry Munoz, Joe Nikitas, Laurie Peck, Yovanna Rudovsky, Michelle Rumsey, Nancy Sharp, Tony Stifflemire, C. Stowe, Neal Taha, Robin Turowski, Tom Weiss, Alex Whiler, Mike Wright, Andrea Willers, Chris

CLASS	TITLE	NAME
3321	Senior Keepers	Colonnese, Tony Edmunds, Herman Feinberg, Alan
3322	Asst. Head Keeper	Tony Bila
3324	Head Keeper	Joe Rusk
3338	Asst. Director/Operations	Jurosek, Marla
3339	Asst. Zoo Director/Animals	Robinett, David
3340	Zoo Director	Anderson, David
3342	Zoo Curator	Sulak, Myron
3417	Gardener	Foster, Tom McCardle, Mike Ninos, John Raber, John White, Harry
3422	Gardening Supervisor	Chiosso, Tom
7347	Plumber	Yee, Eddie
7355	Truck Driver	Lembi, Roy
7395	Iron Worker	Benlein, David

Exhibit G-2

Employee Agreements from Concepts of Expanded Partnership

(SEE ATTACHED)

LETTER OF INTENT  
BETWEEN  
UPE LOCAL 790, SEIU  
AND  
THE SAN FRANCISCO RECREATION AND PARK DEPARTMENT

The Recreation and Park Department and UPE Local 790, SEIU agree that it is their intent that the following language be incorporated into the Expanded Partnership Agreement between the City and County of San Francisco and the San Francisco Zoological Society, should the current negotiations regarding an Expanded Partnership Program result in an agreement:

The parties acknowledge that UPE Local 790, SEIU has been certified as the recognized employee representative, pursuant to the provisions of the city's Employee Relations Ordinance, of the following employment classifications assigned to the Zoo: 2708, Custodian; 3302, Vendor; 3322, Assistant Head Animal Keeper; 3324, Head Animal Keeper; and 4321, Cashier II. Both parties agree that should the Expanded Partnership Program be enacted, Local 790 shall continue to represent the current permanent Civil Service employees in the above classes.

In the event that a position in any of the above classifications becomes vacant for any reason, the vacant position will be abolished or reassigned outside the Zoo by the City and County of San Francisco Recreation and Park Department.

No permanent employee in the above classifications as of the date of ratification of this Expanded Partnership Agreement shall be laid off or reassigned due to this Expanded Partnership Agreement.

Permanent employees in the above classifications who are assigned to the Zoo as of the date of ratification of this Expanded Partnership Agreement shall remain employees of the City and County of San Francisco assigned to the Zoo. Such employees shall continue to be subject to the same general rights, privileges, conditions and obligations applicable to other employees in the same classifications employed by the City and County of San Francisco Recreation and Park Department.

It is understood by both parties that in the event that the Zoological Society fails to meet its obligations in operating the Zoo under the Expanded Partnership Agreement, management of the Zoo will be resumed by the City and County of San Francisco Recreation and Park Department. All employees covered by the agreement will retain their Civil Service rights and obligations and continue to be covered by the contract between UPE Local 790, SEIU, and the City and County of San Francisco.

Nothing herein shall limit the ability of the Zoological Society to supervise and direct the activities of City employees in the above classifications assigned to the Zoo.

Concepts of Lease Agreement  
San Francisco Recreation and Park Commission  
San Francisco Zoological Society

Agreements to Amend Concepts  
Teamsters 350 and Teamsters 856  
February 4, 1993

SECTION 3. The City of San Francisco and the Recreation and Park Commission in accordance with a lease agreement shall provide the San Francisco Zoological Society an annual payment subject to normal budget appropriation each year by the Board of Supervisors, for services rendered in operating the Zoo. The payment may be in the form of services, Civil Service salaries, utilities, payments of other operating costs, or some combination.

AMENDED TO READ: "...shall provide the San Francisco Zoological Society an annual payment of \$4 million each year of the first five years of this agreement, subject to ...combination." After the first five years, in any subsequent renewal of this agreement, the amount of the City's annual payment shall be re-negotiated and indexed based on cost of living or Civil Service salary standardization, whichever is greater, subject to the approval of the Recreation and Park Commission and the Board of Supervisors.

7. Current Permanent Civil Service Animal Care personnel, as set forth in Attachment B, lacking transfer opportunities, may elect to resign from employment with the City and County of San Francisco and become San Francisco Zoological Society employees or may remain employees of the City and County of San Francisco assigned to the Zoo, subject to all rights, privileges and obligations as set forth in the Charter and Civil Service Commission rules.

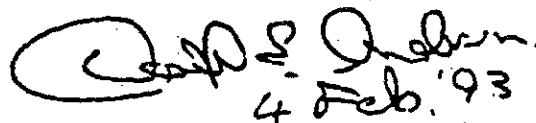
Current Permanent Civil Service employees who retain their city employment will continue to enjoy all rights privileges and obligations provided to them by City Charter and Civil Service Commission Rule.

This Section 7 shall apply to any subsequent renewals of the lease agreement.

AMENDS FORMER SECTION 7.

11. In the event the Expanded Partnership agreement is terminated and the City re-assumes operational management of the Zoo, re-hiring and hiring of animal keepers shall occur in the following manner:

- a. Any Civil Service animal keeper who resigns from employment with the City of San Francisco to accept a position as animal keeper with the Zoological Society, shall retain preference for a period of four years by

  
4 Feb. '93

EXHIBIT

Submit  
to  
2.4.93

exercising their right to request reappointment to their Civil Service position. After four years, right to reinstatement ceases and preference will be retained in the manner as shall apply to non-civil Service animal keepers. (see b. below)

- b. Non-Civil Service animal keepers hired by the Zoological Society during the term of the Partnership agreement shall be given preference by the granting of temporary appointments in available Civil Service animal keeper positions prior to establishment of a new eligibility list; temporary appointments are granted seniority in hiring by the Civil Service Commission rules.
- c. At such time that a Civil Service animal keeper examination is given and an eligibility list established, the Recreation and Park Department and Teamsters Local 856 shall request that rule-of-the-list rather than rule-of-three shall be used for selection. Should the eligibility list be rule-of-the-list, preference shall be given to animal keepers hired during the tenure of the Partnership agreement.

12. NEW

In the event the Expanded Partnership is enacted, the three current Senior keepers shall retain their positions. It is understood that these employees shall continue to abide by the Civil Service Commission Rules.

It is also agreed that in the event job positions are established within the San Francisco Zoological Gardens by the San Francisco Zoological Society at levels higher than the Senior Keeper position any employee shall be entitled to apply for said position(s) and will be given consideration for placement in said position(s). Further, in the event a Senior Keeper position becomes available, Animal Keepers shall be entitled to apply for such position, and if selected shall upon such selection have the choice of becoming an employee of the San Francisco Zoological Society or to have civil service status in the City and County of San Francisco.

The Senior Keeper job title may be changed at the discretion of the Zoo Director. The pay differential established pursuant to salary standardization between the Animal Keeper and Senior Keeper positions shall continue in effect notwithstanding a job title change.

In the event this lease agreement does not go into effect, the three current Senior Keeper positions will be retained unless the City of San Francisco General Funds are reduced from the Zoo's Recreation and Park Department budget.

*David E. Johnson*  
4 Feb '93

DATE: 2/2/93

Mary E. Burns

Mary Burns  
General Manager  
SF Recreation and Park Dept.

Paul Varacalli

Paul Varacalli  
Executive Director  
UPE Local 790, SEIU

David E. Anderson 2 Feb. 93

David Anderson  
SF Zoological Gardens

Fred Barker

Fred Barker  
Field Representative  
UPE Local 790, SEIU

Exhibit G-3

Schedule of Employee Agreements

(SEE ATTACHED)

A07A/092393

**Exhibit G-3 - SEE ATTACHED**

SAN FRANCISCO ZOOLOGICAL GARDENS  
 Schedule of Employee Agreements under Union Representation  
 July 1 1993

Teamsters Local 856		
Recreation and Park Department - Animal Keepers		37
San Francisco Zoological Society - Animal Keepers, Rides & Admissions, Maintenance, Retail		37
Teamsters Local 350, R/P Senior Keepers		3
Teamsters Local 216, R/P Truck Driver		1
	Total Teamsters	78
Local 2 Hotel & Restaurant Employees		
Zoological Society	Total Local 2	56
SEIU Local 790		
R/P Dept. Head & Asst. Head Keepers		2
R/P Dept. Custodians		5
	Total SEIU	7
Laborers Local 261		
R/P Dept. Gardners	Total Local 261	6
Local 250		
R/P Dept. Hospital Workers		3
R/P/Dept. Zoologists		1
	Total Local 250	4
Local 38 Plumbers		1
Local 377 Ironworkers		1
	Total Union Workers, San Francisco Zoological Gardens	153

EXHIBIT G-3

Exhibit H

Additional Attachments

(SEE ATTACHED)

A07A/092393

**Exhibit H - SEE ATTACHED**