TIDELAND USE AND OCCUPANCY PERMIT FOR TELECOMMUNICATION SITES

THIS PERMIT, granted this _____ day of _____, 2017, by the SAN DIEGO UNIFIED PORT DISTRICT, a public corporation, hereinafter called "District," to VERIZON WIRELESS (VAW) LLC a Delaware limited liability company, dba VERIZON WIRELESS, hereinafter called "Tenant," WITNESSETH:

District for the considerations hereinafter set forth, hereby grants to Tenant upon the terms and conditions and for the purposes and non-exclusive uses hereinafter set forth, the right to use and occupy a portion of those lands conveyed to the San Diego Unified Port District by that certain Act of the Legislature of the State of California, entitled "San Diego Unified Port District Act," Stats. 1962, 1st Ex. Sess., c. 67, as amended, which lands are more particularly described as follows and are herein referred to as "Premises":

Portions of tideland area located behind the Convention Center in Embarcadero Marina Park South located on Marina Park Way in the City of San Diego, California, more particularly delineated on Drawing No. 019-067, dated June 21, 2016, as identified on Exhibit A, attached hereto and by this reference made a part hereof, consisting of telecommunication equipment located at the two (2) identified places in Embarcadero Marina Park South described below and in the District Project Review and Conditional Approval for District project number 019-008-3242.

Tenant shall occupy approximately one hundred fifty four (154) square feet, directly adjacent to the existing Sprint Equipment Room, consisting of a fully enclosed equipment building on a poured-in-place concrete pad with standing seam metal roof to match the existing Sprint Equipment Room, delineated as "Verizon Equipment Building Permit Area" on District Drawing No. (019-067) dated June 21, 2016, attached hereto as Exhibit "A" and by this reference made a part hereof.

Tenant shall occupy portions of the existing Sprint Cell Tower delineated as "Sprint Cell Tower" on District Drawing No. (019-067) dated June 21, 2016, attached hereto as Exhibit "A" and by

this reference made a part hereof, to install antennas, remote radio units (RRU) and other related equipment, with fiber and power conduits running from the Verizon Equipment Building to the Sprint Cell Tower noted above through new and existing conduits and concealed.

Tenant shall occupy the Premises for Tenant's telecommunication equipment for Tenant's antennas, including access to, seven (7) days a week, twenty-four (24) hours a day, on foot or motor vehicle, including trucks, and for the maintenance of utility wires, poles, cables, conduits, and pipes to the equipment and antenna spaces. Tenant shall have the right to modify, maintain, repair, operate, and remove antennas, equipment, cabinets, utility connections and related equipment (collectively, "Communication Equipment") within the Premises pursuant to this Permit. Tenant shall also have the right to access the Premises from a public right of way.

This Permit is granted upon the following terms and conditions:

1. **TERM:** The term of this Permit shall be for three (3) years and two (2) months, commencing on August 1, 2017 ("Commencement Date") and ending on September 30, 2020, unless sooner terminated as herein provided. Tenant shall have the option to extend this Permit for two (2), five (5) year terms. Each additional term for which this option is exercised shall commence at the expiration of the immediately preceding term, upon the express condition that Tenant shall give written notice of an extension for any such term to District at least ninety (90) days prior to the expiration of the immediately preceding term. Time is of the essence for said ninety (90) day notice.

Upon timely exercise of said option as provided herein, this Permit shall continue in full force and effect in accordance with the terms, covenants, and conditions thereof, including the adjustment of rent as herein provided. Should Tenant fail to give District written notice of its election to exercise an option for extension of this Permit in accordance with this Paragraph 1, the option for said extension and all subsequent extensions shall thereafter be and become null and void and of no further force and effect.

2. **RENTAL:** Tenant agrees to pay to District rent in accordance with the following: The term of this Permit shall be August 1, 2017 ("Commencement Date") to and Attachment D to Agenda File No. 2016-0422

including September 30, 2020 ("Termination Date"), divided into the following rental periods, hereinafter "Rental Periods":

- 1. August 1, 2017 and ending September 30, 2017
- 2. October 1, 2017 and ending September 30, 2018
- 3. October 1, 2018 and ending September 30, 2019
- 4. October 1, 2019 and ending September 30, 2020

The rent for the first Rental Period Commencing August 1, 2017 and ending September 30, 2017, of this Permit shall be the sum of Four Thousand Dollars (\$4,000) per month, payable in advance on or before the first (1st) day of each and every month during the term of this Permit.

The rent for the second Rental Period commencing October 1, 2017 and ending September 30, 2018, shall be the sum of Four Thousand One Hundred Twenty Dollars (\$4,120) per month. Said rent shall be payable in advance on or before the first (1st) day of each month;

The rent for the third Rental Period commencing October 1, 2018 and ending September 30, 2019, shall be the sum of Four Thousand Two Hundred Forty-four Dollars (\$4,244) per month. Said rent shall be payable in advance on or before the first (1st) day of each month;

The rent for the fourth Rental Period commencing October 1, 2019 and ending September 30, 2020, shall be the sum of Four Thousand Three Hundred Seventy-one Dollars (\$4,371) per month. Said rent shall be payable in advance on or before the first (1st) day of each month;

Should the term be extended as provided in Paragraph 1 above, Tenant agrees to continue paying District monthly rent beginning October 1, 2020. The monthly rent due October 1, 2020 shall be adjusted in accordance with Paragraph 3 herein, payable in advance on or before the first day of each and every month during the option term(s) of this Permit and adjusted annually on each successive October 1st throughout the option term(s) of this Permit.

All payments shall be delivered to District's Treasurer. Checks shall be made payable to the San Diego Unified Port District and mailed to the Treasurer's Office, San Diego Unified Port District, Post Office Box 120488, San Diego, California 92112-0488, or delivered to the Treasurer's Office, San Diego Unified Port District, 3165 Pacific Highway, San Diego, California. District may change the designated place of payment and filing at any time upon **thirty (30)** days' written notice to **Tenant**. Tenant assumes

all risk of loss and responsibility for Late Charges, as hereinafter described, if payments are made by mail.

Tenant hereby acknowledges that late payment by Tenant to District of rent and other sums due hereunder will cause District to incur costs not contemplated by this Permit. Accordingly, in the event Tenant is delinquent in rendering to District an accounting of rent due or in remitting the rent due in accordance with the rent provisions of this Permit, Tenant shall pay, in addition to the unpaid rent, five percent (5%) of the delinquent rent. If rent is still unpaid at the end of fifteen (15) days, Tenant shall pay an additional five percent (5%) [being a total of ten percent (10%)] (collectively, "Late Charges"). The parties hereby agree that said Late Charges are additional rent and are not interest, and that said Late Charges are appropriate to compensate District for loss resulting from rent delinquent account.

All payments by Tenant to District shall be by a good and sufficient check or by electronic funds transfer. If Tenant requests, District agrees to provide to Tenant bank routing information for such purpose. No payment made by Tenant or receipt or acceptance by District of a lesser amount than the correct amount of rent due under this Permit shall be deemed to be other than a payment on account of the earliest rent due hereunder, nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed an accord and satisfaction, and etter of Credit shall be valid for a minimum of three (3) months beyond the expiration ver the balance or pursue any other available remedy.

3. **RENT ADJUSTMENTS:** Commencing with the monthly rent payment due October 1, 2020, the monthly base rent shall increase annually by an amount equal to three percent (3%) of the monthly base rent in the preceding twelve month period. Each subsequent three percent (3%) rent increase shall be based on the previous year's monthly rent and shall occur annually on the 1st day of October during the term of this Permit, and during the term of each option period, as described in paragraph 2 above

4. **USE:** The Premises shall be used only and exclusively for the purpose of, with proper permits and approvals obtained, installing, constructing, modifying, maintaining, repairing, operating, and removing, all at Tenant's sole cost and expense, a wireless communication facility, which includes, but is not limited to, antennas, antenna structures, antenna equipment, cable wiring, utility lines, transmission lines, air-conditioned equipment shelters, back-up power sources (that may include back-up power generators with connected fuel storage tanks for emergency power), and related fixtures on the Premises (collectively, the "Communications Equipment"), and for no

other purpose whatsoever without the prior written consent of the District's Director in each instance.

In connection with entering into this Permit, Tenant has been permitted to install a temporary communications facility ("COW") in the Temporary COW Location as described in a Tideland Use and Occupancy Permit bearing District document number 65112 dated June 6, 2016. Tenant has been placed on holdover and is permitted to operate the COW at the Temporary COW Location for a period of up to six (6) months, commencing February 1, 2017 and ending on July 31, 2017. However, Tenant shall remove the Temporary COW Location as soon as all government approvals, licenses and permits required for the installation and the operation of the Communications Equipment are received if prior to July 31, 2017. The operation of the Temporary COW and the Communication Equipment described above should not unduly overlap. Tenant shall pay District rent in accordance with Paragraph 2 for each and every month that the COW is operational.

District and Tenant acknowledge and agree that Tenant shall have the right to share the antenna structures with one or more carriers. District hereby agrees, upon thirty (30) days written notice from Tenant, to Tenant entering into additional agreements with such additional carriers in connection with such shared usage (including, but not limited to, a co-location agreement and/or cost sharing agreement), provided, however that such shared agreement will terminate immediately upon termination of this Permit.

5. **TELECOMMUNICATIONS PROVISION:** Tenant shall maintain any radio frequency ("RF") radiation associated with the Communications Equipment within the levels allowed by federal regulations set forth in Section 1.1310 of CFR 47 and OET Bulletin 65. Any portion of the Premises casually accessible by the general public or by any worker at ground level shall be maintained below limits stated for General Population/Uncontrolled Exposure. Tenant shall report to the District any portion of the Premises discovered by Tenant to exceed such federally mandated limits. Tenant shall not hold the District responsible for its radiation levels found to exceed such limits. Hazardous RF radiation levels may be encountered when climbing on antenna structures (refer to FCC OET Bulletin 65). Any equipment installed on the Premises may, at times, require shutdown to allow maintenance on antenna structures. Tenant shall reasonably cooperate with the District in connection with such maintenance, including shutting down its Communications Equipment if necessary, provided the District uses reasonable efforts to ensure that the shutdowns do not occur during peak hours of operation and provides Tenant with at least forty-eight (48) hours prior notice. Protection of employees performing service on buildings, roofs, air-conditioning equipment, communications equipment, or any other maintenance work is of primary concern. Any areas in which such employees may be subjected to radiation levels that exceed the General Population/Uncontrolled Exposure limits must be clearly identified as required by CAL-OSHA. Tenant shall provide the District with written shutdown procedures, contact names, and telephone numbers. Tenant shall notify the District, in writing, of any changes to the shutdown procedures, contact names, or telephone numbers at least ten (10) calendar days prior to the change.

Tenant shall comply with all requirements set forth in Paragraph 6 below, which may be updated from time to time in the District's sole discretion, in writing, provided that Tenant is provided with notice of such update and a copy of same, and further provided that such updates do not prevent Tenant from operating the Communications Equipment as permitted hereunder. Tenant agrees to use commercially reasonable efforts to ensure that all Communications Equipment installations, modifications, and maintenance will not result in degraded performance or RF interference with any District-authorized equipment on the Premises, provided that the installation and operation of such District-authorized equipment pre-dates the installation of the Communications Equipment on the Premises and being operated in compliance with applicable laws.

Tenant shall perform all Communications Equipment installations, modifications, and maintenance in adherence to industry standards set by the "Standards and Guidelines for Communications Sites" Motorola R56© Manual, or any succeeding regulations or standards. In addition to the requirements of the Motorola R56© publication, installations on the Premises shall comply with the following supplemental requirements:

- (a) Tenant shall remove all trash and debris from the Premises at the end of each workday and upon completion of a project;
- (b) Tower and structure climbing shall be done in compliance with all CAL-OSHA requirements;
- (c) All transmitters shall have all necessary protection, such as cavity filtering and transmitter isolators, to eliminate any RF degradation of the receive signal to other users on the Premises; and
- (d) Tenant shall comply with the requirements set forth in Paragraph 6 below, with respect to any Communications Equipment installation or modification.

If the Premises is a shared site, Tenant shall not access any other wireless communication facility or District owned communications equipment (including any towers) on the Premises without the District's prior written consent.

Tenant's operations shall not unreasonably interfere with District operations or public use of District-owned property.

6. INTERFERENCE PROTECTION **REQUIREMENTS:** Prior to the Commencement Date and no more frequently than once a year during the term of this Permit, Tenant may be required to provide an intermodulation report ("Report") to the District with respect to the Communications Equipment. This Report shall include the calculation parameters used to compile the Report, all intermodulation "hits," a brief description of the results of the intermodulation calculations; a list of possible interference situations that may result from the proposed Communications Equipment and transmission frequencies that are currently being operated on the Premises, and similar or other relevant data from other permittees operating on-site. The information required to compile the Report, including intermodulation parameters and currently known transmission frequencies on the Premises may be obtained from the District's IT Department. The District is not responsible for any omitted data provided for the purpose of creating the Report; provided however, that Tenant shall not be responsible for any discrepancies contained in the Report lacking such data. The Report shall be provided to the District's Director of IT.

For the purpose of confirming interference situations calculated by the Report and for the discovery of any other actual interference situations, at the Premises, pre-installation or pre-use tests may be required. The tests will determine whether or not radio frequency interference or degraded performance will result to any existing authorized radio/electronic type uses at the Premises.

Tenant shall notify all permittees on the Premises of pre-installation or pre-use tests and details of the tests, at least fourteen (14) calendar days in advance of the test. A listing of all permittees operating at the Premises shall be provided to Tenant by the District and used to compile a notification list.

- (a) The notification shall be in the form of a letter to each listed permittee giving a technical data summary of the test and shall specify the date and hour the test will start. The letter notification shall request the permittee to have a qualified representative present for the test to observe for possible interference problems and with authority to sign an interference or noninterference certification on behalf of the permittee. Technical Data Summary and Test Results Certification sheets are available upon request.
- (b) A copy of these instructions shall be attached to each notification and it shall be noted in the notification letter.

- (c) Notification to permittees shall be sent via U.S. Mail, pre-paid First-Class postage, certified return receipt or hand delivered.
- (d) The notification letter to the Director of IT shall include a list of all permittees notified.

Following the completion of the tests, Tenant shall provide a letter to the Director of IT stating the test results obtained from each permittee participating in the test and a list of those permittee's who did not respond.

If a notified permittee fails to send a qualified representative to observe and participate in the tests, it will be assumed by the District that the permittee has assured itself that their operations will not be affected and Tenant's operations shall not be deemed to interfere with such permittee's facility.

It shall be the responsibility of Tenant to make complete arrangements and conduct all tests in accordance with applicable Federal/FCC Rules and Regulations.

Pre-installation or pre-use on-the-air tests shall be conducted by the Tenant under the following technical conditions:

- (a) The Tenant's transmitting and/or receiving equipment shall be of the type planned for final use on the Premises.
- (b) The transmitted RF power shall be the maximum to be used and authorized on the Premises.
- (c) On-the-air transmitter tests shall include the use of full allowable modulation.
- (d) Antenna height(s), location(s) and type(s) shall be the same or comparable to the final installation plan.
- (e) Tests shall include on-the-air operation of all participating transmitter(s) and receiver(s) in all possible combinations with the Tenant's electronic equipment.
- (f) All tests shall include testing with all frequencies planned for use by the Tenant on the Premises.

The radio equipment use proposed by the Tenant shall not result in degraded technical performance of the District's existing radio equipment installed on the Premises.

Resulting degraded technical performance in this instance will include, but is not limited to:

- (a) Detectable or measurable received intermodulation.
- (b) Audio distortion or noise; and
- (c) Receiver desensitization in excess of 3.0 dB with respect to 12dB SINAD test.

Tenant shall notify the District prior to modifications to transmitting equipment that will change effective radiated power, transmitter frequency, transmitter modulation, or transmitter spurious and harmonic emissions. These modifications may require a retest using this "ON THE AIR" testing procedure and the newly proposed equipment.

Tenant shall resolve interference problems that the Communications Equipment might cause with (i) other equipment located at the Premises or (ii) when the Tenant desires to add additional Communications Equipment to the Premises. The District may recognize the right of prior authorized tenants and withhold consent or disallow use of a new, retuned, or modified installation pending settlement of the interference problems between Tenant and other authorized users. The District shall not be obligated for any loss, financial or otherwise, which may be incurred by Tenant as a result of the District withholding consent and the Tenant waives any claim for expense or loss which the Tenant might incur as a result of the District withholding such consent.

District agrees that any other subtenant or user of the property containing the Premises during the term of this Permit will be permitted to install only such equipment that is of the same type and frequency which will not cause harmful interference which is measurable in accordance with then existing industry standards to the then existing Communications Equipment. The parties acknowledge that there will not be an adequate remedy at law for noncompliance with the provisions of this Paragraph and therefore, either party shall have the right to equitable remedies, such as, without limitation, injunctive relief and specific performance.

7. **ASSIGNMENT-SUBLEASE-ENCUMBRANCE:** Tenant shall not encumber this Permit, the Premises or the improvements thereon by a deed of trust, mortgage, or any other security instrument without the express written consent of the District, evidenced by resolution first had and obtained in each instance. Furthermore, neither the whole nor any part of the Premises nor any of the rights or privileges granted by this Permit shall be assignable or transferable in any way without such consent. Nor shall Tenant grant any permission to any other person to occupy any portion of the rented Premises without such consent. Any such purported assignment, transfer, sublease, encumbrance, or permission given without such consent shall be void as to District.

Further, Tenant shall not, without the prior written consent of District, contract for the management or operation of the whole or any part of the Premises.

It is mutually agreed that the personal qualifications of the parties controlling the **corporation** named herein as Tenant are a part of the consideration for granting this Permit. Said parties do hereby specifically agree to maintain active control and supervision of the operations conducted on the Premises.

In the event District consents to any sublease, said consent shall be conditioned upon the following: (i) if, upon the effective date of any said consented-to sublease, the rent being paid for the sublease area is less than market rent, District shall thereafter be paid additional rent to equal market rent for the sublease area as long as said sublease is in effect; (ii) if deemed necessary by District, an amendment to this Permit shall be executed which shall include new or revised permit provisions; and (iii) Tenant shall comply with other conditions and qualifications determined by the Board of Port Commissioners of District. Furthermore, as long as said sublease is in effect, rent for the sublease area shall be subject to adjustments and rent reviews as provided in Paragraph 3 herein.

8. **IMPROVEMENTS:** Tenant shall develop the Premises in accordance with plans approved by the District, which approval the District agrees not to unreasonably withhold, condition or delay. The District, may in its sole discretion, authorize changes to such plans, provided the principal components thereof are not modified, and a document evidencing approved changes is filed. Tenant's failure to comply with the approved plans shall be default of this Permit.

Tenant shall not construct any improvements, structures, or installations on the Premises, or make any alterations to the Premises (with the exception of necessary maintenance repairs and replacements) without the District's prior written consent, which consent the District agrees not to unreasonably withhold, condition or delay. Tenant shall not make major structural or architectural design alterations to approved improvements, structures, or installations on the Premises without the District's prior written consent, which consent the District agrees not to unreasonably withhold, condition or delay.

Tenant may replace any existing light pole on the Premises with District approval, in conformance with the description of the Premises set forth on the approved site plans and in compliance with all applicable codes and standards of District, city, state and federal agencies.

If changes in technology occur during the term of this Permit that requires Tenant to upgrade the Communications Equipment, Tenant may perform such upgrading in Tenant's sole discretion, provided that: (i) Tenant obtains the District's prior written consent, which consent the District agrees not to unreasonably withhold, condition or delay; (ii) the upgrading does not damage or interfere with any adjacent improvements on the **Site**; and (iii) the upgrade complies with the requirements in Paragraph 6 above.

In obtaining any required permits for improvements, structures, installations, and/or alterations on the Premises, Tenant shall inform permitting authorities, in writing, that the Premises are located on District-owned property. The District agrees to cooperate with Tenant, at no cost to the District to obtain any such required permits.

These provisions shall not relieve Tenant of any obligation under this Permit to maintain the Premises in a decent, safe, healthy, and sanitary condition, including, without limitation, structural repair and restoration of damaged or worn improvements.

9. **MAINTENANCE:** Tenant hereby agrees that the Premises are in a good and tenantable condition, that Tenant will take good care of the Premises and appurtenances, including any personal property belonging to District, and that Tenant, as a part of the consideration for the rental stated above, will, at Tenant's sole cost and expense, keep and maintain said Premises, appurtenances and personal property in good and sanitary condition and repair during the term of this Permit, subject to normal and ordinary wear and tear resulting from the use of the Premises as herein provided. District shall at no time during the term of this Permit be required to maintain or to make any improvements or repairs to the facility.

10. TITLE TO IMPROVEMENTS: On the Commencement Date, all existing structures, buildings, installations, and improvements of any kind located on the Premises are owned by and title thereto is vested in District. All structures, buildings, installations, and improvements placed on the Premises by Tenant subsequent to the Commencement Date shall at the option of District be removed by Tenant at Tenant's expense on or before the expiration of the term of this Permit or within ninety (90) days after the earlier termination thereof. District may exercise said option as to any or all of the structures, buildings, installations, and improvements, either ninety (90) days before or within thirty (30) days after the expiration or sooner termination of this Permit. Tenant agrees to repair any and all damage occasioned by the removal thereof. If District exercises such option and Tenant fails to remove such, structures, buildings, installations, and improvements within the time periods described above, the District shall have the right to have such, structures, buildings, installations, and improvements removed at the expense of Tenant. As to any or all structures, buildings, installations, and improvements owned by Tenant for which District does not exercise said option for removal, title thereto shall vest in District, without cost to District and without payment to Tenant.

All, machines, appliances, equipment, and trade fixtures of any kind placed on the Premises by Tenant shall remain the property of the Tenant and shall be removed by Tenant within ninety (90) days after the expiration of the term of this Permit or sooner termination thereof; provided, however, Tenant shall repair any and all damage occasioned by the removal thereof. If any such machines, appliances, equipment, and trade fixtures are not removed within ninety (90) days after the termination of this Permit, the same may be considered abandoned and shall thereupon become the property of District without cost to the District and without payment to Tenant, except that District shall have the right to have the same removed at the expense of Tenant.

During any period of time employed by Tenant under this Paragraph to remove structures, buildings, installations, improvements, machines, appliances, equipment and trade fixtures, Tenant shall continue to pay the full rental to District in accordance with this Permit which said rental shall be prorated daily.

11. **TERMINATION:** This Permit may be terminated by Executive Director of District or their duly authorized representative (i) in the event of an uncured default herein pursuant to Paragraph 16 herein or by (ii) Tenant in the event Tenant determines that the Premises are no longer technically compatible for its use or (iii) if Tenant's collocation agreement with Sprint PCS is terminated for any reason or (iv) by Executive Director of District or his duly authorized representative or Tenant as a matter of right and without cause at any time. In the event either party terminates this Permit based on the provisions of this paragraph, the terminating party must provide ninety (90) days' notice in writing to the other party of such termination.

HOLD HARMLESS: Tenant shall, except for Claims (as that term is defined 12. below) arising from the sole negligence or willful misconduct of District, defend, indemnify and hold harmless the District and its officials, officers, representatives, agents, and employees from any litigation, claim, action, proceeding, loss, damage, cost, expense (including, without limitation, all attorneys' fees and consultant/expert fees), award, fine, penalty or judgment (collectively, "Claims") arising directly or indirectly out of, from, or in connection with: (a) Tenant's obligations undertaken in connection with this Permit; (b) the possession, use, occupancy, operation or development of the Premises by Tenant or Tenant's representatives, agents, employees, consultants, contractors, invitees, subtenants, successors, assigns or similar users/affiliates (collectively, "Tenant Affiliate"); (c) the approval of this Permit, or other permits or approvals granted to Tenant or a Tenant Affiliate related to the Premises, including, but not limited to, approvals or permits for the development of any structures, buildings, installations, and improvements on the Premises, or use of the Premises (collectively, "Related Approvals"); and (d) the approval of environmental documents, mitigation and/or monitoring plans, or determinations conducted and

adopted pursuant to the California Environmental Quality Act or the National Environmental Policy Act for this Permit or Related Approvals.

Tenant acknowledges and agrees that it is the sole and exclusive responsibility of Tenant, and not the District, to: (a) ensure that all persons and/or entities (including, but not limited to, Tenant or a Tenant Affiliate) who provide any labor, services, equipment and/or materials (collectively, "Services") in connection with the development, construction, possession, use, occupancy, or operation of the Premises, this Permit and Related Approvals shall comply with the requirements of California's and any other prevailing wage laws ("PWL") to the extent such laws are applicable and (b) determine whether any Services are subject to the PWL. The obligations to defend, indemnification and hold the District harmless shall apply to, in addition to other Claims, any and all PWL Claims, except for those arising from the sole negligence or willful misconduct of District.

If the District reasonably determines that there is a conflict of interest between the interests of the District and the interests of the Tenant with respect to any Claim(s), the District may, in its sole and absolute discretion and in good faith, require the Tenant to obtain separate counsel for the District or participate in the defense of any such Claim(s) and in which latter case, the Tenant shall reimburse District for the reasonable costs of said defense, including, but not limited to, reimbursement for outside attorneys' and experts' fees, and other costs reasonably incurred by the District (and the District agrees to provide Tenant with documentation reasonably evidencing the costs incurred by the District in connection with such defense). The District's participation shall not relieve the Tenant of any of its obligations under this Paragraph. The District shall provide reasonable notice to the Tenant of its receipt of any Claims.

This Paragraph and the other obligations of Tenant under this Permit are independent of, and in addition to, the obligations of Tenant under any existing lease(s), other contractual agreement(s) or permits with or granted by the District, and are binding upon Tenant, and its agents, representatives, successors and assigns. This Paragraph shall survive the term of this Permit.

13. **INSURANCE:** Tenant shall maintain Commercial General Liability Insurance with a limit of Two Million Dollars (\$2,000,000) per occurrence for bodily injury and property damage and four Million Dollars (\$4,000,000) general aggregate including premises-operations, contractual liability and personal and advertising injury covering claims arising out of or resulting directly or indirectly from Tenant's use and occupancy of the Premises.

All required insurance shall be in force the first day of the term of this Permit. All insurance companies must be reasonably satisfactory to District, and the cost of all required insurance shall be borne by Tenant. Certificates in a form reasonably acceptable to District evidencing the existence of the necessary insurance policies, and blanket additional insured endorsements effecting coverage required by this clause, shall be kept on file with District during the entire term of this Permit. Certificates for each insurance policy are to be signed by a person authorized by that insurer to issue evidence of coverage on its behalf.

If any claim is made by the District but rejected by Tenant's insurance company and the claim should be covered by Tenant's insurance policies required hereunder, the District shall have the right to view a complete, certified copy of the applicable policy in the presence of a Tenant representative of a mutually agreeable location, conditioned upon the District first executing a non-disclosure agreement, subject to the California Public Records Act as codified in California Government Code Section 6250 et. seq.

All liability insurance policies will include the District, its officers, officials and employees as additional insureds as their interest may appear under this Agreement and protect District, its officers, officials and employees against any legal costs in defending claims. All insurance policies shall be primary and not excess or contributing to any insurance issued in the name of District.

Tenant shall be responsible for any deductibles and self-insurance retentions maintained under any policies required by this Permit, and District shall have no liability with respect thereto. Tenant shall indemnify and hold District harmless with respect to any such deductibles or self-insured retentions as respect to the District, its officers, officials, and employees;

District shall retain the right at any time to review the coverage, form, and amount of the insurance required hereby. If, in the opinion of District, the insurance provisions in this Permit do not provide adequate protection for District and/or for members of the public, District, upon prior written notice to Tenant, may require Tenant to obtain insurance sufficient in coverage, form and amount to provide adequate protection. District's requirements shall be reasonable but shall be designed to assure protection from and against the kind and extent of risk which exist at the time a change in insurance is required.

District shall notify Tenant in writing of changes in the insurance requirements and, if Tenant does not deposit certificates evidencing acceptable insurance policies with District incorporating such changes within sixty (60) days of receipt of such notice, this Permit shall be in default without further notice to Tenant, and District shall be entitled to all legal remedies. The procuring of such required policies of insurance shall not be construed to limit Tenant's liability hereunder, nor to fulfill the indemnification provisions and requirements of this Permit. Notwithstanding said policies of insurance, Tenant shall be obligated for the full and total amount of any damage, injury, or loss caused by Tenant's negligence or neglect connected with this Permit or with the use or occupancy of the Premises.

14. **TAXES AND UTILITIES:** This Permit may result in a taxable possessory interest and be subject to the payment of property taxes. Tenant agrees to and shall pay before delinquency all taxes and assessments of any kind assessed or levied upon Tenant or the Premises by reason of this Permit or of any buildings, machines, or other improvements of any nature whatsoever erected, installed, or maintained by Tenant or by reason of the business or other activities of Tenant upon or in connection with the Premises. Tenant shall also pay any fees imposed by law for licenses or permits for any business or activities of Tenant upon the Premises or under this Permit, and shall pay before delinquency any and all charges for utilities at or on the Premises.

15. **CONFORMANCE WITH RULES AND REGULATIONS:** Tenant agrees that, in all activities on or in connection with the Premises, and in all uses thereof, including the making of any alterations, changes, installations, or other improvements, it shall abide by and conform to all laws and regulations. Said laws and regulations shall include, but are not limited to those prescribed by the San Diego Unified Port District Act; any ordinances of the city in which the Premises are located, including the Building Code thereof; any ordinances and general rules of District, including tariffs; and any applicable laws of the State of California and federal government, as any of the same now exist or may hereafter be adopted or amended. In particular and without limitation, Tenant shall have the sole and exclusive obligation and responsibility to comply with the requirements of: (i) Article 10 of District Code entitled "Stormwater Management and Discharge Control," and (ii) the Americans With Disabilities Act of 1990, including but not limited to regulations promulgated thereunder, and District shall have no obligations or responsibilities as to the Premises.

16. **DEFAULT:** If any default be made in the payment of the rental herein provided or in the fulfillment of any terms, covenants, or conditions hereof, and said default is not cured within thirty (30) days after written notice thereof, this Permit shall immediately terminate and Tenant shall have no further rights hereunder and shall immediately remove the Communications Equipment from the Premises; and District shall immediately thereupon, without recourse to the courts, have the right to reenter and take possession of said Premises. Notwithstanding the foregoing, Tenant shall have such extended period as may be required beyond the thirty (30) days if the nature of the cure is such that it reasonably requires more than thirty (30) days and Tenant commences the cure within the thirty (30) day period and thereafter continuously and diligently pursues the cure to completion. District shall further have all other rights and

remedies as provided by law, including without limitation the right to recover damages from Tenant in the amount necessary to compensate District for all the detriment proximately caused by Tenant's failure to perform its obligations under this Permit or which in the ordinary course of things would be likely to result therefrom.

17. **LIENS:** Tenant agrees that it will at all times save District free and harmless and defend and indemnify it against all claims and liens for labor, services or materials in connection with improvements, repairs, or alterations on the Premises caused to be performed by Tenant thereon, and the costs of defending against such claims, including reasonable attorney's fees.

18. **BANKRUPTCY:** In the event Tenant commences a proceeding under Chapter XI of the Federal Bankruptcy Act, or is adjudicated bankrupt or insolvent, or a judicial sale is made of Tenant's interest under this Permit, this Permit shall at the option of District immediately terminate and all rights of Tenant hereunder shall immediately cease and terminate.

19. **EASEMENTS:** This Permit and all rights given hereunder shall be subject to all easements and rights-of-way now existing or heretofore granted or reserved by District in, to, or over the Premises for any purpose whatsoever, and shall be subject to such rights-of-way for reasonable access, sewers, pipelines, conduits, and such telephone, telegraph, light, heat, or power lines as may from time to time be determined by District to be in the best interests of the development of the tidelands.

District agrees that such easements and rights-of-way shall be so located and installed as to produce a minimum amount of interference to Tenant's operations at the Premises.

20. **TITLE OF DISTRICT:** District's title is derived from the provisions of the San Diego Unified Port District Act, Appendix 1, Harbors & Navigation Code, and is subject to the provisions of said Act. This Permit is granted subject to the terms and conditions of said Act.

21. **JOINT AND SEVERAL LIABILITY:** If Tenant, as a party to this Permit, is a partnership or joint venture, or is comprised of more than one party or entity or a combination thereof, the obligations imposed on Tenant under this Permit shall be joint and several, and each general partner, joint venture, party, or entity of Tenant shall be jointly and severally liable for said obligations. Furthermore, nothing contained herein shall be deemed or construed as creating a partnership or joint venture between District and Tenant or between District and any other entity or party, or cause District to be responsible in any way for the debts or obligations of Tenant, or any other party or entity.

22. **NONDISCRIMINATION:** Tenant agrees at all times to fully comply with all laws prohibiting discrimination against any person or class of persons by reason of sex, color, race, religion, handicap or national origin. If the use provided for in this Permit allows the Tenant to offer accommodations or services to the public, such accommodations or services shall be offered by the Tenant to the public on fair and reasonable terms. In complying with all such laws, including, without limitation, the Americans With Disabilities Act of 1990, Tenant shall be solely responsible for such compliance and required programs and there shall be no allocation of any such responsibility between District and Tenant.

23. **ENTIRE UNDERSTANDING:** This Permit contains the entire understanding of the parties, and the parties, by accepting the same, acknowledges that there is no other written or oral understanding between the parties in respect to the Premises or this Permit. No modification, amendment, or alteration of this Permit shall be valid unless it is in writing and signed by the parties hereto.

24. **PEACEABLE SURRENDER:** Upon the termination of this Permit by the expiration thereof or the earlier termination as by the terms of this Permit provided, Tenant will peaceably surrender the Premises in as good condition, subject to normal and ordinary wear and tear resulting from the use of such Premises as herein provided, as the same may be at the time Tenant takes possession thereof, and to allow District to take peaceable possession thereof.

25. **HOLDOVER:** This Permit shall terminate without further notice at expiration of the term. Any holding over by Tenant after either expiration or termination shall not constitute a renewal or extension or give Tenant any rights in or to the Premises. If Tenant, with District's consent, remains in possession of the Premises after expiration or termination of the term or after the date in any notice given by District to Tenant terminating this Permit, such possession by Tenant shall be deemed to be a month-to-month tenancy terminable on thirty (30) days' notice given at any time by either party. During any such month-to-month tenancy, Tenant shall pay all rent required by this Permit.

All provisions of this Permit, except those pertaining to term, shall apply to the month-to-month tenancy.

26. ACCEPTANCE OF PREMISES: BY SIGNING THIS PERMIT, TENANT REPRESENTS AND WARRANTS THAT IT HAS INDEPENDENTLY INSPECTED THE PREMISES AND MADE ALL TESTS, INVESTIGATIONS AND OBSERVATIONS NECESSARY TO SATISFY ITSELF OF THE CONDITION OF THE PREMISES. TENANT AGREES IT IS RELYING SOLELY ON SUCH INDEPENDENT INSPECTION, TESTS, INVESTIGATIONS AND OBSERVATIONS IN MAKING THIS PERMIT. TENANT ALSO ACKNOWLEDGES THAT THE PREMISES ARE IN THE CONDITION CALLED FOR BY THIS PERMIT, THAT DISTRICT HAS PERFORMED ALL WORK WITH RESPECT TO PREMISES AND THAT TENANT DOES NOT HOLD DISTRICT RESPONSIBLE FOR ANY DEFECTS IN THE PREMISES. TENANT FURTHERMORE ACCEPTS AND SHALL BE RESPONSIBLE FOR ANY RISK OF HARM TO ANY PERSON AND PROPERTY, INCLUDING WITHOUT LIMITATION EMPLOYEES OF TENANT, FROM ANY LATENT DEFECTS IN THE PREMISES.

> Initial: _____ District

Tenant

27. **WARRANTIES-GUARANTEES:** District makes no warranty, guarantee, covenant, including but not limited to covenants of title and quiet enjoyment, or averment of any nature whatsoever concerning the condition of the Premises, including the physical condition thereof, or any condition which may affect the Premises; and it is agreed that District will not be responsible for any loss or damage or costs which may be incurred by Tenant by reason of any such condition or conditions.

28. **ATTORNEY'S FEES:** In the event any suit is commenced to enforce, protect or establish any right or remedy of any of the terms and conditions hereof, including without limitation a summary action commenced by District under the laws of the State of California relating to the unlawful detention of property, the prevailing party shall be entitled to have and recover from the losing party reasonable attorney's fees and costs of suit.

29. **HAZARDOUS MATERIALS:** Tenant shall comply with all laws regarding hazardous substances, materials or wastes, or petroleum products or fraction thereof (herein collectively referred to as "Contaminants") relative to occupancy and use of the Premises. Tenant shall be liable and responsible for any Contaminants arising out of the occupancy or use of the Premises by Tenant. Such liability and responsibility shall include, but not be limited to, (i) removal from the Premises any such Contaminants; (ii) removal from any area outside the Premises, including but not limited to surface and groundwater, any such Contaminants generated as part of the operations on the Premises; (iii) damages to persons, property and the Premises; (iv) all claims resulting from those damages; (v) fines imposed by any governmental agency, and (vi) any other liability as provided by law. Tenant shall defend, indemnify and hold harmless the District, its officials, officers, agents, and employees from any and all such

responsibilities, damages, claims, fines, liabilities, including without limitation any costs, expenses and attorney's fees therefore. District shall have a direct right of action against Tenant even if no third party has asserted a claim. Furthermore, District shall have the right to assign said indemnity.

If Tenant has in the past or continues to use, dispose, generate, or store Contaminants on the Premises, District, or its designated representatives, at District's sole discretion, may at any time during the term of this Permit, enter upon the Premises and make any inspections, tests or measurements District deems necessary in order to determine if a release of Contaminants has occurred. District shall give Tenant a minimum of twenty-four (24) hours' notice in writing prior to conducting any inspections or tests, unless, in District's sole judgment, circumstances require otherwise, and such tests shall be conducted in a manner so as to attempt to minimize any inconvenience and disruption to Tenant's operations. If such tests indicate a release of Contaminants, then District, at District's sole discretion, may require Tenant, at Tenant's sole expense, and at any time during the term of this Permit, to have tests for such Contaminants conducted by a qualified party or parties on the Premises. If District has reason to believe that any Contaminants that originated from a release on the Premises have contaminated any area outside the Premises, including but not limited to surface and groundwater, then District, at District's sole discretion, may require Tenant, at Tenant's sole expense, and at any time during the term of this Permit, to have tests for such Contaminants conducted by a qualified party or parties on said area outside the Premises.

The tests conducted by Tenant's qualified party shall include, but not be limited to, applicable comprehensive soil, emission, or groundwater sampling test or other procedures to determine any actual or possible contamination. Tenant shall expeditiously, but no longer than thirty (30) days after District's request for such tests, furnish to District the results of said tests, sampling plans, and analysis thereof identifying any Contaminants which exceed then applicable levels permitted by federal, state, or local laws. Tenant shall report such contamination to the District within seventy-two (72) hours and shall diligently proceed to identify the extent of contamination, how it will be remediated, when it will be remediated, by whom, and the cost of such remediation.

30. **UNDERGROUND STORAGE TANKS:** In the event any underground storage tanks are located on the Premises or hereinafter placed on the Premises by any party during the term or extension of this Permit, Tenant shall be responsible for tank monitoring of all such underground storage tanks as required by the County of San Diego Hazardous Material Management Division (HMMD) or any other responsible agency. Tenant further agrees to take responsibility for reporting unauthorized releases to HMMD and the District within twenty-four (24) hours of such

unauthorized release. Tenant will be responsible for all fees and costs related to the unauthorized release of Contaminants including but not limited to investigative, surface and groundwater cleanup, and expert and agency fees. Tenant shall maintain evidence of financial responsibility for taking corrective action and for compensating third parties for bodily injury and property damage caused by a release from the underground tank system. Tenant further agrees to be responsible for maintenance and repair of the storage tanks, obtaining tank permits, filing a business plan with HMMD or other responsible agency and for paying underground storage tank fees, permit fees, and other regulatory agency fees relating to underground storage tanks.

Tenant agrees to keep complete and accurate records on the Premises for a period of not less than thirty-six (36) months from the applicable events, including, but not limited to permit applications, monitoring, testing, equipment installation, repairing and closure of the underground storage tanks, and any unauthorized releases of Contaminants and make such records available for District or responsible agency inspection. Tenant further agrees to include a copy of Health and Safety Code, Chapter 6.7, Section 25299, as part of any agreement between Tenant and any Operator of such underground storage tanks.

Furthermore, Tenant shall be responsible for compliance with all other laws and regulations presently existing or hereinafter enacted applicable to underground storage tanks, including without limitation any such laws and regulations which alter any of the above requirements.

31. **ABOVEGROUND STORAGE TANKS:** Tenant shall be responsible for any aboveground storage tanks on the Premises. Tenant shall, in accordance with this Permit and applicable laws and regulations, secure and pay for all necessary permits and approvals, prepare a spill prevention control counter measure plan and conduct periodic inspections to ensure compliance therewith, including conformance with the latest version of said laws and regulations. In addition, Tenant shall maintain and repair said tanks and conform and comply with all other applicable laws and regulations for aboveground storage tanks, including without limitation all of the requirements of Health & Safety Code, Sections 25270 through 25170.13 as presently existing or as hereinafter amended, including without limitation conducting daily visual inspection of said tanks, allowing the San Diego Regional Water Quality Control Board, District, or responsible agency, to conduct periodic inspections and complying with valid orders of said Board, filing the required storage tank statement and payment of the fee therefore, establishing and maintaining the required monitoring program and systems, reporting spills as required, and payment of lawfully imposed penalties as provided therein and as otherwise provided by law. Tenant shall be responsible for all costs associated with an unauthorized release from such tanks, including but not limited to, investigative, surface and groundwater cleanup, expert and agency fees.

32. **SECURITY DEPOSIT:** A security deposit in the sum of Twelve Thousand Seven Hundred Five Dollars (\$12,705) shall be provided District by Tenant, on or before the Commencement Date of the term of this Permit. The security deposit shall be held by District and used for the purpose of remedying Tenant's defaults in the payment of rent, to repair damages to the Premises or to clean the Premises upon termination of this Permit.

Except as provided below, the security deposit shall be in the form of an Irrevocable Stand-By Letter of Credit drawn on a bank having a branch located in San Diego County or having a Moody's Long Term Letter of Credit rating of single A or higher and a Moody's Long Term Deposit rating of single A or higher. The principal sum shall be made payable to District or order. Each Letter of Credit provided during the term of this Permit shall be valid for a minimum of twelve (12) months from date of issuance. When the remaining term of this Permit is one (1) year or less, the Letter of Credit shall be valid for a minimum of three (3) months beyond the expiration date of this Permit. If a Letter of Credit is not valid for the entire remaining term of this Permit plus three (3) months beyond, then such Letter of Credit shall be extended or renewed at least ninety (90) days prior to its expiration. All or any portion of the principal sum of the Letter of Credit shall be available unconditionally to District for the purposes and uses hereinabove provided. The bank, and the form and provisions of the Letter of Credit shall be acceptable to the Executive Director of District, and if not so acceptable, may be rejected. The Letter of Credit and Drawing Certificate shall not be acceptable if it requires the District to send written notice of default or request or demand payment from Tenant after default, prior to District drawing on any funds under the Letter of Credit.

Notwithstanding the above, if said security deposit or the cumulative total amount of security deposits required by District under this Permit does not exceed Twenty-Five Thousand Dollars (\$25,000), Tenant may elect to provide said security deposit in the form of cash.

The amount of the security deposit may be adjusted from time to time at the discretion of the Executive Director of District. Following any such adjustment, the amount of the security deposit may not exceed three months' rent under the then current rent requirements of the Permit. In the event the amount of the security deposit is increased, Tenant shall submit the additional security deposit within thirty (30) days of being notified in writing of the increase.

Tenant shall maintain the required security deposit continuously throughout the Permit term. Failure to do so shall be deemed a default and shall be grounds for immediate termination of this Permit in accordance with Paragraph 16.

The security deposit or the remaining portion thereof, shall be rebated, released, assigned, surrendered, or endorsed to Tenant or order, as applicable, after the termination of this Permit.

33. **DISPUTE RESOLUTION:** Except for (i) a dispute or disagreement as to the amount of rent that Tenant is to pay District or (ii) a default in the payment of rent, all other disputes or disagreements between or among the parties arising out of or relating to the terms, conditions, interpretation, performance, default or any other aspect of this Permit, such parties shall first attempt to resolve the dispute informally. In the event the dispute is not resolved informally, prior to and as a precondition to the initiation of any legal action or proceeding, the parties shall refer the dispute to mediation before a retired State or Federal judge mutually selected by the parties. The dispute shall be mediated through informal, nonbinding joint conferences or separate caucuses with an impartial third party mediator who will seek to guide the parties to a consensual resolution of the dispute. The mediation proceeding shall be conducted within thirty (30) days (or any mutually agreed longer period) after referral, and shall continue until any party involved concludes, in good faith, that there is no reasonable possibility of resolving the dispute without resort to a legal action or proceeding. All costs of the mediation shall be shared equally by the parties involved. Each party shall bear its own attorneys' fees and other costs incurred in connection with the mediation. In the event the parties are unable to resolve the dispute through mediation, in addition to any other rights or remedies, any party may institute a legal action.

34. **NOTICES:** Any notice or notices provided for by this Permit or by law to be given or served upon Tenant may be given or served by certified or registered letter, return receipt requested, addressed to Tenant at:

Verizon Wireless (VAW), LLC 180 Washington Valley Road Bedminster, New Jersey 07921 Attention: Network Real Estate

and deposited in the United States mail, or may be served personally upon said Tenant or any person hereafter authorized by it in writing to receive such notice, or by commercial courier, provided the courier's regular business is delivery service and provided further that it guarantees delivery to the addressee by the end of the next business day following the courier's receipt from the sender. Any notice or notices provided for by this Permit or by law to be served upon District may be given or served by certified or registered letter, return receipt requested, addressed to Director, Real Estate at the Administrative Offices of the San Diego Unified Port District, Post Office Box 120488, San Diego, California 92112-0488 and deposited in the United States mail; or, may be served personally upon said Director, or by commercial courier, provided the courier's regular business is delivery service and provided further that it guarantees delivery to the addressee by the end of the next business day following the courier's receipt from the sender. Any notice or notices given or served as provided herein shall be effective and binding for all purposes upon the parties so served as shown on the receipt obtained pursuant to the foregoing upon actual receipt or refusal.

35. SECTION HEADINGS: The section headings contained herein are for convenience in reference and are not intended to define or limit the scope of any provision hereof.

36. SIGNATURE OF PARTIES: It is an express condition of this Permit that said Permit shall not be complete nor effective until signed by either the Executive Director or his authorized designee on behalf of District and by other party.

37. **GOVERNING LAW:** This Permit and the performance thereof shall be governed. interpreted, construed and regulated by the laws of the State of California.

38. SUCCESSORS: This Permit shall extend to and bind the heirs, personal representative, successors and assigns of the parties hereto.

PARTIAL INVALIDITY/AUTHORITY: If any provision herein is invalid, it shall be 39. considered deleted from this Permit and shall not invalidate the remaining provisions of this Permit. Each of the parties hereto warrants to the other that the person or persons executing this Permit on behalf of such party has the full right, power and authority to enter into and execute this Permit on such party's behalf and that no consent from any other person or entity is necessary as a condition precedent to the legal effect of this Permit.

APPROVED AS TO FORM AND LEGALITY SAN DIEGO UNIFIED PORT DISTRICT GENERAL COUNSEL

By: Assistant/Deputy

By:

Tony Gordon Principal, Portfolio Management **Real Estate Development**

VERIZON WIRELESS (VAW) LLC, a Delaware limited liability company. dba Verizon Wireless

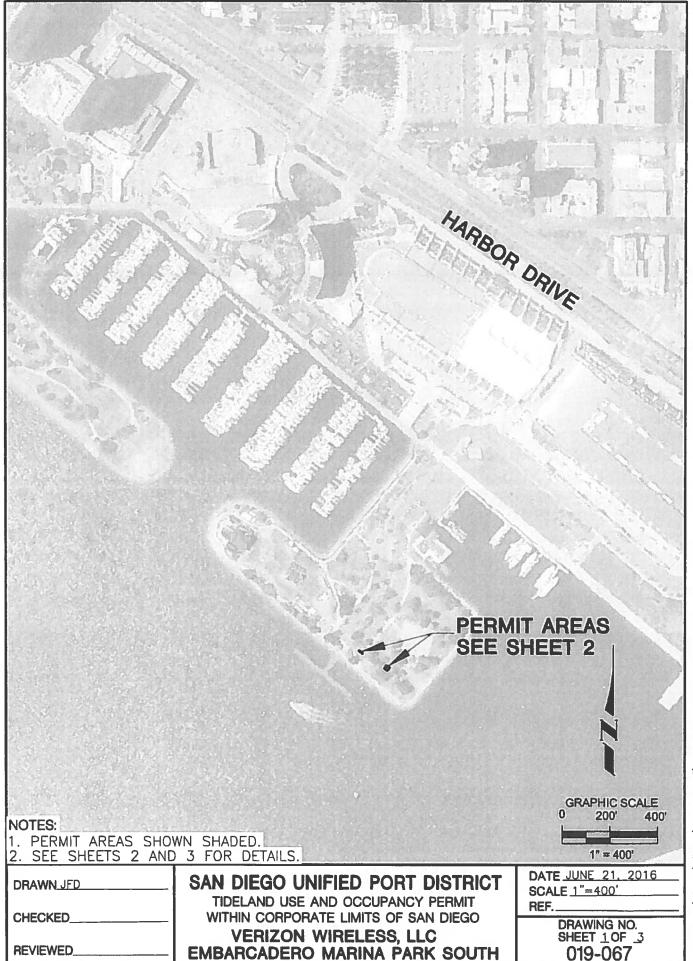
By: PRINT NAME: STEVEN LAMB

PRINT TITLE: DIRECTOR -NETWORK

SDUPD Docs No. 1093635

Attachment D to Agenda file No. 2016-0422

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DEVSERV\REMI\E019\019-067\019-067_062116.DWG

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VERIZON EQUIPMENT BUILDING PERMIT ARE (SEE DETAIL SHEET 3)		RRAPHIC SCALE 0 25' 50' 75' 100' 1" = 100'	DEVSERV\REMI\E019\019-067\019-067_062116.DWG
DRAWN_JFD	SAN DIEGO UNIFIED PORT DISTRICT	DATE JUNE 21. 2016 SCALE 1"=100'	REMI
CHECKED	TIDELAND USE AND OCCUPANCY PERMIT WITHIN CORPORATE LIMITS OF SAN DIEGO	REF	ERV)
REVIEWED	VERIZON WIRELESS, LLC EMBARCADERO MARINA PARK SOUTH	SHEET 2 OF 3 019-067	DEVS

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