

LICENSE AGREEMENT

THIS AGREEMENT is made and entered into this 6th day of September, 1988,
by and between the CITY OF COSTA MESA, a Municipal corporation, ("CITY")
and ORANGE COUNTY MODEL ENGINEERS, an unincorporated association,
("O.C.M.E.")

R E C I T A L S :

WHEREAS, O.C.M.E. desires to install, maintain, and operate a model
railroad facility at Fairview Park in the City of Costa Mesa; and

Whereas, CITY and O.C.M.E. desire to set forth herein the conditions
under which CITY will permit such facility;

NOW, THEREFORE, the parties agree as follows:

1. LICENSE

CITY hereby licenses the installation, maintenance, and operation
of a model railroad facility on the premises of Fairview Park, a public
park owned by CITY, by O.C.M.E., for a period of 25 years. This
license shall include construction of facilities, track, tunnels,
bridges, and other improvements as approved by CITY in the master plan
and specific plan for development.

2. USE FEE

The CITY, grants O.C.M.E. this license to use a portion of Fairview
Park site at no fee. CITY, shall receive in return a unique
recreational facility.

3. INSTALLATION OF IMPROVEMENTS

A. Prior to construction of any facilities O.C.M.E. shall provide a master
plan of the facility to CITY. CITY shall have final right of approval
of all improvements.

B. Prior to construction O.C.M.E. shall provide to CITY, construction
plans and specifications. The plans and specifications will require
approval by both the Department of Leisure Services and the Building
Safety Department prior to construction.

C. O.C.M.E. shall provide short-term and long-term schedules for
improvements - future or existing.

- D. Improvements must be compatible with other park improvements - future and existing.
- E. O.C.M.E. shall pay for and bear the cost of all improvements, including plan check fees and permits.

4. OPERATION

A. Run Days

O.C.M.E. shall provide the CITY a yearly schedule of anticipated run days no later than January 2 of each year. The schedule shall if necessary be updated monthly. The model railroad shall be made to run on those days scheduled. In the event of inclement weather or emergencies O.C.M.E. will be excused from running the railroad. The CITY has the option to approve or disapprove the submitted schedule. In the event of disapproval, O.C.M.E. shall submit a revised schedule that conforms to the CITY's requirements. CITY's approval shall not be unreasonably withheld. The run day schedules will be posted and protected at the park facility and made available for public viewing. O.C.M.E. is also required to provide the approved schedule in the form of a press release to local newspapers for their use.

B. Hours of Operation

O.C.M.E. shall submit, along with the run day schedule, a schedule indicating the actual hours of operation. O.C.M.E. shall adhere to the schedule. The CITY has the option to approve or disapprove the submitted schedule. In the event of disapproval, O.C.M.E. shall submit a revised schedule that conforms to the CITY's requirements. CITY's approval shall not be unreasonably withheld. O.C.M.E. shall post and protect the hours of operation at the facility and make them available for public viewing. O.C.M.E. shall include the hours of operation with the run day schedule in the press release referred to above.

C. Fees

O.C.M.E. is not allowed to collect fees from the public for riding on users trains or for use of the park or facilities. O.C.M.E. may collect unsolicited donations from the public in a manner acceptable to the City.

D. Closure of Facility for Construction or Maintenance

In the event the facility will be closed for construction or maintenance, O.C.M.E. shall submit a revised schedule to the CITY for approval. The revised schedule shall be posted and protected at the site and made available for public viewing. O.C.M.E. shall also provide press releases to local newspapers regarding the temporary closure of the facility.

5. Operation Rules and Regulations

- A. O.C.M.E. shall provide all club members and train operators a set of Rules and Regulations for Railroad Operations and Safety and also shall ensure that all rules and regulations are strictly enforced. (See attachment B).
- B. O.C.M.E. shall immediately notify CITY in writing of any accidents, vandalism, and any similar occurrences.
- C. O.C.M.E. shall provide the CITY monthly records of the number of passengers carried on each day of operation.

6. GENERAL PUBLIC

- A. No unlawful discrimination in any form shall be practiced.
- B. O.C.M.E. shall provide free rides on every scheduled run day.
- C. O.C.M.E. shall provide all necessary safety devices, regulations, and warning signs. All signage shall be approved by CITY prior to installation.
- D. O.C.M.E. shall supervise the public while using the facility. If park users are uncontrollable O.C.M.E. shall contact the Costa Mesa Police Department or the Park Ranger.
- E. O.C.M.E. shall post a notice stating that there is a maximum weight limitation of 225 pounds per person allowed to ride on members' trains.

7. INSURANCE

O.C.M.E. shall obtain and maintain for the duration of this Agreement, commercial general liability insurance with limits of not less than one million dollars combined single limit, per occurrence and aggregate. City of Costa Mesa shall be an additional named insured. The policy shall not be cancelled without first providing CITY 30-day written notice. O.C.M.E. shall provide proof of insurance to CITY in a form acceptable to the City Attorney's Office before beginning any installation or construction pursuant to this Agreement, and shall provide a new certificate for each policy period showing the required insurance in force.

8. MAINTENANCE OF AREA

- A. O.C.M.E. shall maintain a clean and safe area.
- B. CITY shall provide landscape maintenance.
- C. O.C.M.E. shall not store toxic, explosive, or flammable materials on the site.
- D. O.C.M.E. shall keep all facilities in good repair. If facilities are neglected, CITY may repair and back-charge O.C.M.E. CITY may terminate this agreement with 60 days notice if, in the CITY's opinion, O.C.M.E. fails to keep facilities in good repair.

9. SALE OF GOODS OR FOOD

- A. O.C.M.E. may sell food and drink (non-alcoholic) with prior written approval of CITY. No alcoholic beverages are allowed in the park or at the O.C.M.E. facility.
- B. O.C.M.E. shall obtain all necessary permits prior to selling food or drink.

10. SIGNAGE OR ADVERTISEMENT

No signs or advertisement shall be posted or erected without prior written approval of CITY.

11. UTILITIES

- A. CITY shall provide water and power to the site.
- B. CITY shall pay water and power bills.
- C. CITY shall provide trash pickup at trash cans.
- D. O.C.M.E. shall provide general litter pickup.
- E. CITY shall provide for telephone installation, and O.C.M.E. shall pay and be responsible for the monthly bills.

12. CONDITION OF PREMISES

- A. O.C.M.E. accepts site "As Is".
- B. City will provide rough grading for installation of track.

13. QUALITY

- A. O.C.M.E. shall maintain a high standard of service comparable to other facilities, i.e. Chula Vista, Riverside, Griffith Park, etc. The CITY shall be the ultimate judge of quality of service being provided by O.C.M.E.

14. PARK INSPECTION

CITY reserves the right to inspect the premises as it deems necessary.

15. ASSIGNMENTS PROHIBITED

O.C.M.E. shall make no assignment of any rights granted herein without prior written approval of the Director of Leisure Services or his designee.

16. RELOCATION

In the event that the track or other facilities require relocation to facilitate construction of CITY facilities, O.C.M.E. shall bear the cost of relocation. CITY shall make every effort to design around existing improvements. The CITY is not obligated to provide relocation assistance but may do so at its option.

17. TERMINATION; REMOVAL OF MATERIALS AND EQUIPMENT

Either party may terminate this agreement upon 90-days written notice to the other, either by certified mail or by personal delivery. Upon such termination or upon expiration of this agreement according to its terms, O.C.M.E. shall remove all its materials and equipment within 60-days. Any materials or equipment remaining on the site after that 60-day period shall be considered abandoned and may be removed and disposed of by CITY at its sole discretion.

DATED on the day and year first above written.

[Signature]

Mayor of the City of Costa Mesa

ATTEST:

Eileen P. Phunney
City Clerk of the City of Costa Mesa

ORANGE COUNTY MODEL ENGINEERS

Ben Viola

Ben Viola

TITLE: PRESIDENT O.C.M.E.

APPROVED AS TO FORM:

[Signature]

Christiaan Anten

TITLE: TAC SUPERINTENDANT.

Eleanor M. Frey, Asst. C.A.
City Attorney of the City of Costa Mesa