CITY COUNCIL

Rusty Paul, Mayor

John Paulson – District 1
Ken Dishman – District 2
VACANT – District 3
Gabriel Sterling – District 4
Tibby DeJulio – District 5
Andy Bauman – District 6

Tuesday, June 21, 2016	**Public Facilities Authority**	**Following the Regular Meeting**

SPECIAL CALLED MEETING OF THE CITY OF SANDY SPRINGS PUBLIC FACILITIES AUTHORITY (THE "AUTHORITY")

City Council Chambers

CALL TO ORDER – Mayor Rusty Paul

ROLL CALL – City Clerk

APPROVAL OF MEETING AGENDA

1. **PFA16-10** Add or remove items from agenda

NEW BUSINESS

2. **PFA16-11** Approval of Authority minutes from the May 3, 2016 meeting

3. **PFA16-12** Resolution to approve Agreement by and among the City of Sandy Springs Public Facilities Authority, the City of Sandy Springs, Georgia, and Global Spectrum, L.P. d/b/a Spectrum Venue Management ("Agreement")
(*Presented by City Manager, John McDonough)*

4. **PFA16-13** Intergovernmental Agreement for the Provision of Financial, Accounting and Support Services, Contract Management Services to the City of Sandy Springs Public Facilities Authority
(*Presented by City Manager, John McDonough)*

7840 Roswell Road, Building 500 •Sandy Springs, Georgia 30350 • 770.730.5600 • 770.206.1420 fax • SandySpringsGA.gov

OTHER BUSINESS

5. PFA16-14 None at this time

ADJOURNMENT

6. PFA16-15 Adjournment

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PRE-OPENING SERVICES AND MANAGEMENT AGREEMENT

Between

CITY OF SANDY SPRINGS PUBLIC FACILITIES AUTHORITY

and

CITY OF SANDY SPRINGS, GEORGIA

and

GLOBAL SPECTRUM, LP
d/b/a SPECTRA VENUE MANAGEMENT

Dated: ____________, 2016

TABLE OF CONTENTS

Page

PRE-OPENING SERVICES AND MANAGEMENT AGREEMENT 1
RECITALS 1
ARTICLE 1.. 1
DEFINITIONS.. 1
Section 1.1. Definitions.. 1
ARTICLE 2.. 6
SCOPE OF SERVICES 6
Section 2.1 Engagement.. 6
Section 2.2 Limitations on Manager’s Duties.. 7
ARTICLE 3.. 7
COMPENSATION 7
Section 3.1 Fixed Management Fee.. 7
Section 3.2 Incentive Fee 7
Section 3.3 Commercial Rights Fee.. 10
Section 3.4 Payment of Fees/Invoicing 10
ARTICLE 4……... 10
TERM; TERMINATION.. 10
Section 4.1 Term... 10
Section 4.2 Termination.. 10
Section 4.3 Effect of Termination... 10
ARTICLE 5.. 12
OWNERSHIP; USE OF THE FACILITY 12
Section 5.1 Ownership of Facility, Data, Equipment and Materials. 12
Section 5.2 Right of Use by Manager.. 132
Section 5.3 Observance of Agreements.. 13
Section 5.4 Use by the City... 133
Section 5.5 City Events... 133
Section 5.6 Financial Fee... 133
ARTICLE 6.. 14
PERSONNEL 14
Section 6.1 Generally.. 14
Section 6.2 Identification of Employees.. 174
Section 6.3 Vacancies 174
Section 6.4 Non-Solicitation/Non-Hiring of Management-Level Employees;.......................
City’s Right to Offer Employment to Other Manager Employees 174
Section 6.5 Background Checks and Certifications.. 174
Section 6.6 General Manager.. 177
Section 6.7 Manager’s Key Personnel 177
Section 6.8 Replacement of Key Personnel.. 177
ARTICLE 7.. 18
PRE-OPENING EXPENSES AND EXPENSE BUDGET 18
Section 7.1 Establishment of Pre-Opening Expense Budget. 18

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Section 7.2 Funding of Expenses During Pre-Opening Period. 18
ARTICLE 8 19
OPERATING BUDGET 19
Section 8.1 Establishment of Operating Budget. 19
Section 8.2 Approval of Operating Budget. 19
Section 8.3 Adherence to Operating Budget. 19
ARTICLE 9 20
PROCEDURE FOR HANDLING INCOME 20
Section 9.1 Event Account. 200
Section 9.2 Operating Account. 200
Section 9.3 Cash and Credit Transactions. 200
Section 9.4 Reporting. 200
ARTICLE 10 21
FUNDING 21
Section 10.1 Source of Funding. 21
Section 10.2 Advancement of Funds. 211
ARTICLE 11 211
FISCAL RESPONSIBILITY; REPORTING 211
Section 11.1 Records. 221
Section 11.2 Monthly Financial Reports. 221
Section 11.3 Audit. 222
ARTICLE 12 222
CAPITAL IMPROVEMENTS 222
Section 12.1 Schedule of Capital Expenditures. 222
Section 12.2 Responsibility for Capital Expenditures. 222
ARTICLE 13 232
FACILITY CONTRACTS; TRANSACTIONS WITH AFFILIATES 232
Section 13.1 Existing Contracts. 232
Section 13.2 Execution of Contracts. 232
Section 13.3 Transactions with Affiliates. 233
Section 13.4 Complimentary Tickets. 233
Section 13.5 Compliance with Laws/Procurement Policies 233
Section 13.6 Bond Financing 233
ARTICLE 14 244
AGREEMENT MONITORING AND GENERAL MANAGER 244
Section 14.1 Contract Administrator. 244
Section 14.2 Communications. 244
Section 14.3 Failure to Comply with Provisions 244
Section 14.4 Public Release of Information 245
ARTICLE 15 26
INDEMNIFICATION 26
Section 15.1 Indemnification by Manager. 26
Section 15.2 Indemnification by the City. 26
Section 15.3 Conditions to Indemnification. 276
Section 15.4 Survival. 27
ARTICLE 16 277

INSURANCE.. 27
Section 16.1 Types and Amount of Coverage. 277
Section 16.2 Rating; Additional Insureds. 287
Section 16.3 City’s Insurance Approval. 28
ARTICLE 17.. 288
REPRESENTATIONS, WARRANTIES AND COVENANTS 28
Section 17.1 Manager Representations and Warranties. 28
Section 17.2 City Representations, Warranties and Covenants. 29
ARTICLE 18.. 29
MISCELLANEOUS 29
Section 18.1 PCI Compliance. 29
Section 18.2 No Discrimination.. 29
Section 18.3 Use of Facility Name and Logos. 29
Section 18.4 Facility Advertisements 30
Section 18.5 Force Majeure; Casualty Loss. 30
Section 18.6 Assignment. 31
Section 18.7 Notices. 31
Section 18.8 Severability. 32
Section 18.9 Entire Agreement. 32
Section 18.10 Governing Law. 32
Section 18.11 Amendments. 32
Section 18.12 Waiver; Remedies. 32
Section 18.13 Relationship of Parties. 333
Section 18.14 No Third Party Beneficiaries…………………………………………….....32
Section 18.15 Attorney Fees……………………………………………………………32
Section 18.16 Limitation on Damages………………………………………………….33
Section 18.17 Counterparts; Facsimile and Electronic Signatures. 33
Section 18.18 Authorized Travel and Travel Costs. 32
Section 18.19 Pyrotechnics.. 32
Section 18.20 Disputes... 32
Section 18.21 Agency of City. 33
EXHIBIT A-1 38
PRE-OPENING SERVICES 38
EXHIBIT A-2 39
POST-OPENING SERVICES 39
EXHIBIT B.. 45
LIST OF EXISTING CONTRACTS.. 45
EXHIBIT C.. 46
FACILITIES 47
EXHIBIT D.. 48
PRE-OPENING EXPENSE BUDGET.. 48
EXHIBIT E 48
INSURANCE... 48

PRE-OPENING SERVICES AND MANAGEMENT AGREEMENT

This Pre-Opening Services and Management Agreement (hereinafter the "Agreement") is made as of the ___ day of __________, 2016 ("**Effective Date**"), by and between City of Sandy Springs Public Facilities Authority ("**Facilities Authority**"), the City of Sandy Springs, a Georgia municipal corporation ("**City**"), and Global Spectrum, LP, d/b/a Spectra Venue Management, a Delaware limited partnership ("**Manager**").

RECITALS

WHEREAS, the City is constructing and the Facilities Authority will own certain improvements known as the City Springs Development in the City of Sandy Springs, Georgia, consisting of a performing arts center, a studio theater, an office building which will include certain meeting space, a public park space, a parking facility, and other areas (collectively, the "**City Springs Development**" and/or "**Development**"); and

WHEREAS, by virtue of an Intergovernmental Agreement between the Facilities Authority and the City, the Authority has granted to the City the right to act as, and City has agreed to serve as, the Facility Authorities' agent for the purposes of operating certain portions of the Development as set forth herein and to meet the financial obligations of this Agreement; and

WHEREAS, the Facilities Authority and City desire to engage Manager to provide certain pre-opening consulting services regarding the City Springs Development, and to manage and operate certain facilities within the Development, as set forth in this Agreement, as agent on behalf and for the benefit of the City, and Manager desires to accept such engagement, pursuant to the terms and conditions contained herein; and

NOW THEREFORE, for and in consideration of the foregoing, the mutual covenants and promises hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1
DEFINITIONS

Section 1.1. Definitions. For purposes of this Agreement, the following terms have the meanings referred to in this Section:

"**Affiliate**": A person or company that directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with, a specified person or company.

"**Agreement**": The "Agreement" shall mean this Pre-Opening Services and Management Agreement, together with all exhibits attached hereto (each of which are incorporated herein as an integral part of this Agreement).

"**Capital Expenditures**": All expenditures for building additions, alterations, repairs or improvements and for purchases of additional or replacement furniture, machinery, or equipment, where the cost of such expenditure is greater than $10,000 and the depreciable life of the applicable item is, according to generally accepted accounting principles, in excess of five (5) years.

"**City**": The term "City" shall mean the City of Sandy Springs, Georgia, a Georgia Municipal Corporation.

"**Commercial Rights**": Subject to the approval of the City, pouring rights, allowable advertising at the Facilities, and the branding of food and beverage products for resale, at or with respect to the Facility and owned or controlled by the City.

"**CPI**": The Consumer Price Index for the local Metro Atlanta area, as published by the United States Department of Labor, Bureau of Labor Statistics or such other successor or similar index.

"**Effective Date**": "Effective Date" shall have the meaning ascribed to such term in the opening paragraph of this Agreement.

"**Emergency Repair**": The repair of a condition which, if not performed immediately, creates an imminent danger to persons or property and/or an unsafe condition at the Facility threatening persons or property.

"**Event Account**": A separate interest-bearing account in the name of the City and under the City's Federal ID number in a local qualified public depository, to be designated by the City, where advance ticket sale and similar event related revenue received in contemplation of, or arising from, an event. pending completion of the event, is deposited by Manager as provided in §9.1.

"**Event of Force Majeure**": An act of God, fire, earthquake, hurricane, flood, riot, civil commotion, terrorist act, terrorist threat, storm, washout, wind, lightning, landslide, explosion, epidemic, inability to obtain materials or supplies, accident to machinery or equipment, any law, ordinance, rule, regulation, or order of any public or military authority stemming from the existence of economic or energy controls, hostilities or war, a labor dispute which results in a strike or work stoppage affecting the Facility or services described in this Agreement, or any other cause or occurrence outside the reasonable control of the party claiming an inability to perform and which by the exercise of due diligence could not be reasonably prevented or overcome.

"**Existing Contracts**": Service Contracts, Revenue Generating Contracts, and other agreements relating to the day-to-day operation of the Facility existing as of the Effective Date, as set forth on Exhibit B attached hereto.

“**Facilities Authority**” The term “Facilities Authority” shall mean the City of Sandy Springs Public Facilities Authority.

“**Facility” and/or** “**Facilities**”: The “Facility” and/or “Facilities” shall be deemed to include the performing arts center; the studio theater; City bar space (located between the performing arts center and studio theatre), the multi-purpose room and designated meeting spaces on the conference level, the roof top terrace, work related areas of access, and on a limited basis, the lobby in the City Hall office building; on a limited basis, the loading dock area; and the public park area, all as set forth on Exhibit attached hereto. The exact areas which comprise the Facility shall be identified on each Exhibit related to that specific area of the Facility along with any specific agreements or rules regarding that portion of the Facility.

“**FF&E**”: Furniture, fixtures and equipment to be procured for use at the Facility.

“**Fixed Management Fee**”: The fixed monthly fee the City shall pay to Manager under this Agreement, as more fully described in Section 3.1 of this Agreement.

“**General Manager**”: The employee of Manager acting as the full-time on-site general manager of the Facility.

“**Incentive Fee**”: The contingent fee the City shall pay to Manager under this Agreement, if earned, as more fully described in Section 3.2 below.

“**Laws**”: Federal, state, local and municipal laws, statutes, rules, regulations and ordinances.

“**Management-Level Employees**”: The General Manager andAssistant General Manager, (or employees with different titles performing similar functions);

“**Manager**”: The term “Manager” shall mean Global Spectrum, LP, d/b/a Spectra Venue Management, a Delaware limited partnership.

“**Marketing Plan**”: A plan for the advertising and promotion of the Facility and Facility events, which may contain but not be limited to the following elements: (i) market research, (ii) market position, (iii) marketing objectives, (iv) marketing strategies, (v) booking priorities, (vi) targeted events - local, regional, national and international, (vii) targeted meetings, conventions and trade shows, (viii) industry advertising campaign, (ix) internal and external support staff, (x) advertising opportunities at the local, regional and national level, (xi) attendance at various trade shows, conventions and seminars, (xii) incentive formulas for multiple event presenters, (xiii) merchandising and retail, (xiv) food and beverage, (xv) a plan for the sale of commercial rights, including without limitation naming rights, pouring rights, advertising signage, sponsorships (including event sponsorships), branding of food and beverage products for resale, premium seating (including but not limited to suites and club seats), and memorial gifts, (xvi) a plan regarding national, regional and local public relations and media relations, (xvii) development of an in-house advertising agency, and (xviii) policies regarding the use of trade/barter.

"**Opening Date**": The date on which the Facility is first opened to the public for a paid and/or ticketed event (estimated to be January 1, 2018, but subject to change). Once the Opening Date is established, it shall be acknowledged by both parties in writing.

"**Operating Account**": A separate interest-bearing account in the name of the City and under the City's Federal ID number in a local qualified public depository, to be designated by the City, where Revenue is deposited and from which Operating Expenses are paid.

"**Operating Budget**": A line item budget for the Facility that includes a projection of Revenues and Operating Expenses, presented on a monthly and annual basis.

"**Operating Expenses**": Except as otherwise specifically allowable herein, all reasonable expenses incurred by Manager in connection with its operation, promotion, maintenance and management of the Facility, including but not limited to the following: (i) employee payroll, benefits, relocation costs, severance costs, bonus and related costs, and the cost of background checks as required pursuant to this Agreement; (ii) cost of operating supplies, including general office supplies; (iii) advertising, marketing, group sales, and public relations costs; (iv) cleaning expenses; (v) data processing costs; (vi) dues, subscriptions and membership costs; (vii) the Fixed Management Fee; (viii) printing and stationary costs; (ix) postage and freight costs; (x) equipment rental costs; (xi) minor repairs, maintenance, and equipment servicing, not including expenses relating to performing capital improvements or repairs; (xii) security expenses; (xiii) telephone and communication charges; (xiv) reasonable travel and entertainment expenses of Manager employees submitted in accordance with Section 18.18 below; (xv) cost of employee uniforms and identification; (xvi) exterminator, snow and trash removal costs, if applicable; (xvii) computer, software, hardware and training costs for the on-site employees; (xviii) parking expenses; (xix) utility expenses; (xx) office expenses; (xxi) audit and accounting fees arising from Manager's operation of the Facility; (xxii) subject to the authorization and approval of the City Attorney in advance on the use of outside counsel, reasonable legal fees arising from Manager's day-to-day operation of the Facility, but such fees shall not include under any circumstances any fees incurred by the Manager in relation to: (1) a dispute, including litigation, between the City and the Manager, or (2) fees arising from a dispute, including litigation, between the Manager and any third party claimant, except that expenses relating to a claim by a third party claimant shall be an Operating Expense provided that the claim is not: (1) covered by insurance Manager is required to maintain hereunder, and (2) Manager is not negligent or otherwise at fault in causing such claim, which negligence shall be determined at the conclusion of the claim, and prior to such determination being made the Manager shall incur the legal cost and, if applicable, shall be reimbursed by City at the conclusion of the claim; (xxiii) all bond and insurance costs, including but not limited to personal property, liability, and workers compensation insurance, including any deductibles or self-insured retention; (xxiv) commissions and all other fees payable to third parties (*e.g.* commissions relating to food, beverage and merchandise concessions services and commercial rights sales); (xxv) cost of complying with any Laws; (xxvi) costs incurred under Service Contracts and other agreements relating to Facility operations, and (xxvii) Taxes. The term "Operating Expenses" does <u>not</u> include debt service on the Facility, Capital Expenditures, the

Incentive Fee, property taxes, or insurance on the Facility or contents within the Facility owned by the City, all of which costs shall be borne by City. Further, the term "Operating Expenses" does not include under any circumstances any general overhead expenditures or allocations of costs from the Manager's business not related to the Facility, except as set forth in an approved Operating Budget, provided, however, the parties acknowledge that a reasonable allocation of cost incurred by Manager for payroll, information technology, software licenses, benefits and insurance are related to the Facility, will be included in each Operating Budget, and will be deemed to be Operating Expenses. Further, the parties recognize that certain appropriate Operating Expenses may not be budgeted. Such unbudgeted Operating Expenses shall be required to be approved via a budget amendment by the City in order to be considered an allowable Operating Expense pursuant to this Agreement.

"**Operating Year**": Each twelve (12) month period during the Term, commencing on the Opening Date and continuing on the anniversary of such date.

"**Operations Manual**": Document to be developed by Manager which shall contains terms regarding the management and operation of the Facility, including detailed policies and procedures to be implemented in operating the Facility, as agreed upon by both the City and the Manager.

"**Pre-Opening Expense Account**": A separate interest-bearing account in the name of the City and under the City's Federal ID number in a local qualified public depository, to be designated by the City, into which the City deposits in advance funds for the payment of Pre-Opening Expenses, and from which Manager may draw to pay such Pre-Opening Expenses.

"**Pre-Opening Expense Budget**": The budget attached hereto as Exhibit D, which details the projected Pre-Opening Expenses of Manager.

"**Pre-Opening Expenses**": The actual, commercially reasonable, labor expense (including without limitation salary, benefits, 401(k) employer matching contributions, relocation, bonus and related costs), insurance costs, and other operating costs and expenses of Manager, as well as all reasonable out-of-pocket travel costs (airfare, ground transportation, meals and lodging) of Manager's corporate personnel in connection with its obligations hereunder during the Pre-Opening Period which are approved in conformity with Section 18.18 below.

"**Pre-Opening Period**": Period of time beginning on the Effective Date and ending on the Opening Date.

"**Revenue**": All revenues generated by Manager's operation of the Facility, including but not limited to event ticket proceeds income, rental and license fee income, merchandise income, gross food and beverage income, gross income from any sale of Commercial Rights, gross service income, equipment rental fees, box office income, and miscellaneous operating income, but shall not include event ticket proceeds held by Manager in trust for a third party and paid to such third party. All Revenue generated pursuant to this

Agreement shall be the property of the City until paid to third parties in a manner consistent with this Agreement.

"**Revenue Generating Contracts**": Vendor, concessions and merchandising agreements, user/rental agreements, booking commitments, licenses, and all other contracts or agreements generating revenue for the Facility and entered into in the ordinary course of operating the Facility.

"**Service Contracts**": Budgeted agreements at a commercially reasonable cost for services to be provided in connection with the operation of the Facility, including without limitation agreements for ticketing, web development and maintenance, computer support services, FF&E purchasing services, engineering services, electricity, steam, gas, fuel, general maintenance, HVAC maintenance, telephone, staffing personnel including guards, ushers and ticket-takers, extermination, elevators, stage equipment, fire control panel and other safety equipment, snow removal and other services which are deemed by Manager to be either necessary or useful in operating the Facility.

"**Taxes**": Any and all governmental assessments, franchise fees, excises, license and permit fees, levies, charges and taxes, of every kind and nature whatsoever, which at any time during the Term may be assessed, levied, or imposed on, or become due and payable out of or in respect of, (i) activities conducted on behalf of the City at the Facility, including without limitation the sale of concessions, the sale of tickets, and the performance of events (such as any applicable sales and/or admissions taxes, use taxes, excise taxes, occupancy taxes, employment taxes, and withholding taxes), or (ii) any payments received from any holders of a leasehold interest or license in or to the Facility, from any guests, or from any others using or occupying all or any part of the Facility.

"**Term**": The term "Term" shall have the meaning ascribed to it in Section 4.1 of this Agreement.

ARTICLE 2
SCOPE OF SERVICES

Section 2.1 Engagement.

(a) City hereby engages Manager during the Pre-Opening Period to perform the pre-opening services described in Exhibit A-1 attached hereto.

(b) City hereby engages Manager following the Opening Date to act as the sole and exclusive manager and operator of the Facility, subject to and as more fully described in this Agreement, and, in connection therewith, to perform the services described in Exhibit A-2 attached hereto; and as to each separate area of the Facility as described on Exhibit C attached hereto.

(c) Manager hereby accepts such engagement, and shall perform the services described herein, subject to the limitations expressly set forth in this Agreement.

Section 2.2 Limitations on Manager's Duties. Manager's obligations under this Agreement are contingent upon and subject to the City making available, in a timely fashion, the funds budgeted for Manager to carry out such obligations during the Term. Manager shall not be considered to be in breach or default of this Agreement, and shall have no liability to the City or any other party, in the event Manager does not perform any of its obligations hereunder due to failure by the City to timely provide such funds; provided that this provision shall not be applicable to the extent the City's failure to provide funds is due to Manager's failure to timely request such funds pursuant to the terms of this Agreement.

ARTICLE 3
COMPENSATION

Section 3.1 Fixed Management Fee. In consideration of Manager's performance of its services hereunder, City shall pay Manager a Fixed Management Fee. Beginning on the Effective Date and continuing through the date that is estimated to be twelve (12) months prior to the Opening Date, the Fixed Management Fee shall be Five Thousand Dollars ($5,000) per month. Beginning on the date that is estimated to be twelve (12) months prior to the Opening Date and ending on the Opening Date, the Fixed Management Fee shall be Six Thousand Dollars ($6,000) per month. Beginning on the Opening Date and continuing through the end of the first (1st) Operating Year, the Fixed Management Fee shall be Eight Thousand Five Hundred Dollars ($8,500) per month. Beginning in the second (2nd) Operating Year, the Fixed Management Fee shall be increased over the Fixed Management Fee from the previous Operating Year in accordance with the percentage increase in the CPI over the previous twelve (12) month period (i.e., the difference, expressed as a percentage, between the value of the CPI published most recently prior to the commencement of the preceding Operating Year and the value of the CPI published most recently prior to the commencement of the Operating Year for which the CPI adjustment will apply). The Fixed Management Fee shall be payable to Manager in advance, beginning on the Effective Date, and payable on the first (1st) day of each month thereafter (prorated as necessary for any partial months). Manager shall be entitled to pay itself such amount from the Operating Account; provided, however, Manager shall submit an invoice to the City contemporaneously with the payment of the Fixed Management Fee in the amount of the monthly payment which has been made.

Section 3.2 Incentive Fee. In addition to the Fixed Management Fee, Manager shall be entitled to receive an Incentive Fee each full or partial Operating Year of the Term. The Incentive Fee shall consist of three (3) separate components: the "Financial Fee", the "Food and Beverage Fee", and the "Qualitative Fee", as follows:

(a) Financial Fee. The Financial Fee shall be equal to twenty percent (20%) of increase in each Operating Year in Revenue over the "Revenue Benchmark" as calculated below. The "**Revenue Benchmark**" shall be determined by mutual agreement of the parties on or before the date of approval of the Operating Budget for the first (1^{st}) Operating Year. The Revenue Benchmark shall be pro-rated for any Operating Years of less than a full twelve (12)-months based on the actual number of days elapsed in such Operating Years out of 365. For purposes of computing the Financial Fee, the Revenue Benchmark and the increase in Revenue measured against such Revenue Benchmark shall both exclude the portion of Revenue from the sale of food and beverage. If for any reason the parties are unable to mutually agree to the Revenue Benchmark by thirty (30) days prior to the Opening Date, such matter shall be submitted to a mutually agreed third party, who shall be an individual of good repute and with significant experience within the arena management industry, and without any conflicts of interest. Such third party's determination of the Revenue Benchmark shall be binding on the parties, but shall not be higher than the Revenue Benchmark proposed by City nor lower than the Revenue Benchmark proposed by Manager. The reasonable costs of such third party shall be split equally between the City and the Manager.

(b) Food and Beverage Fee. The Food and Beverage Fee shall be equal to seven and a half percent (7.5%) in each Operating Year of the portion of Revenue from the sale of food and beverage (including both concession and catering sales) (i.e., the amount excluded from Revenues above for calculation of the Financial Fee above), starting from dollar $0.

(c) Qualitative Fee. Manager shall be entitled to receive the Qualitative Fee, if earned, each full or partial Operating Year as follows. The Qualitative Fee, if any, earned by Manager in any Operating Year shall not exceed and shall be capped at twenty thousand dollars ($20,000) in the first (1st) Operating Year, such limit to increase in each subsequent Operating Year by CPI. The Qualitative Fee shall be based on Manager's performance in the following four (4) categories, with each category worth up to $5,000 (subject to CPI increases):

1. Results of customer service scores (Patrons)
   - A total of up to $5,000 (subject to a CPI increase) will be awarded to Manager based upon the results of customer service surveys completed by patrons, as follows:
     i. If the average survey score is 90% or higher, Manager shall be awarded the full $5,000.
     ii. If the average survey score is 85-89.99%, Manager shall be awarded $3,500.
     iii. If the average survey score is 80% to 84.99%, Manager shall be awarded $2,500; and
     iv. If the average survey score is below 80%, Manager shall be awarded 0%
   - The survey instrument shall be administered by an independent third party jointly selected by the City and Manager (the cost of which shall be an Operating Expense)

2. Completion of evaluations by Facility Customers/Users
   - Manager shall administer satisfaction surveys from its customers (i.e., the party contracting for use of the Facility, as opposed to patrons). Such survey forms shall be subject to the prior approval of the City. A total of up to $5,000 (subject to a CPI increase) will be awarded based upon the percentage of completed customer satisfaction surveys out of total potential surveys (of which there shall be one per event), as detailed below:
     i. 75% or more completed: $5,000
     ii. 65% to 74.99% completed: $2,500
     iii. 55% to 64.99% completed: $1,250
     iv. Less than 55%: $0

3. Community Involvement
   - A total of up to $5,000 (subject to a CPI increase) will be awarded to Manager if in the reasonable, good faith evaluation of the City, Manager maintains a positive and

beneficial relationship with community stakeholders and civic organizations, including, but not limited to arts groups, Chamber of Commerce, CVB, other local stakeholders, etc.

4. Client Relations
   - A total of up to $5,000 (subject to a CPI increase) will be awarded to Manager, if in the reasonable, good faith evaluation of the City, Manager's on-site General Manager meets or exceeds the following goals:
     a. General Manager has a weekly meeting with City Manager or his/her designee;
     b. General Manger prepares and submits a monthly report to the City Manager and presents regular reports to the City Manager, Mayor, Council, and/or during Council meetings; and
     c. General Manager regularly attends Advisory Committee/Board meetings.

City shall complete a written evaluation of Manager's performance in these four (4) categories consistent with the foregoing, and provide such written evaluation to Manager, including the amount of the Qualitative Fee earned by Manager in such year, no later than sixty (60) days following the end of each Operating Year.

Section 3.3 Commercial Rights Fee. In consideration for Spectra's marketing of the Commercial Rights as described on Exhibits A-1 and A-2, Spectra shall receive twenty percent (20%) of all Revenue (including cash and budget-relieving trade, with such trade valued at its retail price in an arms-length transaction) from the sale of Commercial Rights (the "Commercial Rights Fee"). The Commercial Rights Fee shall be paid to Spectra for all years of each Commercial Rights Agreement secured by Spectra, including any years that extend beyond the end of the Term of this Agreement; provided that the City has specifically approved the term of the Commercial Rights Agreement. The terms in this Section 3.3 shall survive termination or expiration of this Agreement.

Other potential revenue generating rights (such as naming rights, sponsorships, philanthropic donations, or the sale of premium seating, including suites, club suites, and party suites) which the City determines to make available may be identified by the City and the Manager annually at the time of the preparation of Operating Budget and any compensation structure or additional compensation or which may be due to the Manager regarding the sale of such rights or procurement of funds shall be documented as part of the adoption of the annual Operating Budget.

Section 3.4 Payment of Fees/Invoicing. The Food and Beverage Fee shall be paid to Manager on a monthly basis, within thirty (30) days from the end of each month to which such fee relates. Manager shall be entitled to pay itself such fee from the Operating Account provided, however, Manager shall submit an invoice to the City contemporaneously with the payment of the Food and Beverage Fee in the amount of the monthly payment being made. The Financial Fee, Qualitative Fee and the Commercial Rights Fee shall be paid to Manager no later than ninety (90) days following the end of each Operating Year; provided that no later than forty-five (45) days following the end of the Operating Year, the Manager shall provide City with a detailed invoice setting forth all calculations on which it bases the amount it claims is owed for the Financial Fee and Commercial Rights Fee pursuant to this Section with reasonable documentation in support of said claims.

ARTICLE 4
TERM; TERMINATION

Section 4.1 Term.

(a) The term of this Agreement (the "**Term**") shall begin on the Effective Date, and, unless extended pursuant to Section 4.1(b) or sooner terminated pursuant to Section 4.2 below, shall expire at midnight on the fourth (4^{th}) June 30^{th} following the Opening Date. For example, if the Opening Date is September 1, 2017, the Term shall end on June 30, 2021, and if the Opening Date is May 1, 2017, the Term shall end on June 30, 2020.

(b) City shall have the right to extend the Term for one (1) additional two (2) year period by providing written notice of its intent to renew no later than one hundred twenty (120) days prior to the end of the initial Term. If such right is exercised, the "Term" shall include such additional two-year period.

Section 4.2 Termination. This Agreement may be terminated (a) subject to Section 4.3(a) and (b) below, by the City upon ninety (90) days prior written notice in the event of a permanent closure of the Facility, the fact of which is certified in writing by the City to Manager, (b) by the City, without cause, in the City's sole discretion, upon one hundred eighty (180) days' prior written notice to Manager, which written notice may be provided any time after the date that is thirty-six (36) months following the Opening Date (for example, if the Opening Date occurs on September 1, 2017, the City may not provide such written notice until September 1, 2020 at the earliest, with an effective date of termination 6-months later); (c) by either party upon thirty (30) days' written notice, if the other party fails to perform or comply with any of the material terms, covenants, agreements or conditions hereof, and such failure is not cured during such thirty (30) day notification period; provided, however, if such failure cannot reasonably be cured within such thirty (30) day period, then a longer period of time shall be afforded to cure such breach, up to a total of ninety (90) days, provided that the party in default is diligently seeking a cure and the non-defaulting party is not irreparably harmed by the extension of the cure period; or (d) by either party immediately by written notice upon the other party being judged bankrupt or insolvent, or if any receiver or trustee of all or any part of the business property of the other party shall be appointed and shall not be discharged within one hundred twenty (120) days after appointment, or if either party shall make an assignment of its property for the benefit of creditors or shall file a voluntary petition in bankruptcy or insolvency, or shall apply for bankruptcy under the bankruptcy or insolvency Laws now in force or hereinafter enacted, Federal, state or otherwise, or if such petition shall be filed against either party and shall not be dismissed within one hundred twenty (120) days after such filing.

Section 4.3 Effect of Termination

(a) In the event this Agreement is terminated by the City pursuant to Section 4.2(a) prior to the date that is thirty-six (36) months following the Opening Date, the City shall reimburse Manager for any commercially reasonable expenses actually incurred by Manager in withdrawing from the provision of services hereunder following such termination. Such ordinary and necessary expenses shall include costs associated with (i) severance pay, not to exceed six (6) months, for each of Manager's Management-Level Employees, (ii) reasonable household relocation expenses actually incurred for Manager's Management-Level Employees, to the extent any of such individuals had previously relocated to the Facility (or its surrounding areas) in connection with this Agreement; provided that such relocation fees in no event shall exceed the sum of $125,000, and (iii) other reasonable costs actually incurred by Manager in withdrawing from the provision of services hereunder, such as those incurred in connection with the termination and/or assignment of Service Contracts, Revenue Generating Contracts, or other contracts or leases entered into by Manager pursuant to and in accordance with the terms of this Agreement. Manager shall: (a) deliver copies of all documents to the City, or (2) maintain and make said records available to the City for a period of three (3) years following the termination of this Agreement or as otherwise required by Laws. The City's payment of such expenses will occur only after Manager has provided documented evidence of the incurrence of such expenses. Except for the reimbursement of the above stated expenses, and otherwise as described in Section 4.3(b) below, Manager shall have no other right or remedy, at law or in equity, against the City for a termination pursuant to Section 4.2(a). This provision shall not apply in the event of the expiration of the Term and a non-renewal of this Agreement.

(b) In the event this Agreement expires at the end of the Term, or is terminated by the City pursuant to Section 4.2(a) after the first thirty-six (36) months following the Opening Date, or otherwise the City terminates this Agreement pursuant to Section 4.2(b), the City shall owe no such reimbursement as described in Section 4.3(a) to Manager. Manager shall: (a) deliver copies of all documents to the City, or (2) maintain and make said records available to the City for a period of three (3) years following the termination of this Agreement, or as required by Law. Except as otherwise described in Section 4.3(c) below, Manager shall have no other right or remedy, at law or in equity, against the City for a termination of this Agreement pursuant to Section 4.2(b).

(c) Upon termination or expiration of this Agreement for any reason (including as set forth in Section 4.2(a) or (b) above), (i) Manager shall promptly discontinue the performance of all services hereunder following termination, (ii) the City shall promptly pay Manager all fees due Manager up to the date of termination or expiration (subject to proration if the Term ends other than at the end of the Operating Year), (iii) City shall pay to Manager all Operating Expenses due through the date of termination that have not previously been paid, including costs of accrued but unused vacation time and other end of employment payments due to Manager's employees whose employment is being terminated; provided that the City specifically approved of the terms of the Manager's employee practices including but not limited to the accrual of vacation time and end of employment payments, (iv) Manager shall make available to the City all data, electronic files, documents, procedures, reports, estimates, summaries, and other such information and materials with respect to the Facility as may have been accumulated by Manager in performing its obligations hereunder, whether completed or in process, (v) without any further action on part of Manager or City, the City shall, or shall cause the successor Facility manager to, assume all obligations arising after the date of such termination or expiration under any Service Contracts, Revenue Generating Contracts, booking commitments and any other Facility agreements entered into by Manager consistent with this Agreement in furtherance of its duties hereunder. Any obligations of the parties that are specifically intended to survive expiration or termination of this Agreement shall survive expiration or termination hereof. Manager shall: (a) deliver copies of all documents to the City, or (2) maintain and make said records available to the City for a period of three (3) years following the termination of this Agreement or as otherwise required by Laws. In the event this Agreement terminates as a result of a Manager breach or default, the City may setoff and retain from amounts due Manager upon termination any actual, documented and direct damages incurred by the City as a result of such breach by the Manager.

(c) In the event of full or partial termination or expiration of this Agreement, the Manager shall cooperate in good faith to effect a smooth and harmonious transition from the Manager to the City, or to any other person or entity the City may designate, and to maintain during such period of transition the same quality services otherwise afforded to the residents of the City pursuant to the Agreement.

ARTICLE 5
OWNERSHIP; USE OF THE FACILITY

Section 5.1 Ownership of Facility, Data, Equipment and Materials. The Facilities Authority will at all times retain ownership of the Facility, including but not limited to real estate, technical equipment, furniture, displays, fixtures and similar property, including improvements made during the Term, at the Facility. Any data, equipment or materials furnished by the City to Manager or acquired by Manager as an Operating Expense shall remain the property of the City, and shall be returned to the City when no longer needed by Manager to perform under this Agreement. Notwithstanding the above, City shall not have the right to use any third party software licensed by Manager for general use by Manager at the Facility and other facilities managed by Manager, the licensing fee for which is proportionately allocated and charged to the Facility as an Operating Expense; such software may be retained by Manager upon expiration or termination hereof. Furthermore, the City recognizes that the Operations Manual to be developed and used by Manager hereunder is proprietary to Manager, and shall belong to Manager at the end of the Term; City shall not use or maintain copies thereof upon the end of the Term.

Section 5.2 Right of Use by Manager. The Facilities Authority hereby gives Manager the right and license to use the Facility, and Manager accepts such right of use, for the purpose of performing the services herein specified, including the operation and maintenance of all physical and mechanical facilities necessary for, and related to, the operation, maintenance and management of the Facility. The Facilities Authority shall provide Manager with a sufficient amount of suitable office space in in a mutually agreed upon location and with such office equipment as is reasonably necessary to enable Manager to perform its obligations under this Agreement. In addition, the City shall make available to Manager, at no cost, parking spaces for all of Manager's full-time employees and for the Facility's event staff.

Section 5.3 Observance of Agreements. The Facilities Authority agrees to pay, keep, observe and perform all payments, terms, covenants, conditions and obligations under any leases, bonds, debentures, loans and other financing and security agreements to which the City is bound in connection with its ownership of the Facility.

Section 5.4 Use by the City. Subject to availability, the City shall have the right to use the Facility or any part thereof rent-free for meetings, seminars, training classes or other non-commercial uses, provided that the City shall promptly reimburse Manager, for deposit into the Operating Account, for any reasonable out-of-pocket expenses incurred by Manager (such as the cost of ushers, ticket-takers, set-up and take-down personnel, security expenses and other expenses) in connection with such use. Such non-commercial use of the Facility by the City shall (i) not compete with or conflict with the dates previously booked by Manager for paying events, (ii) not consist of normally touring attractions (such as concerts and family shows), and (iii) be booked in advance upon reasonable notice to Manager pursuant to the Facilities' approved booking policies. Upon request of the City, Manager shall provide to the City a list of available dates for City use of the Facility. To the extent that Manager has an opportunity to book a revenue-producing event on a date which is otherwise reserved for use by the City, Manager may propose alternative dates for the City's event, and the City shall use best efforts to reschedule its event to allow Manager to book the revenue-producing event. For purposes of calculating Manager's Incentive Fee, Manager shall receive a "paper" credit for an amount equal to the difference between the published Facility rate and the rate (if any) charged to the City for such use of the Facility.

Section 5.5 City Events. Notwithstanding Section 5.4 above, the parties agree that at the time of each Operating Budget preparation as set forth in Article 8 below, they shall mutually agree upon a schedule for City events to take place in the Facilities during that budget year, and use shall be rent-free; provided, however the City shall promptly reimburse Manager, for deposit into the Operating Account, for any reasonable out-of-pocket expenses incurred by Manager (such as the cost of ushers, ticket-takers, set-up and take-down personnel, security expenses and other expenses) in connection with such use.

Section 5.6 Financial Fee. The parties agree that any use of the Facilities pursuant to Sections 5.5 above shall be incorporated into the baseline operating assumptions of the yearly budget, and thus, no additional compensation shall be due to Manager for lost opportunity costs on those dates since such rates shall be contemplated in the calculation of the Financial Fee due Manager pursuant to Section 3.2(a) above.

ARTICLE 6
PERSONNEL

Section 6.1 Generally. All Facility staff and other personnel shall be engaged or hired by Manager, and shall be employees, agents or independent contractors of Manager (or an Affiliate thereof), and not of the City. Manager shall select, in its sole discretion but subject to City's right to approve the Operating Budget, the number, function, qualifications, and compensation, including salary and benefits, of its employees and shall control the terms and conditions of employment (including without limitation termination thereof) relating to such employees. The City specifically agrees that Manager shall be entitled to pay its employees, as an Operating Expense, budgeted bonuses and benefits in accordance with Manager's then current employee manual, which may be modified by Manager from time to time in its sole discretion; provided, however, that to be payable, such bonuses and benefits must be a specific line item adopted in the Operating Budget. A copy of Manager's current employee manual shall be provided to the City upon request.

Section 6.2 Identification of Employees. Manager employees shall wear City-approved attire with the logo of the City when, and only when, they are performing Services for the Facility, except as otherwise directed by the City Manager. In addition, the Manager shall direct its employees and agents to wear identification cards, displayed at all times, which will be issued by the City (provided that failure by any employees or agents to wear such identification cards shall not constitute a breach or default by Manager of this Agreement).

Section 6.3 Vacancies. Manager shall promptly take commercially reasonable steps to fill any and all vacancies which occur during the term of this Agreement. The Manager shall provide a report to the City of any vacancies which remain unfilled after a period of thirty (30) days from the date of vacancy. Such report shall detail the steps being taken to fill said vacancy, the reason said vacancy remains unfilled, and the estimated timeline for filling said vacancy. This report shall be supplemented by Manager upon request of the City until such vacancy is filled.

Section 6.4 Non-Solicitation/Non-Hiring of Management-Level Employees; City's Right to Offer Employment to Other Manager Employees. During the Term and for a period of one (1) year after the termination of this Agreement, neither City nor any of its Affiliates shall solicit for employment, or hire, any of Manager's Management-Level Employees. The City acknowledges that Manager will spend a considerable amount of time identifying, hiring and training individuals to work in such positions, and that Manager will suffer substantial damages, the exact amount of which would be difficult to quantify, if the City were to breach the terms of this Section by hiring, or soliciting for employment, any of such individuals. Accordingly, in the event of a breach or anticipated breach of this Section by the City, Manager shall be entitled (in addition to any other rights and remedies which Manager may have at law or in equity, including money damages) to equitable relief, including an injunction to enjoin and restrain the City from continuing such breach, without the necessity of posting a bond. In the event of full or partial termination or expiration of this Agreement, the City, or a designated contractor performing similar services under a subsequent agreement, shall have the absolute right to offer employment to any Manager employees, other than Management Level Employees, placed at the Facility by the Manager. The Manager shall not enter into an arrangement, contractual or otherwise, with Manager employees placed by Manager at the Facility, other than Management-Level Employees, which would prohibit the employee's ability to accept an employment offer from the City.

Section 6.5 Background Checks and Certifications.

a) All Manager Employees/Contractors. Prior to assigning any employee to work on-site at the Facility, the Manager shall subject each prospectively considered for such assignment to a full background check, as described in this Subsection 6.5(a). Current Manager employees at the Facility shall be subjected to complete background checks every two (2) years or as otherwise agreed by the parties. The background check shall include, but not necessarily be limited to, the following:

(i) Fingerprint check.
(ii) Motor vehicle records.
(iii) Criminal records.
(iv) Credit records.
(v) Educational records.
(vi) Past and current employers.
(vii) References.
(viii) Military records.
(ix) State licensing records, when applicable.

The Manager shall exclude any Manager prospective employee from working at the Facility, or take action to terminate such person's employment relationship with Manager, as applicable, if, in Manager's sole discretion and consistent with applicable law, such person's background check reveals that the person has exhibited behavior that demonstrates that the person is not fit or would not meet industry standards in performing the duties to which they are assigned under this Agreement.

Manager shall include in any agreement it enters into with a contractor performing services at the Facility the foregoing requirements, imposed on such contractor.

(b) Manager's Employees/Interns/Contractors/Volunteers Working with Minors.

(i) The Manager shall conduct a national criminal history check via fingerprint check on all newly hired employees, interns, any individual it engages as an independent contractor, and volunteers if it is foreseeable that the individual may have contact with minors during the course of providing services in the performance of this Agreement.

(ii) The Manager shall complete an in-state background check on all newly hired employees, interns, and volunteers if it is foreseeable that the individual may have contact with minors during the course of providing services in the performance of this Agreement. Such in-state background checks shall include a check of the following state registries:

A. The Georgia Sexually Violent Offender Registry maintained by the Georgia Bureau of Investigation.

B. The Georgia Child Abuse and Neglect Central Registry.

(iii) The Manager shall complete the initial background checks before the individual has contact with any minor.

(iv) The Manager shall also complete out-of-state background checks on all newly hired employees, interns, and volunteers who have resided in Georgia for less than two (2) years if it is foreseeable that the individual may have contact with minors during the course of providing services in the performance of this Agreement. The Manager shall complete the initial background checks before the individual has contact with any minor. If an individual's prior state of residence does not maintain a Sex Offender Registry, a Child Abuse and Neglect Central Registry, or any such similar registry, the Manager shall complete a criminal background check of court records in the cities, counties and states of previous residence.

(v) The Manager shall further perform complete background checks every two (2) years for all current employees or as otherwise agreed by the parties. If a current employee resides in a state other than Georgia and that state does not maintain a Sex Offender Registry, a Child Abuse and Neglect Central Registry, or any such similar registry, the Manager shall complete a national, state and local criminal background check.

(vi) The Manager shall exclude any Manager prospective employee from working at the Facility, or take action to terminate such person's employment relationship with Manager, as applicable, if, in Manager's sole discretion and consistent with applicable law, such person's background check reveals that the person has exhibited behavior that demonstrates that the person is not fit or would not meet industry standards in performing the duties to which they are assigned under this Agreement.

(vii) The requirements of this Subsection 6.5(b) shall apply to individuals anticipated to have regular contact with minors, not incidental contact (for example, it shall apply to an employee of Manager teaching a theatre or dance class to minors at the Facility, but not to management level or event staff (such as ushers, ticket takers or security) who may in the course of performing their functions have incidental contact with minors attending events).

(viii) If permissible under applicable law, the Manager shall exclude from placing with the City or shall immediately terminate a person who refuses to submit to background checks as required by this section.

(c) Required Manager Certifications.

(i) Drug-Free Workplace Act. To the extent applicable, the Manager shall comply with the provisions of §§ 50-24-1 through 50-24-6 of the Official Code of Georgia Annotated (O.C.G.A.) relating to the "Drug-Free Workplace Act" and shall execute a certification in the form of Section K - Attachment 01, incorporated herein by reference.

(ii) Georgia Security and Immigration Compliance Act. To the extent applicable, the Manager shall comply with all requirements of the Georgia Security and Immigration Compliance Act of 2006 as codified in O.C.G.A. §§ 13-10-90 and 13-10-91 and regulated in Chapter 300-10-1 of the Rules and Regulations of the State of Georgia and shall execute a certification in the form of Section K - Attachment 02, incorporated herein by reference.

(iii) Federal Immigration and Nationality Act. To the extent applicable, the Manager shall execute an Affidavit Verifying Status for City Public Benefit Application in the form of Section K – Attachment 03, incorporated herein by reference and required pursuant to O.C.G.A. § 50-36-1, verifying United States citizenship or status as a permanent resident or qualified alien or non-immigrant under the Federal Immigration and Nationality Act.

(iv) Records. All documentation relating to Manager employee background checks, Drug- Free Workplace Act compliance and Georgia Security and Immigration Compliance Act compliance shall be maintained in Manager's employee personnel records. This includes documentation requested and received from states other than Georgia.

Section 6.6 General Manager. Personnel engaged by Manager will include an individual with managerial experience in similar facilities to serve as a full-time on-site General Manager of the Facility. Hiring of the General Manager by Manager shall require the prior approval of the City, which approval shall not be unreasonably withheld or delayed; provided, however, in the event of a vacancy in the General Manager position, Manager may, upon notice to the City, temporarily fill such position with an interim General Manager for up to ninety (90) days without the necessity of obtaining the City's approval. The General Manager will have general supervisory responsibility for Manager and will be responsible for day-to-day operations of the Facility, supervision of employees, and management and coordination of all activities associated with events taking place at the Facility.

Section 6.7 Manager's Key Personnel. For purposes of Section 6.8, key personnel positions shall include the General Manager. There shall be no other key personnel positions subject to Section 6.8 unless mutually agreed by the parties in writing.

Section 6.8 Replacement of Key Personnel.

(a) The Manager shall promptly notify the City Manager prior to making any changes in key personnel. If replacing key personnel, the replacement person's qualifications shall meet or exceed an applicable labor competency level description as agreed upon by the City and the Manager.

(b) All Manager notifications must provide the name and departure date for the incumbent leaving, a complete resume for the proposed substitute, and any other pertinent information requested by the City Manager. The City Manager, acting reasonably and consistent with law, shall be provided the opportunity to review and approve or reject the replacement person.

(c) In the event the City is dissatisfied with any key personnel for any reason, the City may notify Manager that it desires the removal of such key personnel and shall set forth in such notice the specific reasons for such request, which shall be consistent with applicable law. In such case, the Manager will meet with the City Manager as soon as possible to discuss such matter, and thereafter Manager shall take those steps discussed by the parties and agreed to by the City and Manager to address the City's concerns with such key personnel, provided, however, that if such concerns are not remedied within thirty (30) days to the reasonable satisfaction of the City, Manager shall, subject to applicable law, take legally appropriate and prudent steps to remove such key personnel and commence the process for selecting and hiring replacement key personnel, who will be subject to the reasonable approval of the City.

(d) Upon the removal of any key personnel, Manager shall endeavor to fill such key personnel's position as promptly as possible under the circumstances. If the position is not filled within thirty (30) days, the Manager shall submit a report in writing as to the reason for the continued vacancy and a list of steps being taken to fill the position. This report shall be updated every thirty (30) days thereafter and upon the reasonable request of the City.

(e) This section does not, in any way, abrogate the Manager's authority to hire or assign personnel as it sees fit, or its responsibility to fill key personnel positions with qualified personnel.

ARTICLE 7
PRE-OPENING EXPENSES AND EXPENSE BUDGET

Section 7.1 Establishment of Pre-Opening Expense Budget. Attached hereto as Exhibit D is the Pre-Opening Expense Budget, which details the projected Pre-Opening Expenses to be incurred by Manager during the Pre-Opening Period. The Pre-Opening Expense Budget is deemed approved by the City by virtue of the City's execution of this Agreement, but may be adjusted by Manager from time to time, subject to the approval of the City (such approval not to be unreasonably withheld or delayed).

Section 7.2 Funding of Expenses During Pre-Opening Period. The City shall pay for all budgeted, reasonable Pre-Opening Expenses incurred by Manager in connection with the performance of its obligations under this Agreement during the Pre-Opening Period, in accordance with this Section 7.2. Upon execution hereof, the City shall establish the Pre-Opening Expense Account, and transfer to such account an amount equal to the projected Pre-Opening Expenses for the first month (or portion thereof), as set forth in the Pre-Opening Expense Budget. On or before the first day of each succeeding month during the Pre-Opening

Period, the City shall transfer to the Pre-Opening Expense Account an amount equal to the projected Pre-Opening Expenses for such month, as set forth in the Pre-Opening Expense Budget; provided, that Manager no later than ten (10) days prior to such due date shall provide City with a written request for the amount of funds it projects to be due pursuant to this Section. Manager may access such account periodically, as needed, for the purpose of withdrawing funds to pay Pre-Opening Expenses, including without limitation the Fixed Management Fee; provided, however, that all payments from the Pre-Opening Expense Account shall be documented in the Monthly Financial Report required by Section 11.2 of this Agreement. Further, the parties recognize that certain appropriate Pre-Opening Expenses may not be budgeted. Such unbudgeted Pre-Opening Expenses shall be required to be approved via a budget amendment by the City in order to be considered an allowable Pre-Opening Expense pursuant to this Agreement.

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ARTICLE 8
OPERATING BUDGET

Section 8.1 Establishment of Operating Budget. Manager agrees that at least ninety (90) days prior to the Opening Date in respect of the first Operating Year, and no less than ninety (90) days prior to the commencement of each subsequent Operating Year in respect of such year, it will, in consultation with the City, prepare and submit to the City its proposed Operating Budget for such year in a form and with specificity as required by the City. In no event shall the Operating Budget be less detailed than the City's General Budget being adopted for that year. Each annual Operating Budget shall include Manager's good faith projection of Revenues and Operating Expenses, presented on a monthly and annual basis, for the upcoming Operating Year. The City agrees to provide Manager with all non-privileged information in its possession necessary to enable Manager to prepare each Operating Budget.

Section 8.2 Approval of Operating Budget. Each annual Operating Budget shall be subject to the review and approval of the City, which approval shall not be unreasonably withheld or delayed. In order for the City to fully evaluate and analyze such budgets or any other request by Manager relating to income and expenses, Manager agrees to provide to the City such reasonable financial information relating to the Facility as may be requested by the City from time to time. If extraordinary events occur during any Operating Year that could not reasonably be contemplated at the time the corresponding Operating Budget was prepared, Manager may submit an amendment to such budget for review and approval by the City (which approval shall not be unreasonably withheld or delayed). If the City fails to approve any annual Operating Budget (or any proposed amendment thereto), the City shall promptly provide Manager the specific reasons therefor and its suggested modifications to Manager's proposed Operating Budget or amendment in order to make it acceptable. The parties shall then engage in good faith discussions and use reasonable commercial efforts to attempt to resolve the matter to the mutual satisfaction of the parties. If, despite their good faith attempts and reasonable commercial efforts, the parties are unable to mutually agree on an Operating Budget, then the City may establish the Operating Budget but the Manager shall have the right to terminate this

Agreement, without liability, on sixty (60) days' prior written notice to the City if Manager determines, in its sole discretion, that it is not in its or the Facility's best interests to operate under such budget.

Section 8.3 Adherence to Operating Budget. Manager shall use all commercially reasonable efforts to manage and operate the Facility in accordance with the Operating Budget. However, City acknowledges that notwithstanding the Manager's experience and expertise in relation to the operation of facilities similar to the Facility, the projections contained in each Operating Budget are subject to and may be affected by changes in financial, economic and other conditions and circumstances beyond the Manager's control, and that Manager shall have no liability if the numbers within the Operating Budget are not achieved. Manager agrees to notify the City within thirty (30) days of any material change or variance in any expense category, or the bottom line number, in the Operating Budget, and any material increase in total Facility expenses from that provided for in the Operating Budget. In either such case and if requested by City, Manager agrees to work with City to develop, implement and comply with a plan (or changes to the then current plan) to limit Operating Expense to be incurred in the remaining months of such Operating Year with the goal of achieving the Operating Budget, or amend the Operating Budget to contemplate the change or variance in the expense category.

ARTICLE 9
PROCEDURE FOR HANDLING INCOME

Section 9.1 Event Account. Manager shall deposit as soon as practicable following receipt, in the Event Account, all revenue received from ticket sales and similar event-related revenues which Manager receives in contemplation of, or arising from, an event, pending completion of the event. Such monies will be held in escrow for the protection of ticket purchasers, the City and Manager, to provide a source of funds as required for payments to performers and for payments of direct incidental expenses in connection with the presentation of events that must be paid prior to or contemporaneously with such events. Manager shall have the authority to sign checks and make withdrawals from such account, subject to the limitations of this Agreement, without needing a co-signature of a City employee or representative. Promptly following completion of such events, Manager shall transfer all funds remaining in the Event Account, including any interest accrued thereon, into the Operating Account. Bank service charges, if any, on such account(s) shall be deducted from interest earned.

Section 9.2 Operating Account. Except as provided in Section 9.1, all Revenue derived from operation of the Facility shall be deposited by Manager into the Operating Account as soon as practicable upon receipt (but not less often than once each business day). The specific procedures (and authorized individuals) for making deposits to and withdrawals from such account shall be set forth in the Operations Manual, but the parties specifically agree that Manager shall have authority to sign checks and make withdrawals from such account, subject to the limitations of this Agreement, with the co-signature of a City employee or representative. Notwithstanding the above, the parties acknowledge that all funds in the Operating Account shall at all times be the property of the City.

Section 9.3 Banking Services. All accounts in which funds derived from the Facilities are held, including but not limited to the Event Account and the Operating Account, shall be established at banks and in accounts approved in writing by the City.

Section 9.3 Cash and Credit Transactions. Manager at all times shall use best practices in relation to the management of cash funds and credit transactions (including but not limited to the protection of personally identifiable information), including written rules and procedures for the handling of cash and credit transactions establishing said best management practices.

Section 9.4 Reporting. All deposits into and payments from the Event and Operating Accounts shall be documented in the Monthly Financial Report required by Section 11.2 of this Agreement. Manager shall further provide the City with a weekly report regarding the events held at the Performing Arts Center and the attendance figures regarding said events.

ARTICLE 10
FUNDING

Section 10.1 Source of Funding. Following the Opening Date, Manager shall pay all items of expense for the operation, maintenance, supervision and management of the Facility from the funds in the Operating Account, which Manager may access periodically for this purpose. The Operating Account shall be funded with amounts generated by operation of the Facility (as described in Article 9 above), or otherwise made available by the City. To ensure sufficient funds are available in the Operating Account, City will deposit in the Operating Account, on or before the Opening Date, the budgeted or otherwise approved expenses for the month beginning on the Opening Date. The City shall thereafter, on or before the 1st day of each succeeding month following the Opening Date, deposit (or allow to remain) in the Operating Account the budgeted or otherwise approved expenses for each such month; provided, that Manager no later than ten (10) days prior to such due date shall provide City with a written request for the amount of funds it projects to be due pursuant to this Section. Manager shall have no liability to the City or any third party in the event Manager is unable to perform its obligations hereunder, or under any third party contract entered into pursuant to the terms hereof, due to the fact that sufficient funds are not made available to Manager to pay such expenses in a timely manner, except that this provision shall not apply to the extent the City's failure to provide such funds is due to the Manager's failure to timely request such funds as set forth above.

Section 10.2 Advancement of Funds. Under no circumstances shall Manager be required to pay for or advance any of its own funds to pay for any Operating Expenses. In the event that, notwithstanding the foregoing, Manager agrees to advance its own funds to pay Operating Expenses, City shall promptly reimburse Manager for the full amount of such advanced funds, plus interest at a rate to be mutually agreed.

ARTICLE 11
FISCAL RESPONSIBILITY; REPORTING

Section 11.1 Records. Manager agrees to keep and maintain, at its office in the Facility, separate and independent records, in accordance with generally accepted accounting principles, devoted exclusively to its operations in connection with its management of the Facility. Such records (including books, ledgers, journals, and accounts) shall contain all entries reflecting the business operations of Manager under this Agreement. The City or its authorized agent shall have the right to audit and inspect such records from time to time during the Term, upon reasonable notice to Manager and during Manager's ordinary business hours. Upon expiration or termination of this Agreement in accordance with Section 4.3 above, Manager shall: (a) deliver copies of all documents to the City, or (2) maintain and make said records available to the City for a period of three (3) years following the termination of this Agreement.

Section 11.2 Monthly Financial Reports. Manager agrees to provide to the City, within thirty (30) days after the end of each month during the Term, financial reports for the Facility including a balance sheet, aging report on accounts receivable, and statement of revenues and expenditures (budget to actual) for such month and year to date in accordance with generally accepted accounting principles. In addition, Manager agrees to provide to the City a summary of bookings for each such month, and separate cash receipts and disbursements reports for each event held at the Facility during such month. Additionally, Manager shall submit to the City, or shall cause the applicable public depository utilized by Manager to submit to the City, on a monthly basis, copies of all bank statements concerning the Event Account and the Operating Account.

Section 11.3 Audit. Manager agrees to provide to the City, within one hundred twenty (120) days following the end of each Operating Year, a certified audit report on the accounts and records as kept by Manager for the Facility. Costs associated with obtaining such certified audit report shall be an Operating Expense of the Facility. Such audit shall be performed by an external auditor approved by the City, and shall be conducted in accordance with generally accepted auditing standards.

ARTICLE 12
CAPITAL IMPROVEMENTS

Section 12.1 Schedule of Capital Expenditures. Manager shall annually, at the time of submission of the annual Operating Budget to the City, provide to the City a schedule of proposed capital improvements to be made at the Facility, for the purpose of allowing the City to consider such projects and to prepare and update a long-range Capital Expenditure budget.

Section 12.2 Responsibility for Capital Expenditures. The City shall be solely responsible for all Capital Expenditures at the Facility; provided, however, the City shall be under no obligation to make any Capital Expenditures proposed by Manager, and provided further that Manager shall have no liability for any claims, costs or damages arising out of a failure by the City to make any Capital Expenditures. Notwithstanding the foregoing, Manager shall have the right (but not the obligation), upon reasonable notice to the City, to make commercially reasonable Capital Expenditures at the Facility for Emergency Repairs in an amount necessary to relieve the emergency condition. In such event, the City shall promptly reimburse Manager for the commercially reasonable cost of such Capital Expenditure.

ARTICLE 13
FACILITY CONTRACTS; TRANSACTIONS WITH AFFILIATES

Section 13.1 Existing Contracts. The City shall provide to Manager, on or before the Effective Date, copies of all Existing Contracts, if any. Manager shall administer and assure compliance with such Existing Contracts.

Section 13.2 Execution of Contracts. The City shall enter into all Service Contracts in its own name, and shall ensure that each such Service Contract includes Manager as a party being indemnified by the service provider, and as an additional insured party under the service providers' insurance policies, to the same extent the City is included as such. Notwithstanding the foregoing, Manager may enter into (a) contracts related to goods or services specific to events ("Event Service Contracts"), and (b) Revenue Generating Contracts, in each case as agent on behalf of the City; provided Manager shall ensure that each such Event Service Contract, or Revenue Generating Contract includes City as a party being indemnified by the service provider, and as an additional insured party under the service providers' insurance policies, to the same extent the Manager is included as such.. Any such material agreements to be entered into by Manager as agent for the City shall contain standard indemnification and insurance obligations on the part of each vendor, licensee or service provider, as is customary for the type of servicesor obligations being provided or performed by such parties and, uUnless waived by the City in writing, Manager acknowledges that all such Event Service Contracts and Revenue Generating Contracts shall be in a form reasonably acceptable to the City. Manager shall endeavor to include in each such Event Service Contract, where practicable, a cost/penalty-free provision for termination without cause upon thirty (30) days written notice. Manager shall obtain the prior approval of the City (which approval shall not be unreasonably withheld or delayed) before entering into any such Event Service Contract with a term that expires after the anticipated expiration date of this Agreement unless such contract, by its express terms, can be terminated by Manager or City following expiration of the Term without any penalty.

Section 13.3 Transactions with Affiliates. In connection with its obligations hereunder relating to the purchase or procurement of services for the Facility (including without limitation food and beverage services, ticketing services, Commercial Rights sales, web design services and graphic design services), Manager may purchase or procure such services, or otherwise transact business with, an Affiliate of Manager, provided that the prices charged and services rendered by such Affiliate are competitive with those obtainable from any unrelated parties rendering comparable services. Manager shall, at the request of the City, provide reasonable evidence establishing the competitive nature of such prices and services, including, if appropriate, competitive bids from other persons seeking to render such services at the Facility. Nothing in this paragraph shall exempt Manager from complying with all Laws regarding the procurement of goods and services.

Section 13.4 Complimentary Tickets. Prior to the Opening Date, Manager and City shall develop, and thereafter abide by, a policy regarding the distribution of complimentary tickets in Manager's possession to Facility events. Such policy shall be subject to the approval of the City and, once approved, shall not be amended without City approval. The parties agree that the City may request a review and revision of the policy regarding the distribution of complimentary tickets as part of its annual budgeting process. In no event shall Manager provide any free or low cost tickets to any event to any City employee, elected official, or individuals appointed by the City Council to any boards, authorities, commissions or other City governmental bodies unless the event is free to the general public.

Section 13.5 Compliance with Laws/Procurement Policies. Manager shall at all times comply with all Laws regarding the procurement of goods and services in conjunction with the operation of the Facilities. Within ninety (90) days of the execution of this Agreement, Manager shall provide the City with its written procurement policies in relation to this Agreement which shall be subject to the reasonable approval of the City; provided, however, the City's approval of such policies shall not be a defense to the Manager's failure to comply with Laws.

Section 13.6 Bond Financing. Manager acknowledges that the Facilities are financed in part with the proceeds of one or more series of tax exempt bonds, and that during the Term hereof, the City may choose, at its option, to finance additional improvements to the Facilities with tax-exempt bonds (collectively, any present and future tax-exempt bonds encumbering the Facility shall be referred to as the "Bonds"). In order for the City to insure that it is preserving the tax-exempt nature of the Bonds and complying with applicable Treasury regulations (the "Treasury Regulations" promulgated under the Internal Revenue Code of 1986, as amended (the "Code"), Manager acknowledges and agrees that in addition to any other contracts requiring approval of the City, each of the following contracts must be approved by the City Manager, in writing, before execution by the Manager (as applicable):

(i) Any contract relating to the Facilities which grants a leasehold interest or other real estate interest in the Facilities (other than a short term license or rental for an Event at a Facility), or grants a right to use the Facilities on a basis different from that of the general public, unless such use satisfies a short-term use exception as described in Section 1.141-3(d)(3) of the Treasury Regulations.

(ii) Any contract for the use of the Facilities for Events where the term of such use exceeds fifty (50) days aggregate, including all renewal options.

(iii) Any other contract relating to the Facilities which grants special legal entitlements to beneficial use of the Facilities or special economic benefits, within the meaning of Section 1.141-3(b)(7) of the Treasury Regulations, unless such contract satisfies an exception set forth in the Treasury Regulations.

ARTICLE 14
AGREEMENT MONITORING AND GENERAL MANAGER

(a) Section 14.1 Contract Administrator. Each party shall appoint a contract administrator who shall monitor such party's compliance with the terms of this Agreement. Manager's contract administrator shall be its General Manager at the Facility, unless Manager notifies City of a substitute contract administrator in writing. The contract administrator shall have decision-making authority for the Manager on day-to-day operating matters at the Facility, but not to modify, amend or waive any rights under this Agreement, and shall act as a single point of contact for the Manager and be available by telephone or in person at the request of the City Manager on an as-needed basis. City's contract administrator shall be its City Manager, unless City notifies Manager of a substitute contract administrator in writing. Any and all references in this Agreement requiring Manager or City participation or approval shall mean the participation or approval of such party's contract administrator.

Section 14.2 Communications. All administration of this Agreement by the City shall be effected by the City Manager or his or her designee as substituted pursuant to Section 14.1. All communication to the City (other than at formal meetings of the Councilmembers) regarding Facility operations shall be addressed to the City Manager, or his or her designee, or applicable individuals on the City Manager's staff only.

Section 14.3 Failure to Comply with Provisions. Any communication (other than at formal meetings of the Council) to City officials other than the City Manager or his or her designee or applicable individuals on the City Manager's staff (with respect to operational matters), regarding the administration of this Agreement including Manager performance, Manager or City personnel matters, delivery of services, terms, extensions, or content of this Agreement, budgetary matters, or other similar matters related to the operational matters shall constitute a violation of this Agreement. In the event of a first violation of this Article, the City Manager shall notify the Manager in writing within a reasonable time. In the event of a second violation of this Article, the City Manager shall again notify the Manager in writing within a reasonable time. In the event of a third violation of this Section, the City Manager shall notify the Manager in writing within a reasonable time and such third violation shall constitute a material breach of the provisions of this Agreement subject to the provisions of Section 4.2(c), pursuant to which the City, in addition to any other remedies provided therein, may terminate the Agreement.

14.4 Public Release of Information.

(a) All materials relating to the Facility and are intended to be released by Manager to the public shall be submitted to the City for review and approval prior to release to the public, not including advertisements for events at the Facility or materials listing the Facility in Manager's list of facilities it manages. At a minimum, these materials may be technical papers, presentations, articles for publication and speeches or mass media material including, but not limited to, press releases, photographs, fact sheets, advertising, posters, compact discs, and videos.

(b) Upon submission of the materials, the City will promptly notify the Manager of the City's final decision regarding the status of the request.

(c) The Manager shall submit a written statement to the City Manager as far in advance of the proposed release date as is possible, including: (1) to whom the material is to be released; (2) desired date for public release; (3) statement that the material has been reviewed and approved by officials of the Manager or the subcontractor, for public release; and

(d) The items submitted must be complete. Photographs shall have captions.

(e) Outlines, rough drafts, marked-up copy (with handwritten notes), or incorrect distribution statements will not be accepted or cleared.

(f) Abstracts or abbreviated materials may be submitted if the intent is to determine the feasibility of going further in preparing a complete paper for clearance. However, clearance of abstracts or abbreviated materials does not satisfy the requirement for clearance of the entire paper.

(g) Once information has been cleared for public release, it is in the public domain and shall always be used in its originally cleared context and format. Information previously cleared for public release but containing new, modified or further developed information must be submitted again for public release following the steps outlined above.

ARTICLE 15
INDEMNIFICATION

Section 15.1 Indemnification by Manager. To the extent allowed by law, Manager agrees to defend, indemnify and hold harmless the City and its officials, directors, officers, employees, agents, successors and assigns against any claims, causes of action, costs, expenses (including reasonable attorneys' fees) liabilities, or damages (collectively, "**Losses**") suffered by such parties, arising out of or in connection with any (a) any negligent act or omission, or intentional misconduct, on the part of Manager or any of its employees or agents in the performance of its obligations under this Agreement, (b) a breach by Manager of any of its representations, covenants or agreements made herein, including without limitation Manager's obligation to pay any Operating Expenses of the Facility in a timely manner provided that the City has made said funds available as required herein and the payment is within the Manager's authority to make, (c) any environmental condition at the Facility or on or under the premises on which the Facility is located caused directly by Manager, its employees or agents, or (d) any violation of Laws by Manager, including but not limited to violation the Georgia Open Records Act to the extent applicable to Manager.

Section 15.2 Indemnification by the City. To the extent allowed by law, City agrees to defend, indemnify and hold harmless Manager, its parent, subsidiary and affiliate companies, and each of their respective directors, officers, employees, agents, successors and assigns, against any Losses suffered by such parties, arising out of or in connection with (a) any negligent act or omission, or intentional misconduct, or failure to comply with Laws, on the part of City or any of its employees or agents in the performance of its obligations under this Agreement, (b) a breach by City of any of its representations, covenants or agreements made herein, including without limitation City's obligation to pay any budgeted or otherwise approved expenses in a timely manner, (c) failure by City to pay any amounts due by City or to otherwise perform any obligations of City under any third party contracts, licenses or agreements entered into by Manager in furtherance of its duties hereunder as authorized hereby; (d) any environmental condition at the Facility or on or under the premises on which the Facility is located caused by the City, its employees or agents, (e) any structural defect with respect to the Facility; provided that Manager did not cause or have actual knowledge of said defect yet fail to notify the City prior to any event creating the liability, (f) the fact that any time prior to, as of, or after the date hereof the Facility is not or has not been in compliance with all Laws, including, but not limited to, the Americans With Disabilities Act as it now exists and as it may be amended in the future by statute or judicial interpretation; provided that Manager did not cause or have actual knowledge of said violation yet fail to notify the City prior to any event creating the liability, (g) act or omission carried out by Manager at or pursuant to the specific direction or instruction of City, its agents or employees authorized to provide direction or instructions to the Manager, and (h) any claims related to the Facility or activities related thereto accruing or caused by occurrences prior to the Effective Date.

Section 15.3 Conditions to Indemnification. With respect to each separate matter brought by any third party against which a party hereto ("**Indemnitee**") is indemnified by the other party ("**Indemnitor**") under this Article 15, the Indemnitor shall be responsible, at its sole cost and expense, for controlling, litigating, defending and/or otherwise attempting to resolve any proceeding, claim, or cause of action underlying such matter, except that (a) the Indemnitee may, at its option, participate in such defense or resolution at its expense and through counsel of its choice; (b) the Indemnitee may, at its option, assume control of such defense or resolution if the Indemnitor does not promptly and diligently pursue such defense or resolution, provided that the Indemnitor shall continue to be obligated to indemnify the Indemnitee hereunder in connection therewith; and (c) neither Indemnitor nor Indemnitee shall agree to any settlement without the other's prior written consent (which shall not be unreasonably withheld or delayed). In any event, Indemnitor and Indemnitee shall in good faith cooperate with each other and their respective counsel with respect to all such actions or proceedings, at the Indemnitor's expense. With respect to each and every matter with respect to which any indemnification may be sought hereunder, upon receiving notice pertaining to such matter, Indemnitee shall promptly (and in no event more than twenty (20) days after any third party litigation is commenced asserting such claim) give reasonably detailed written notice to the Indemnitor of the nature of such matter and the amount demanded or claimed in connection therewith.

Section 15.4 Survival. The obligations of the parties contained in this Article 15 shall survive the termination or expiration of this Agreement.

ARTICLE 16
INSURANCE

Section 16.1 Types and Amount of Coverage. Manager agrees to obtain insurance coverage in the manner and amounts as set forth in Exhibit E attached hereto, and shall provide to the City promptly following the Effective Date a certificate or certificates of insurance evidencing such coverage. Manager shall maintain such referenced insurance coverage at all times during the Term, and will not make any material modification or change from these specifications without the prior approval of the City. Each insurance policy shall include a requirement that the insurer provide Manager and the City at least thirty (30) days written notice of cancellation or material change in the terms and provisions of the applicable policy. The cost of all such insurance shall be an Operating Expense; provided that such cost shall be based upon the actual cost for the specific policy for the Sandy Springs Project. Should Manager's policy cover Manager for any other projects, the Manager shall provide the City with a specific breakdown and justification for the apportionment of said policy premium utilized to determine the appropriate Operating Expense to be charged to the City**.**

Section 16.2 Rating; Additional Insureds. All insurance policies shall be issued by insurance companies rated no less than A X in the most recent "Bests" insurance guide, and licensed in the State of Georgia or as otherwise agreed by the parties. All such policies shall be in such form and contain such provisions as are generally considered standard for the type of insurance involved. The commercial general liability policy, automobile liability insurance policy and umbrella or excess liability policy to be obtained by Manager hereunder shall name City as an additional insured. The workers compensation policy to be obtained by Manager hereunder shall contain a waiver of all rights of subrogation against the City. Manager shall require that all third-party users of the Facility, including without limitation third-party licensees, ushers, security personnel and concessionaires, provide certificates of insurance evidencing insurance appropriate for the types of activities in which such user is engaged. If Manager subcontracts any of its obligations under this Agreement, Manager shall require each such subcontractor to secure insurance that will protect against applicable hazards or risks of loss as and in the minimum amounts designated herein, and name Manager and the City as additional insureds.

Section 16.3 City's Insurance Approval. For any insurance policy that Manager intends to have treated as an Operating Expense pursuant to this Agreement, prior to securing such coverage, Manager shall provide the City information regarding the policy including: (1) the issuer and coverage limits of the policy, (2) the specific cost of the policy, and (3) the amount of the cost which Manager contends is an Operating Expense. The City acknowledges that policies may be purchased by Manager to provide required coverage for the Facility as well as other facilities managed by Manager and the parties agree that only a fair and reasonable allocation of the overall policy costs shall be allocated to the Facility as an Operating Expense. The City shall have the right to approve the use of the policy or require Manager to pursue other policies so long as the cost of said coverage is not higher than the policy proposed by the Manager, and the coverage of such other policies (including deductibles, exclusions and limits) is the same or better than the policy proposed by the Manager.

ARTICLE 17
REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 17.1 Manager Representations and Warranties. Manager hereby represents, warrants and covenants to City as follows:

(a) that it has the full legal right, power and authority to enter into this Agreement and to grant the rights and perform the obligations of Manager herein, and that no third party consent or approval is required to grant such rights or perform such obligations hereunder.

(b) that this Agreement has been duly executed and delivered by Manager and constitutes a valid and binding obligation of Manager, enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar Laws affecting creditors' rights generally or by general equitable principles.

(c) that Manager will comply with all Laws applicable to its management of the Facility, including but not limited to the Americans with Disabilities Act and the Georgia Open Records Act; provided that Manager shall not be required to undertake any compliance activity, nor shall Manager have any liability under this Agreement therefor, if such activity requires any Capital Expenditure.

Section 17.2 City Representations, Warranties and Covenants. City represents, warrants and covenants to Manager as follows:

(a) that it has the full legal right, power and authority to enter into this Agreement and to grant the rights and perform the obligations of City herein, and that no other third party consent or approval is required to grant such rights or perform such obligations hereunder.

(b) that this Agreement has been duly executed and delivered by City and constitutes a valid and binding obligation of City, enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally or by general equitable principles.

(c) that the Facility will be constructed and completed in compliance in all respects with all applicable Laws relating to the construction, use and operation of the Facility (including, without limitation, Title III of the American with Disabilities Act), and without any structural defects or unsound operating conditions.

ARTICLE 18
MISCELLANEOUS

Section 18.1 PCI Compliance. Manager shall comply with all current Payment Card Industry Data Security Standards ("PCI Standards") and guidelines that may be published from time to time by Visa, MasterCard or other associations as they relate to the storage of credit card data. For PCI Standards compliance purposes, City will provide, on a segmented network, an appropriate number of wired data connections to the Internet for point of sale devices to be used by Manager and any contractors at the Facility. City shall be responsible for the security of its network, including, without limitation, applicable PCI-DSS compliance, and for procuring and installing point of sale (POS) payment systems that are compliant with the latest PCI-DSS requirements; provided that Manager shall be responsible for any acts of its employees if such acts are the cause of any breach of information. If at any time either party determines that card account number or other information has been compromised, such party will notify the other immediately and assist in providing notification to the proper parties as deemed necessary.

Section 18.2 No Discrimination. Manager agrees that it will not discriminate against any employee or applicant for employment for work under this Agreement because of race, color, religion, sex, sexual orientation, gender, national origin, age, disability, or military or veteran status, or any other status or classification protected by applicable federal, state and local laws. This policy applies to all terms and conditions of employment, including but not limited to, hiring, placement, promotion, termination, layoff, recall, transfer, leave of absence, compensation, and training.

Section 18.3 Use of Facility Names and Logos. Subject to Section 14.4 above, Manager shall have the right to use throughout the Term (and permit others to use in furtherance of Manager's obligations hereunder), for no charge, the name and all logos of the Facility, on Manager's stationary, in its advertising of the Facility, and whenever conducting business of the Facility; provided, that Manager shall take all prudent and appropriate measures to protect the intellectual property rights of the City relating to such logos. All intellectual property rights in any Facility logos developed by the Manager or the City shall be and at all times remain the sole and exclusive property of the City. Manager agrees to execute any documentation requested by the City from time to time to establish, protect or convey any such intellectual property rights.

Section 18.4 Facility Advertisements. The City agrees that in all advertisements placed by the City for the Facility or events at the Facility, whether such advertisements are in print, on radio, television, the internet or otherwise, it shall include a designation that the Facility is a "Spectra managed facility".

Section 18.5 Force Majeure; Casualty Loss.

(a) Neither party shall be liable or responsible to the other party for any delay, loss, damage, failure or inability to perform under this Agreement due to an Event of Force Majeure, provided that the party claiming failure or inability to perform provides written notice to the other party within thirty (30) days of the date on which such party gains actual knowledge of such Event of Force Majeure. Notwithstanding the foregoing, in no event shall a party's failure to make payments due hereunder be excusable due to an Event of Force Majeure.

(b) In the event of damage or destruction to a material portion of the Facility by reason of fire, storm or other casualty loss that renders the Facility (or a material portion thereof) untenantable, the City shall use reasonable efforts to remedy such situation. If notwithstanding such efforts, such damage or destruction is expected to render the Facility (or a material portion thereof) untenantable for a period estimated by an architect selected by the City at Manager's request, of at least one hundred eighty (180) days from the date of such fire, storm or other casualty loss, either party may terminate this Agreement upon written notice to the other, provided that (i) the City shall pay to Manager its costs of withdrawing from services hereunder, as described in Section 4.3(a) above, and (ii) in the event the Facility once again becomes tenable at any time during the Term, this Agreement shall, at the option of Manager, once again become effective and Manager shall manage and operate the Facility under the terms hereof, except that the Term shall be extended for a period of time in which the Facility was closed.

Section 18.6 Assignment. Neither party may assign this Agreement without the prior written consent of the other, which consent shall not be unreasonably withheld or delayed, except that either party may, without the prior written consent of the other party but upon at least thirty (30) days' written notice to the other party, assign this Agreement in connection with a sale of all or substantially all its assets or equity interests, and Manager may assign this Agreement to an affiliate, parent or subsidiary of Manager where such assignment is intended to accomplish an internal corporate purpose of Manager as opposed to materially and substantially altering the method of delivery of services to City. Any purported assignment in contravention of this Section shall be void.

Section 18.7 Notices. All notices required or permitted to be given pursuant to this Agreement shall be in writing and delivered personally or sent by registered or certified mail, return receipt requested, or by generally recognized, prepaid, overnight air courier services, to the address and individual set forth below. All such notices to either party shall be deemed to have been provided when delivered, if delivered personally, three (3) days after mailed, if sent by registered or certified mail, or the next business day, if sent by generally recognized, prepaid, overnight air courier services.

If to the City:

City of Sandy Springs
7840 Roswell Road, Bldg. 500
Attn: City Manager
Sandy Springs, Georgia 30350

With a copy to:

City of Sandy Springs
7840 Roswell Road, Bldg. 500
Attn: City Attorney
Sandy Springs, Georgia 30350

If to Manager:

Global Spectrum, L.P., d/b/a Spectra
3601 S. Broad Street
Attn: Chief Operating Officer
Philadelphia, PA 19148-5290

With a copy to:

Comcast Spectacor, L.P.
3601 S. Broad Street
Attn: General Counsel
Philadelphia, PA 19148-5290

If to the Facilities Authority:

Sandy Springs Public Facilities Authority
7840 Roswell Road, Bldg. 500
Attn: City Manager
Sandy Springs, Georgia 30350

With a copy to:

Sandy Springs Public Facilities Authority
7840 Roswell Road, Bldg. 500
Attn: City Attorney

Sandy Springs, Georgia 30350

The designation of the individuals to be so notified and the addresses of such parties set forth above may be changed from time to time by written notice to the other party in the manner set forth above. Upon completion of the Facilities and the relocation of the Sandy Springs' City Hall, the parties agree that the new City Hall address shall be automatically substituted for the above address without need for amendment of this Agreement.

Section 18.8 Severability. If a court of competent jurisdiction determines that any term of this Agreement is invalid or unenforceable to any extent under applicable law, the remainder of this Agreement (and the application of this Agreement to other circumstances) shall not be affected thereby, and each remaining term shall be valid and enforceable to the fullest extent permitted by law.

Section 18.9 Entire Agreement. This Agreement (including the exhibits attached hereto) contains the entire agreement between the parties with respect to the subject matter hereof, and supersedes and replaces all prior negotiations, correspondence, conversations, agreements, and understandings concerning the subject matter hereof. Accordingly, the parties agree that no deviation from the terms hereof shall be predicated upon any prior representations, agreements or understandings, whether oral or written.

Section 18.10 Governing Law. The Agreement is entered into under and pursuant to, and is to be construed and enforceable in accordance with, the laws of the State of Georgia, without regard to its conflict of laws principles.

Section 18.11 Amendments. Neither this Agreement nor any of its terms may be changed or modified, waived, or terminated (unless as otherwise provided hereunder) except by an instrument in writing signed by an authorized representative of the party against whom the enforcement of the change, waiver, or termination is sought.

Section 18.12 Waiver; Remedies. No failure or delay by a party hereto to insist on the strict performance of any term of this Agreement, or to exercise any right or remedy consequent to a breach thereof, shall constitute a waiver of any breach or any subsequent breach of such term. No waiver of any breach hereunder shall affect or alter the remaining terms of this Agreement, but each and every term of this Agreement shall continue in full force and effect with respect to any other then existing or subsequent breach thereof. The remedies provided in this Agreement are cumulative and not exclusive of the remedies provided by law or in equity.

Section 18.13 Relationship of Parties. Manager and City acknowledge and agree that they are not joint venturers, partners, or joint owners with respect to the Facility, and nothing contained in this Agreement shall be construed as creating a partnership, joint venture or similar relationship between City and Manager. In operating the Facility, entering into contracts, accepting reservations for use of the Facility, and conducting financial transactions for the Facility, Manager acts on behalf of and as agent for City (but subject to the limitations on Manager's authority as set out in this Agreement), with the fiduciary duties required by law of a party acting in such capacity.

Section 18.14 No Third Party Beneficiaries. Other than the indemnitees listed in Article 15 hereof (who are third party beneficiaries solely with respect to the indemnification provisions in such sections), there are no intended third party beneficiaries under this Agreement, and no third party shall have any rights or make any claims hereunder, it being intended that solely the parties hereto (and the aforementioned indemnitees with respect to the indemnification provisions hereof) shall have rights and may make claims hereunder.

Section 18.15 Attorneys' Fees. If any suit or action is instituted by either party hereunder, including all appeals, the prevailing party in such suit or action shall be entitled to recover reasonable attorney fees and expenses from the non-prevailing party, in addition to any other amounts to which it may be entitled.

Section 18.16 Limitation on Damages. In no event shall either party be liable or responsible for any consequential, indirect, incidental, punitive, or special damages (including, without limitation, lost profits) whether based upon breach of contract or warranty, negligence, strict tort liability or otherwise, and each party's liability for damages or losses hereunder shall be strictly limited to direct damages that are actually incurred by the other party, provided that the foregoing shall not limit or restrict any claim by Manager for the management fees described herein upon a breach or default of this Agreement by City.

Section 18.17 Counterparts; Facsimile and Electronic Signatures. This Agreement may be executed in counterparts, each of which shall constitute an original, and all of which together shall constitute one and the same document. This Agreement may be executed by the parties and transmitted by facsimile or electronic transmission, and if so executed and transmitted, shall be effective as if the parties had delivered an executed original of this Agreement.

Section 18.18 Authorized Travel and Travel Costs. All Manager travel that is considered an Operating Expense under this Agreement must be for City business and, if not included within an approved Operating Budget, must be approved in advance in writing by the City Manager. The City will not reimburse for travel within a fifty (50) mile radius of City Hall, located at 7840 Roswell Road, Sandy Springs, Georgia 30350.

Section 18.19 Pyrotechnics. The use of any pyrotechnics at the Facilities must be approved in writing by the City of Sandy Springs Fire Department at least three (3) business days prior to their use.

Section 18.20 Disputes. Except as otherwise provided herein, all disputes arising under or relating to this Agreement shall be resolved under the provisions of this section.

(a) "Claim," as used in this section, means any dispute under this Agreement, including a demand or written assertion by a contracting party seeking, as a matter of right, the payment of money in a sum certain that is overdue, the adjustment or interpretation of Agreement terms, or other relief arising under or relating to this Agreement. A written demand or written assertion by either party must be accompanied by supporting documentation and verified by the Claimant's designated representative. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a Claim; however, the same may be converted to a Claim by complying with the provisions of this section, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.

(1) A Claim by the Manager shall be made in writing to the City Manager, and a Claim by the City shall be made in writing to the President of Manager with copy to its General Counsel.

(b) The party in receipt of a verified Claim and all necessary supporting documentation and information shall respond to the person submitting such Claim in writing within thirty (30) days of its receipt thereof. In all disputes relating to operational matters, the City Manager's decision with respect to such matter shall govern, and Manager shall comply with such decision, unless Manager disputes such decision pursuant to the following procedures.

(d) Alternate Dispute Resolution. If following the foregoing procedure a dispute still exists with respect to a Claim, the parties shall attempt to resolve such dispute by the following procedure.

(1) Negotiation. The parties shall attempt in good faith to resolve any Claim arising out of or relating to this Agreement promptly through negotiations between representatives of the parties who have authority to settle the same. The parties shall make every effort to meet as soon as reasonably possible at a mutually agreed upon time and place and shall attempt to resolve the matter through negotiation within a period of thirty (30) days of receipt of notice of claim.

(2) Mediation. If good faith negotiations have not resulted in a resolution of a Claim within the specified time, the parties shall attempt in good faith to settle the Claim in an amicable manner through a neutral party by non-binding mediation administered by the American Arbitration Association under its Commercial Mediation Rules, or a mutually acceptable mediator selected by the parties within a period of thirty (30) days from date of failure of negotiation.

(3) Arbitration. If the Claim has not been resolved pursuant to the aforesaid mediation procedure within sixty (60) days of the receipt of the notice of claim, or if either party fails to participate in a mediation, the Claim shall be resolved exclusively by arbitration administered by the American Arbitration Association in accordance with its Commercial

Arbitration Rules, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Each party shall appoint one (1) arbitrator and the appointed arbitrators shall select a third arbitrator who shall serve as chairperson of the arbitration panel. The decision of the arbitration panel shall be final and binding. Each party shall pay fifty percent (50%) of the third party costs of mediation and arbitration.

(e) Neither party shall be excused from performance of the Contract, pending final resolution of any request for relief, Claim, appeal, or action arising under or relating to the Contract, and the Manager and City shall comply with the requirements of the Agreement during the pendency of a claim.

(f) Both parties, by entering into this Agreement, do hereby waive its rights to file, or seek relief, in a state or federal court of competent jurisdiction for any Claim of damages or monetary relief, except as to the enforcement of the decision of the binding arbitration, and except as to the seeking of equitable relief, including an injunction, which may be sought by either party directly in the courts without having to first comply with the terms of this Section 18.20.

18.21 Agency of City. Manager acknowledges that unless specifically revoked by the Facilities Authority, the City shall serve as the agent for the Facilities Authority for the purposes of all administration, operations, and obligations under this Agreement.

IN WITNESS WHEREOF, each party hereto has caused this Pre-Opening Services and Management Agreement to be executed on behalf of such party by an authorized representative as of the date first set forth above.

SANDY SPRINGS, GEORGIA, a Georgia
municipal corporation

By: ________________________________

Name:
Its:

Approved as to form:	Attest:
________________________________	________________________________
City Attorney	City Clerk

(Signatures Continued on the Following Page)

GLOBAL SPECTRUM, L.P., d/b/a Spectra
By: Global Spectrum, Inc., its general partner

By:________________________________
Name:
Its:

(Signatures Continued on the Following Page)

CITY OF SANDY SPRINGS PUBLIC
FACILITIES AUTHORITY

By: ________________________________
Name:______________________________
Its:_________________________________

(Signatures Continued on the Following Page)

EXHIBIT A-1
PRE-OPENING SERVICES

During the Pre-Opening Period, Manager shall perform the following services:

I. Pre-Opening Consulting.

(a) Assist the City with its review of the design of the Facility, and make recommendations to the City with respect to such design.

(b) Advise the City on any construction and operational issues with respect to the Facility that may arise during the Term.

(c) Advise the City on risk management and insurance needs in connection with the operation of the Facility, as more fully described in Article 16 of the Agreement.

(d) Assist the City in developing and implementing a telecommunications plan for the Facility.

(e) Submit to the City recommendations regarding the selection of a food/beverage service provider(s) at the Facility.

(f) Develop and recommend a proposed inventory of furniture, fixtures and equipment to be used at the Facility.

(g) Prepare and submit to the City a list of operating supplies necessary for the start-up of the Facility.

(h) Develop and submit to the City pre-opening and operational sales, marketing, public relations, advertising, promotion, and event booking strategies and plans aimed at maximizing revenues from the Facility.

THE CITY ACKNOWLEDGES THAT NEITHER MANAGER NOR ITS EMPLOYEES, AGENTS, PARTNERS OR AFFILIATES, ARE ARCHITECTS, GENERAL CONTRACTORS, ENGINEERS OR FINANCIAL ADVISORS, AND THEIR CONSULTING SERVICES PROVIDED UNDER THIS AGREEMENT ARE BASED ON THEIR OPERATIONAL KNOWLEDGE OF ARENAS AND SHOULD NOT BE CONSTRUED AS A REPRESENTATION OF ARCHITECTURAL, CONSTRUCTION, ENGINEERING OR FINANCIAL PRACTICES. NEITHER THE CITY NOR ANY OF ITS RESPECTIVE AGENTS, CONSULTANTS, CONTRACTORS OR REPRESENTATIVES, WILL RELY UPON MANAGER OR ITS PARTNERS AS HAVING ARCHITECTURAL, CONSTRUCTION, ENGINEERING OR FINANCIAL EXPERTISE, OTHER THAN OPERATIONAL KNOWLEDGE OF AN ARENA’S DESIGN.

II. Pre-Opening Management

(a) Develop an Operations Manual for the Facility. Manager shall deliver a "template" of the Operations Manual to the City within thirty (30) days of the Effective Date, and shall customize such template to apply to the Facility no less than ninety (90) days prior to the Opening Date. The final version of the Operations Manual shall be mutually agreed upon by the parties.

(b) Subject to the review and approval of the City, establish prices, rates and rate schedules for user, license, concessions, occupancy, and advertising agreements, and booking commitments, at the Facility. Upon consultation with the City, Manager may deviate from the established rate schedule when entering into any such agreements if determined by Manager, using its reasonable business judgment, to be necessary or appropriate with respect to the specific situation.

(c) Procure, negotiate, execute, administer and assure compliance with Service Contracts.

(d) Procure, negotiate, execute, administer and assure compliance with Revenue Generating Contracts.

(e) Arrange for and otherwise book events at the Facility in accordance with a booking schedule to be developed by Manager.

(f) Plan, promote and execute, in conjunction with the City, a "grand opening" event or events at the Facility.

(g) Subject to the Operating Budget, engage, supervise and direct all personnel at the Facility that Manager deems necessary to perform the pre-opening services described herein, and conduct staff planning, retention and training programs with respect to such personnel as determined to be necessary by Manager in its sole discretion.

(h) Maintain detailed, accurate and complete financial and other records of all its activities under this Agreement in accordance with generally accepted accounting principles, which records shall be made available to the City upon request, in accordance with Section 11.1 of the Agreement.

(i) Submit to the City in a timely manner financial and other reports detailing Manager's activities in connection with the Facility, as set forth in Section 11.2 of this Agreement.

(j) Market and sell Commercial Rights at or in connection with the Facility. Spectra and the City shall agree on the specific Facility inventory Spectra may market and sell prior to each Operating Year, in connection with development of the Operating Budget.

(k) Cause such other acts and things to be done with respect to the Facility, as determined by Manager in its reasonable discretion to be necessary for the management and operation of the Facility prior to the Opening Date.

EXHIBIT A-2
POST-OPENING SERVICES

Subject to the terms of this Agreement set forth above, (which terms shall control in the event of conflict with this Exhibit A-2), Manager's obligations following the Opening Date shall consist of the following obligations, all of which are subject to the terms hereof and the controls and restrictions in the Operating Budget, Operations Manual, and adopted policies and procedures:

(a) Manage all aspects of the Facility in accordance with the Operations Manual and the terms of this Agreement, including but not limited to managing purchasing, payroll, fire prevention, security, crowd control, routine repairs, preventative maintenance, janitorial services, promotions, advertising, energy conservation, security, box office, admission procedures, parking (if applicable), and general user services.

In connection with such duties, Manager shall have the sole and exclusive right to manage and perform, and Manager shall manage and perform, all food and beverage concession and catering service at the Facility. Manager may engage subcontractors with City's approval to sell food and beverages at the Facility. City, at its cost, shall provide to Manager all commercially reasonable and necessary smallwares and equipment to enable Manager to perform the food and beverage service. Any new smallwares and equipment reasonably necessary to provide food and beverages at the Facility shall be treated as Operating Expenses or Capital Expenses, as applicable. All Revenue to the Facility from operation of the food and beverage service shall be deemed to be Revenue, and shall be deposited by Manager into the Operating Account. All expenses incurred by Manager in connection with the provision by Manager of the food and beverage service shall be Operating Expenses, payable by Manager with funds from the Operating Account.

As to the management of each location of the Facilities, the specific operating rules and expense sharing procedures shall be set forth on Exhibit C attached hereto.

(b) Consistent with the Operating Budget, Operations Manual, and adopted policies and procedures, and subject to the review and approval of the City, establish and adjust prices, rates and rate schedules for user, license, concessions, occupancy, and advertising agreements, and booking commitments. Upon consultation with the City, Manager may deviate from the established rate schedule when entering into any such agreements if determined by Manager, using its commercially reasonable business judgment, to be necessary or appropriate with respect to the specific situation.

(c) Procure, negotiate, execute, administer and assure compliance with Service Contracts.

(d) Procure, negotiate, execute, administer and assure compliance with Revenue Generating Contracts.

(e) Require that all material vendors and licensees of the Facility execute vendor/license agreements containing standard indemnification and insurance obligations on the part of each such vendor/licensee.

(f) Provide standard form advertising and sponsorship contracts and user/rental agreements for use at or with respect to the Facility. Manager shall submit such form agreements to the City for review and comment, and the parties shall work together to finalize such forms. Once finalized, Manager shall use such forms in furtherance of its duties hereunder, and shall not materially deviate from the terms contained in such forms without obtaining the prior approval of the City (which shall not be unreasonably withheld). Manager's sole responsibility with regard to providing legal advice or assistance hereunder shall be to provide such standard form contracts.

(g) Operate and maintain the Facility, including the equipment utilized in connection with its operation and any improvements made during the term of this Agreement, in the condition received, normal wear and tear excepted.

(h) Arrange for and otherwise book events at the Facility in accordance with a booking schedule to be developed by Manager and the City.

(i) Subject to the Operating Budget, hire or otherwise engage, pay, supervise, and direct all personnel Manager deems necessary for the operation of the Facility in accordance with Article 6 of the Agreement, and conduct staff planning, retention and training programs as determined to be necessary by Manager in its sole discretion.

(j) Maintain detailed, accurate and complete financial and other records of all its activities under this Agreement in accordance with generally accepted accounting principles, which records shall be made available to the City upon request, in accordance with Section 11.1 of the Agreement.

(k) Submit to the City in a timely manner financial and other reports detailing Manager's activities in connection with the Facility, as set forth in Section 11.2 of the Agreement.

(l) Prepare a proposed annual Operating Budget and submit such proposed budget to the City, both in accordance with Article 8 of the Agreement.

(m) Pay all Operating Expenses and other expenses incurred in connection with the operation, maintenance, supervision and management of the Facility from the Operating Account or with funds otherwise made available by the City.

(n) Secure, or assist the City (or any other third party, as applicable) to secure, all licenses and permits necessary for the operation and use of the Facility for the specific events to be held therein, and for the general occupancy of the Facility, including without limitation all necessary food and liquor licenses, and renewals thereof. The City shall cooperate in this process to the extent reasonably required. All costs associated with this process shall be Operating Expenses.

(o) Collect, deposit and hold in escrow in the Event Account any ticket sale revenues which it receives in the contemplation of or arising from an event pending the completion of the event, as more fully described in Section 9.1 of the Agreement.

(p) Collect in a timely manner and deposit in the Operating Account all Revenue, as more fully described in Section 9.2 of the Agreement.

(q) Subject to the City making available sufficient funds in a timely manner, pay all Taxes.

(r) Plan, prepare, implement, coordinate and supervise all public relations and other promotional programs for the Facility.

(s) Prepare, maintain and implement on a regular basis, subject to the City's approval, a Marketing Plan for the Facility.

(t) Market and sell Commercial Rights at or in connection with the Facility. Spectra and the City shall agree on the specific Facility inventory Spectra may market and sell prior to each Operating Year, in connection with development of the Operating Budget.

(u) On an annual basis, cause a written inventory to be taken of all furniture, fixtures, office equipment, supplies, tools and vehicles at the Facility, and deliver a written report of the foregoing to City. Manager shall document all major damage to, or loss in, such inventory during the Term as soon as such damage or loss is discovered by Manager, and Manager shall promptly notify City of any such damage or loss.

(v) Purchase, on behalf of the City and with City funds, and maintain during the Term, all materials, tools, machinery, equipment and supplies necessary for the operation of the Facility (not including the start-up FF&E, which shall be procured by City or a third party).

(w) As agent for the City, manage risk management and Facility insurance needs, as more fully described in Article 16 of the Agreement.

(x) Make and be responsible for all routine and minor repairs, maintenance, preventative maintenance, and equipment servicing. Manager shall be responsible for ensuring that all repairs, replacements, and maintenance shall be of a quality and class at least equal to that of the item being repaired, replaced or maintained. Any replacement of an item in inventory, or any new item added to the inventory, which is paid for by the City, shall be deemed the property of the City.

(y) The Manager shall have a system to manage (control, use, preserve, protect, repair and maintain) FF&E at the Facility in its possession. The system shall be adequate to satisfy the requirements of this section. In doing so, the Manager shall initiate and maintain the processes, systems, procedures, records, and methodologies necessary for effective control of FF&E at the Facility, consistent with voluntary consensus standards and/or industry-leading practices and standards for property management except where inconsistent with law or regulation. During the period of performance, the Manager shall disclose any significant changes to its FF&E management system to the City Manager prior to implementation. For purposes of this provision, "system to manage" means defined procedures and methodology. The Manager's responsibility extends from the initial acquisition and receipt of FF&E at the Facility, through stewardship, custody, and use until formally relieved of responsibility by authorized means, including delivery, consumption, expending, sale (as surplus property), or other disposition, or via a completed investigation, evaluation, and final determination for lost, stolen, damaged, or destroyed property. This requirement applies to all Facility FF&E under the Manager's accountability, stewardship, possession or control, including its vendors or subcontractors. The Manager shall include the requirements of this section in all subcontracts under which City property is acquired or furnished for subcontract performance. The Manager shall use City property, either furnished or acquired under this Agreement, only for performing this Agreement and such property shall not be used for non-City Manager business or for personal uses unless otherwise provided for in this Agreement or approved by the City Manager. The Manager shall periodically perform, record, and disclose physical inventory results. A final physical inventory shall be performed upon Agreement completion or termination. The City Manager may waive this final inventory requirement, depending on the circumstances (e.g., overall reliability of the Manager's system or the Property is to be transferred to a follow-on contract). The budgeted, reasonable, and actual costs related to purchasing/licensing the software system contemplated under this paragraph, and for continued use of such software system, shall be an Operating Expense.

(z) Cause such other acts and things to be done with respect to the Facility, as determined by Manager in its reasonable discretion to be necessary for the management and operation of the Facility following the Opening Date.

EXHIBIT B
LIST OF EXISTING CONTRACTS

NONE

EXHIBIT C
FACILITIES

EXHIBIT C
FACILITY SERVICE AGREEMENT

1. Maintenance and Warranties - The City will provide all preventative maintenance, maintain all warranties and secure all service agreements for all base building systems.

2. Building Reference Material - The City will maintain all As-Builds, CAD Files, Digital Construction Material and Operating and Maintenance Manuals.

3. Computer Maintenance Management System (CMMS) - The City will be using a CMMS to manage all Work Order requests. Spectra will use this system to account for any maintenance performed after hours and any requests that requires the City's response.

4. UTILITES - Electric, Gas and Water shall be in the City's name. The electricity has been sub metered to independently meter the PAC, Family Theater, Kitchen Area and Conference Level for usage.

5. Furniture, Fixtures and Equipment (FF&E) – The City will maintain all maintenance vehicles (forklift, scissor lift, pick-up truck\cargo van), these will be available to Spectra for their use by a controlled access. The City will maintain all loading dock equipment (hand trucks, pallet jacks, flat bed carts, etc.), these will be available to Spectra for their use. Spectra will maintain and use their own Power/Hand tools.

6. Housekeeping – The housekeeping contract will be divided between the City and Spectra. The City will be responsible for the City Hall, Lobby and Service level (excluding the Kitchen). Spectra will be responsible for all Performance areas and shared spaces during and post clean-up of events.

7. Services and Structure - The City will be responsible for the base building components and systems, all MEP (Mechanical, Electrical, and Plumbing), Fire Protection, Access Control system, Pest Control, Landscaping, Water Fountains, Window Cleaning, Elevator systems and Trash/Recycling removal. Spectra will be responsible for all repairs to finishes on walls, floors and ceiling in their designated areas, using a landlord/tenant model.

    a. Building Automation System (BAS) – City will maintain the BAS and all of the controlled systems. Spectra will have access to control HVAC and Lighting to all performance areas.

    b. Building Access Control – City will administer and maintain the building access control system. After proper background checks Spectra employees will be issued proximity control cards from the City Security Manager. Upon termination of employment to Spectra will be responsible for the return of the card for deactivation. Spectra will provide the City through the Security Manager a weekly alpha rooster of all employees requiring access to the building and required access levels.

c. Video Surveillance System (VSS) – City will administer and maintain the building VSS system. Spectra will have access to monitor and record the performance area cameras on their own standby server.

d. Building Paging System – The City will be responsible for the Building Paging system. Spectra will have access for use through the City.

e. Outdoor Surround Sound System – The City will manage and operate the zoned outdoor surround sound system. Spectra will have access to this system through the City.

f. Building Security – The City will contract and manage the Building Security for the City Hall, Lobby, Parking Decks, Green spaces and Loading Dock areas. Spectra will be responsible for all Performance Area Security and Event driven Security.

g. Food and Beverage Equipment (to include hoods with fire protection and portable carts with Point of Sales System) – Spectra will be responsible for the maintenance, upkeep and cleanliness of this equipment.

h. Information Technologies - The City will be responsible for the connectivity to the network for all systems. Spectra will be responsible for the operation and management of the telephones, computers and digital advertising systems in all Spectra areas of responsibility.

i. Signage – The City will be responsible for all Wayfinding, Lobby and Elevator Digital signage. Spectra will be responsible for the operation and management of the Performance Digital Signage, Marque and LED Street Furniture.

8. City Springs Complex – The complex is divided into **NINE** areas (Attachment 1); City Hall and Performing Arts Center building, Market Square, Shade Bosque, The Green, Arrival Court, PAC Plaza, Gateway Park, South Parking and 750 car Underground Parking Deck.

a. Main building consist of a City Hall, 1000 seat Performance Arts Center, 350 seat Family Theater, Conference Floor with a Roof Top Terrace, Main Lobby, Loading Dock, Founders Hall and a PAC Bar. Normal City Hall, Lobby and Loading Dock hours of operations are Monday thru Friday from 8:00AM to 5:00PM.

i. City Hall is divided upon **SIX** levels; Service Level, Lobby Level, Gallery Level, Tenant Level, Government Level and Roof Top Level.

(1) Service Level (Attachment 2-5) – The City will be responsible for the Loading Dock, Chiller Plant, Security and Fire Rooms, Mail Room, and Trash receptacles areas. Spectra will be responsible for the Kitchen area and Grease Trap cleanouts. During performance events and afterhours the Loading Dock, Chiller Plant and the Trash

receptacles will be the responsibility of Spectra. ALL deliveries and event related load-ins and load-outs will be coordinated with the City through the Dock Master.

(2) Lobby Level (Attachment 6) - City will be responsible for the Lobby Level during normal hours. Spectra will be responsible for the Lobby area (A, B & C) during events and afterhours.

(3) Gallery Level, Tenant Level, Government Level, and Roof Top Levels (Attachment 7-10) will be the responsibility of the City.

ii. Performance Areas (Performing Arts Center, PAC Bar, Fonder Hall, Family Theater and Conference Floor/ Roof-Top Terrace) (Attachment 11-12)- City will be responsible for MEP for these areas during normal working hours. Afterhours Spectra will have designated maintenance staff to perform emergency repairs. Any non-emergency MEP repairs will be entered into the City's CMMS and the City will perform the maintenance during a scheduled timeframe. ALL audio/video, FF&E and any other special performance equipment will be the responsibility of Spectra. Conference Level Roof-Top Terrace maintenance will be the responsibility of Spectra, the City will maintain the landscaping and water feature. The City will provide Spectra with a monthly calendar of all Public Meetings scheduled and Spectra will prepare the Family Theater for these meetings.

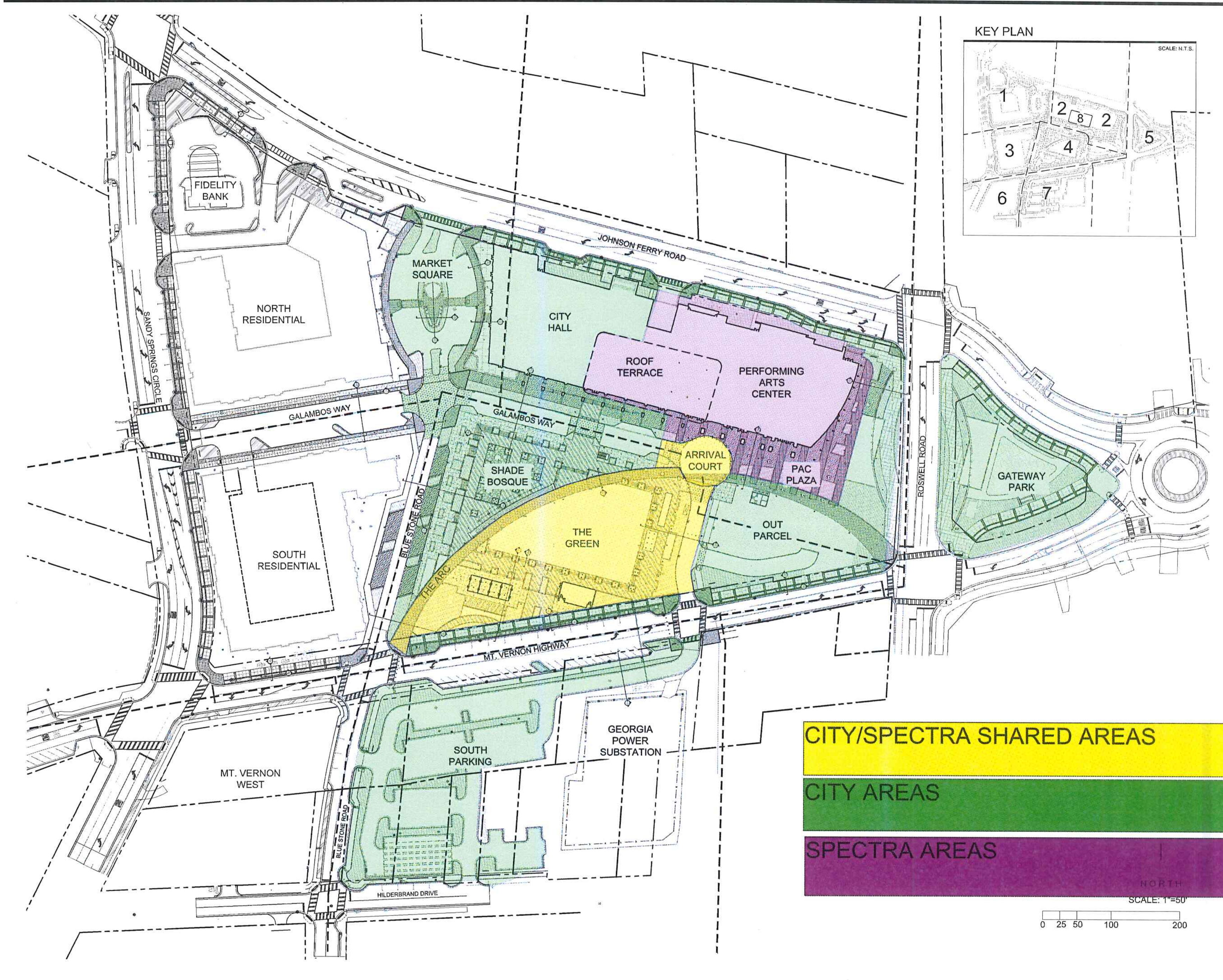
iii. Market Square, South Parking, Out Parcel and Gateway Park - City will be responsible for all maintenance of these areas, Spectra will be responsible for the cleanliness of these areas during performance events.

iv. PAC Plaza, Arrival Court and outdoor section of City Bar – City will be responsible for the maintenance, Spectra will be responsible for the upkeep and cleanliness.

v. Shade Bosque and The Green – City will be responsible for the maintenance, daily cleaning and hourly upkeep. Spectra will be responsible for upkeep and cleanliness during performance events.

vi. Gateway Park and South Parking Lot – City will be responsible for the maintenance, upkeep and cleanliness.

vii. 750 car Underground Parking Deck – City will be responsible for the maintenance and daily upkeep and cleanliness during normal working hours. Spectra will be responsible for traffic control and cleanliness during events and afterhours performances.



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CONSULTANTS

JB+a
planning + landscape architecture

STAMP

Stephen R. Provost 02/01/2016

Sandy Springs City Center

Sandy Springs, Georgia 30350

Project No. 14023

CONSTRUCTION DOCUMENTS

KEY PLAN

PRINTING AND REVISIONS

MARK	DATE	DESCRIPTION
	04 SEP 2015	DESIGN DEVELOPMENT
	04 DEC 2015	COORDINATION SET
	11 DEC 2015	GUARANTEED MAXIMUM PRICE
	01 FEB 2016	ISSUED FOR CONSTRUCTION

ROSSER PROJECT NUMBER	14023
DRAWN BY	LHT
CHECKED BY	JEB
DATE RELEASED FOR CONSTRUCTION	01 FEB 2016

SHEET TITLE
KEY BASE PLAN

C-4

RELEASED FOR CONSTRUCTION

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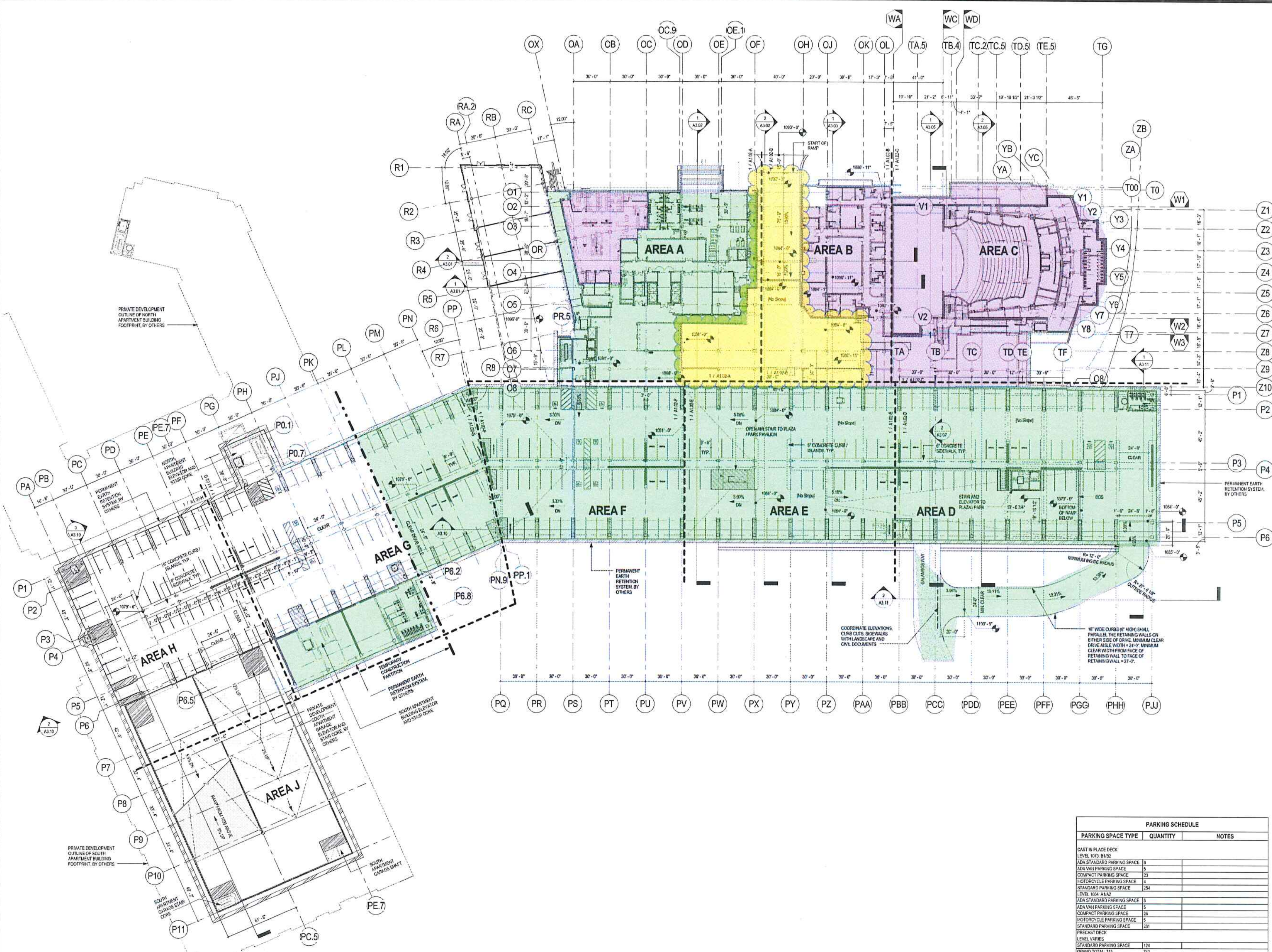

PARKING SCHEDULE		
PARKING SPACE TYPE	QUANTITY	NOTES
CAST IN PLACE DECK LEVEL 1073: B1/B2		
ADA STANDARD PARKING SPACE	8	
ADA VAN PARKING SPACE	5	
COMPACT PARKING SPACE	23	
MOTORCYCLE PARKING SPACE	4	
STANDARD PARKING SPACE	254	
LEVEL 1084: A1/A2		
ADA STANDARD PARKING SPACE	6	
ADA VAN PARKING SPACE	5	
COMPACT PARKING SPACE	26	
MOTORCYCLE PARKING SPACE	5	
STANDARD PARKING SPACE	281	
PRECAST DECK LEVEL VARIES		
STANDARD PARKING SPACE	124	
GRAND TOTAL: 743	743	

1 A1.02 OVERALL FLOOR PLAN - PARKING LEVEL A1 / A2
1" = 30'-0"

0' 15' 30' 60' 120'

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STATE OF GEORGIA
JOHN C. WILLE
01 FEB 2016
REGISTERED ARCHITECT

Sandy Springs City Center

Sandy Springs, Georgia 30350

Project No. 14023

CONSTRUCTION DOCUMENTS

KEY PLAN

PRINTING AND REVISIONS

MARK	DATE	DESCRIPTION
	01 APR 2015	SCHEMATIC DESIGN
	04 SEP 2015	DESIGN DEVELOPMENT
	11 DEC 2015	GUARANTEED MAXIMUM PRICE
	17 DEC 2015	ISSUED FOR PERMIT
	01 FEB 2016	ISSUED FOR CONSTRUCTION

ROSSER PROJECT NUMBER	14023
DRAWN BY	Author
CHECKED BY	Checker
DATE RELEASED FOR CONSTRUCTION	01 FEB 2016

SHEET TITLE
OVERALL FLOOR PLAN - PARKING LEVEL A1 / A2

C-5

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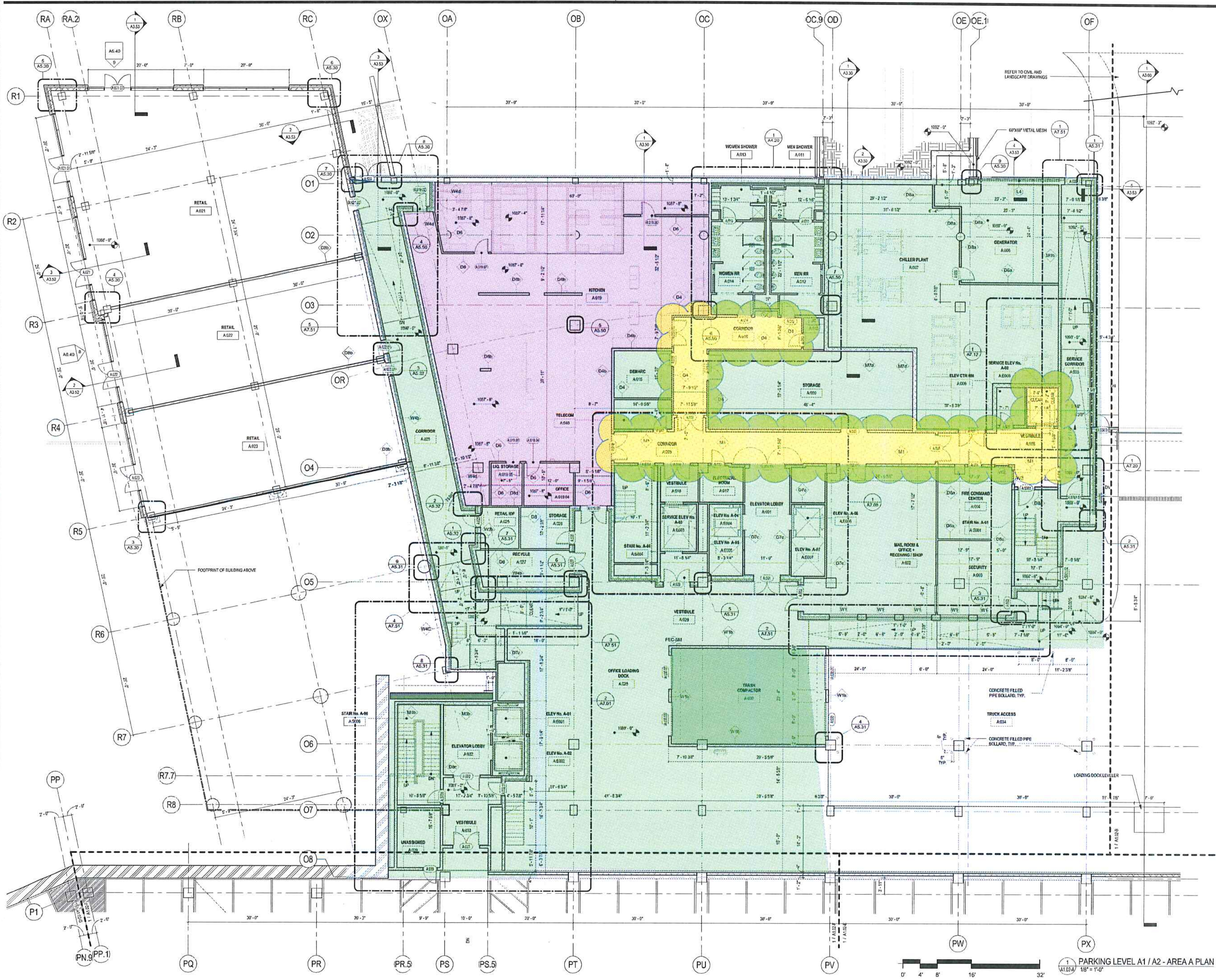

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01 FEB 2016
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MARK	DATE	DESCRIPTION
	04 SEP 2015	DESIGN DEVELOPMENT
	02 NOV 2015	EARLY RELEASE PRICING DOCUMENTS
	11 DEC 2015	GUARANTEED MAXIMUM PRICE
	17 DEC 2015	ISSUED FOR PERMIT
	01 FEB 2016	ISSUED FOR CONSTRUCTION

ROSSER PROJECT NUMBER	14023
DRAWN BY	KZW-T
CHECKED BY	PK
DATE RELEASED FOR CONSTRUCTION	01 FEB 2016

SHEET TITLE

PARKING LEVEL A1 / A2 - AREA A PLAN

C-6

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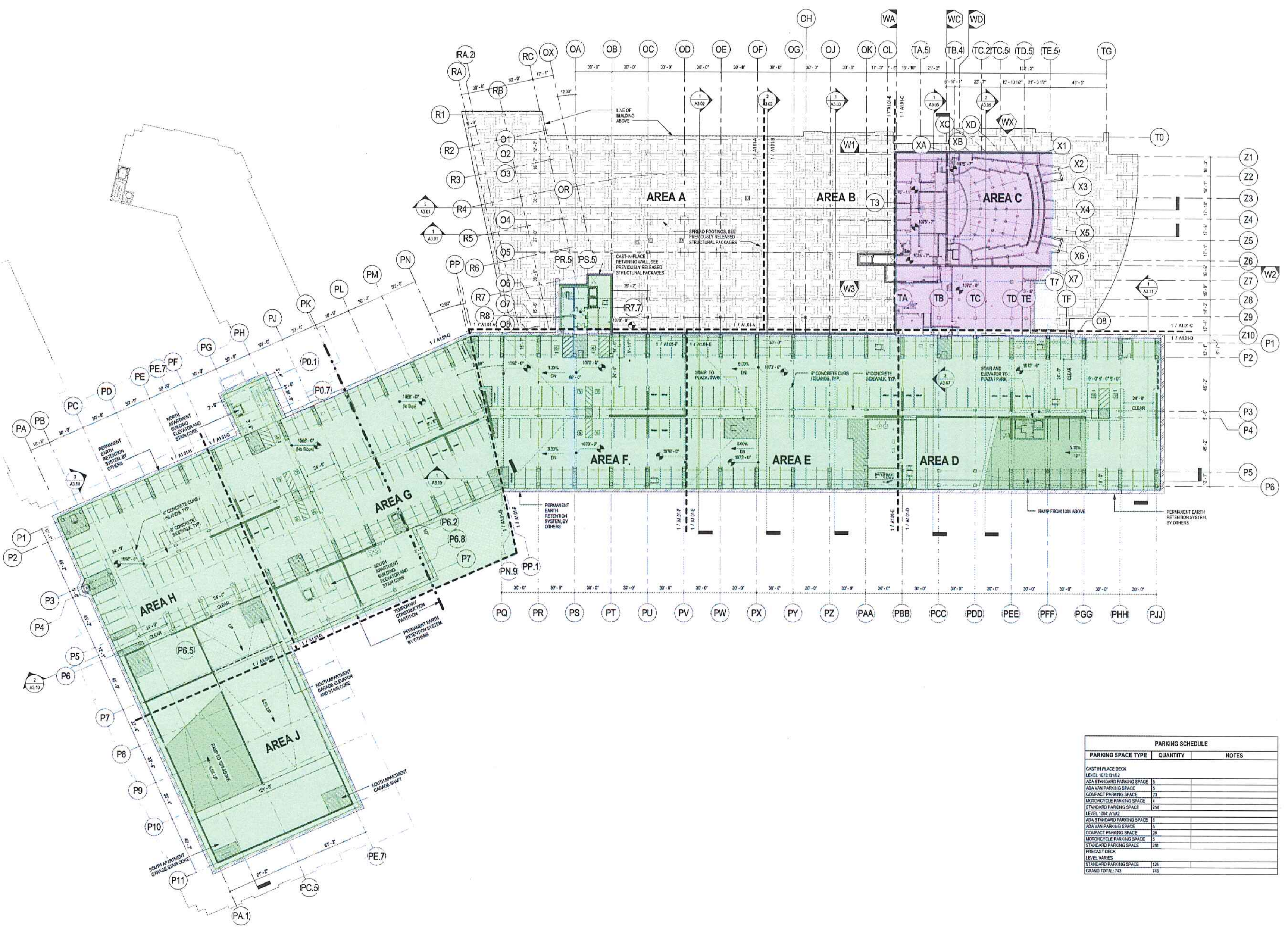

PARKING SCHEDULE		
PARKING SPACE TYPE	**QUANTITY**	**NOTES**
CAST IN PLACE DECK LEVEL 1073: B1/B2		
ADA STANDARD PARKING SPACE	8	
ADA VAN PARKING SPACE	5	
COMPACT PARKING SPACE	23	
MOTORCYCLE PARKING SPACE	4	
STANDARD PARKING SPACE	254	
LEVEL 1084: A1/A2		
ADA STANDARD PARKING SPACE	8	
ADA VAN PARKING SPACE	5	
COMPACT PARKING SPACE	26	
MOTORCYCLE PARKING SPACE	5	
STANDARD PARKING SPACE	281	
PRECAST DECK LEVEL VARIES		
STANDARD PARKING SPACE	124	
GRAND TOTAL: 743	743	

1 / A1.01 OVERALL FLOOR PLAN - PARKING LEVEL B1 / B2 (1073'-0" - 1068'-0")
1" = 30'-0"

0' 15' 30' 60' 120'
1 INCH

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STATE OF GEORGIA · JOHN C. WILLE · 01 FEB 2016 · REGISTERED ARCHITECT

Sandy Springs City Center

Sandy Springs, Georgia 30350

Project No. 14023

CONSTRUCTION DOCUMENTS

KEY PLAN
A B C F E D G H J
N
PROJECT NORTH

PRINTING AND REVISIONS

MARK	DATE	DESCRIPTION
	01 APR 2015	SCHEMATIC DESIGN
	04 SEP 2015	DESIGN DEVELOPMENT
	02 NOV 2015	EARLY RELEASE PRICING DOCUMENTS
	11 DEC 2015	GUARANTEED MAXIMUM PRICE
	17 DEC 2015	ISSUED FOR PERMIT
	01 FEB 2016	ISSUED FOR CONSTRUCTION

ROSSER PROJECT NUMBER	14023
DRAWN BY	KZW-T
CHECKED BY	PK
DATE RELEASED FOR CONSTRUCTION	01 FEB 2016

SHEET TITLE
OVERALL FLOOR PLAN - PARKING LEVEL B1 / B2

C-7

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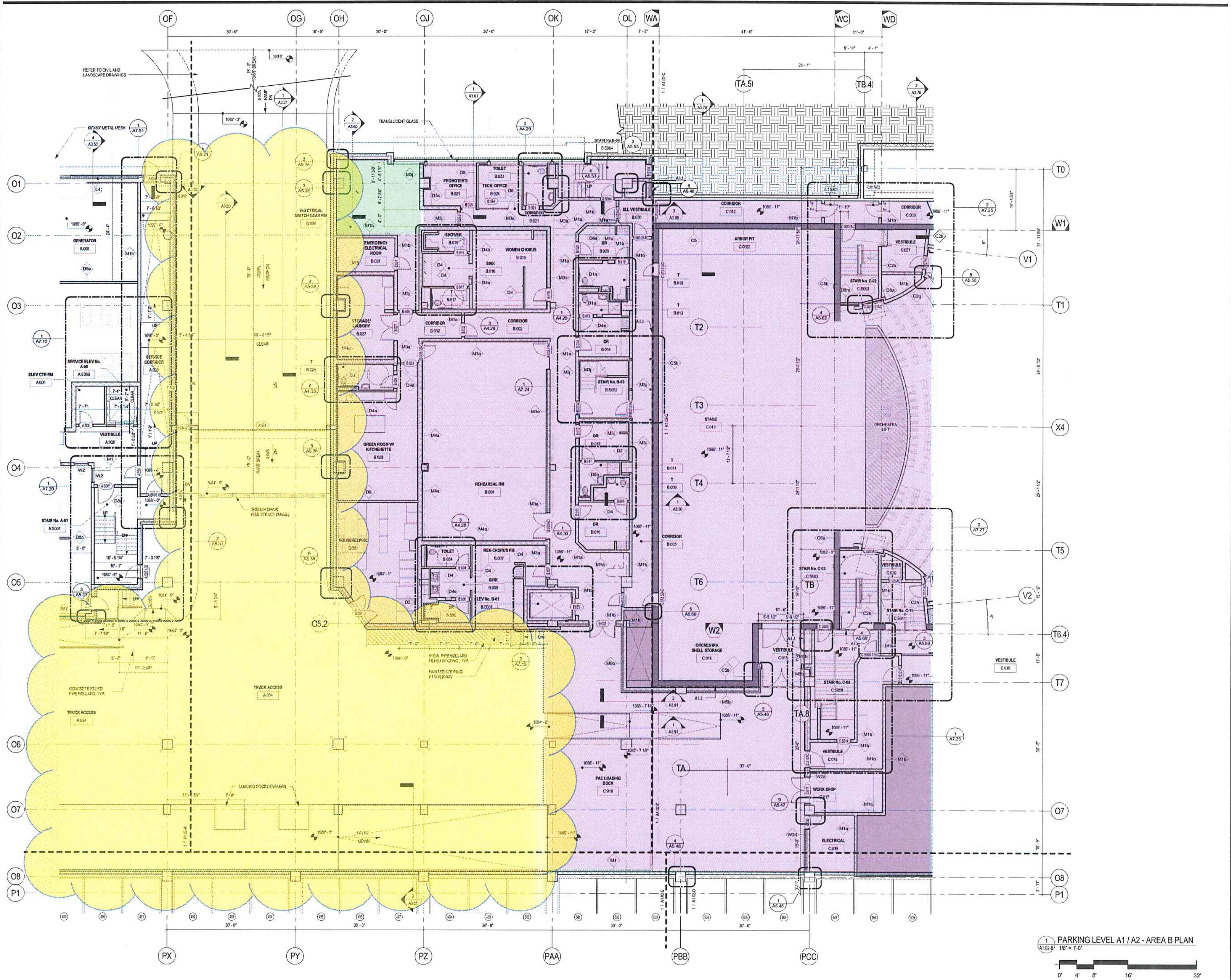

1 PARKING LEVEL A1 / A2 - AREA B PLAN
1/8" = 1'-0"

0' 4' 8' 16' 32'

1 INCH

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JOHN C. WYLE
01 FEB 2016
REGISTERED ARCHITECT

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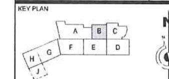
Project No. 14023

CONSTRUCTION DOCUMENTS

KEY PLAN



PRINTING AND REVISIONS

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ROSSER PROJECT NUMBER	14023
DRAWN BY	Author
CHECKED BY	Checker
DATE RELEASED FOR CONSTRUCTION	01 FEB 2016

SHEET TITLE

PARKING LEVEL A1 / A2 - AREA B PLAN

C-8

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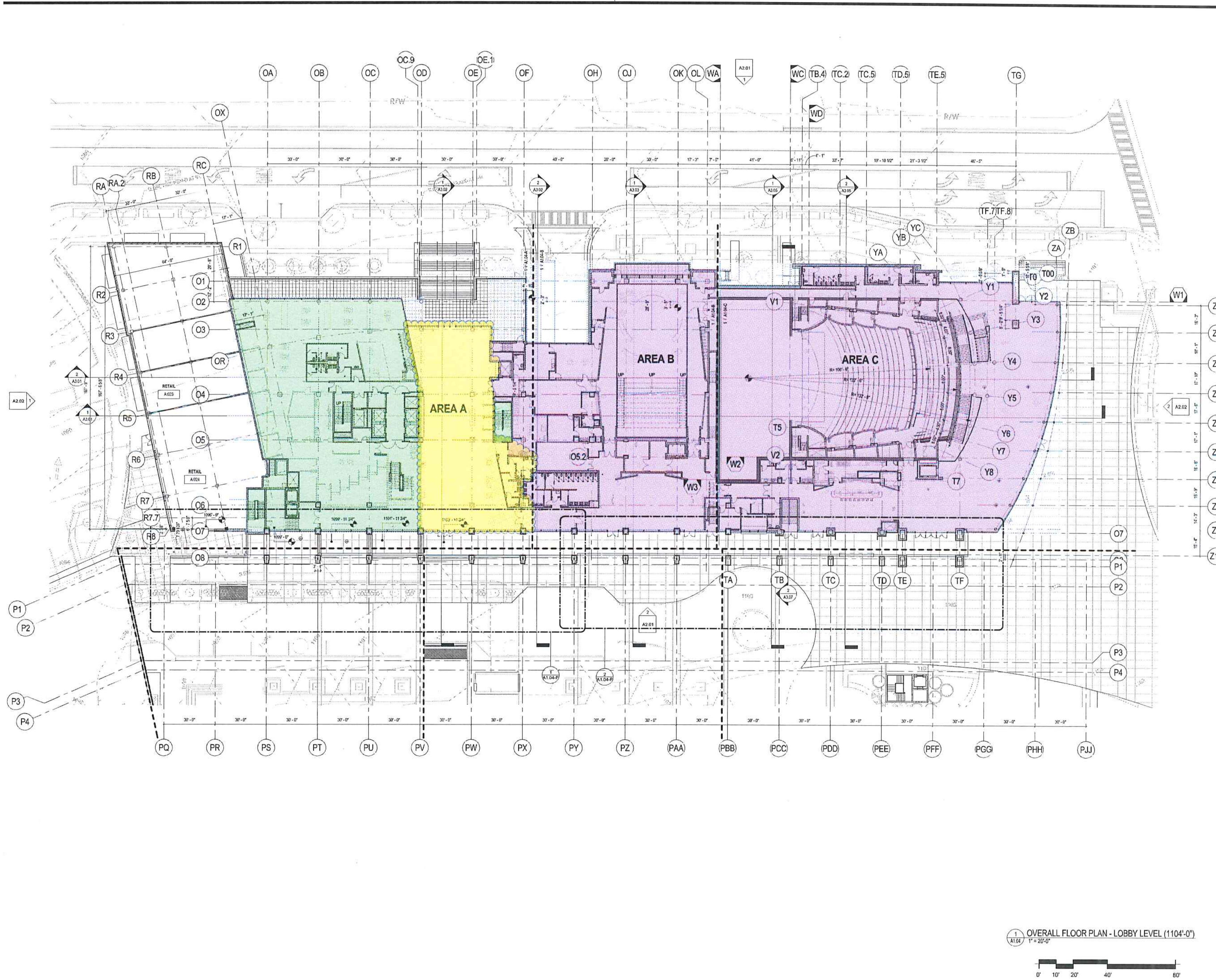

1 OVERALL FLOOR PLAN - LOBBY LEVEL (1104'-0")
A1.04 1" = 20'-0"

0' 10' 20' 40' 80'

1 INCH

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CONSULTANTS

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STATE OF GEORGIA
JOHN C. WILE
01 FEB 2016
REGISTERED ARCHITECT

Sandy Springs City Center

Sandy Springs, Georgia 30350

Project No. 14023

CONSTRUCTION DOCUMENTS

KEY PLAN

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	11 DEC 2015	GUARANTEED MAXIMUM PRICE
	17 DEC 2015	ISSUED FOR PERMIT
	01 FEB 2016	ISSUED FOR CONSTRUCTION

ROSSER PROJECT NUMBER	14023
DRAWN BY	Author
CHECKED BY	Checker
DATE RELEASED FOR CONSTRUCTION	01 FEB 2016

SHEET TITLE
OVERALL FLOOR PLAN - LOBBY LEVEL

C-9

RELEASED FOR CONSTRUCTION

1/29/2016 1:34:58 PM

1 / A1.05 OVERALL FLOOR PLAN - GALLERY LEVEL (1117'-6")
1" = 20'-0"

0' 10' 20' 40' 80'

1 INCH

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Suite 800
Atlanta, Ga. 30309
t 404 876 3800
www.rosser.com

CONSULTANTS

STAMP

STATE OF GEORGIA
JOHN C. WYLE
01 FEB 2016
REGISTERED ARCHITECT

Sandy Springs City Center

Sandy Springs, Georgia 30350

Project No. 14023

CONSTRUCTION DOCUMENTS

KEY PLAN

PRINTING AND REVISIONS

MARK	DATE	DESCRIPTION
	01 APR 2015	SCHEMATIC DESIGN
	04 SEP 2015	DESIGN DEVELOPMENT
	02 NOV 2015	EARLY RELEASE PRICING DOCUMENTS
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ROSSER PROJECT NUMBER	14023
DRAWN BY	Author
CHECKED BY	Checker
DATE RELEASED FOR CONSTRUCTION	01 FEB 2016

SHEET TITLE
OVERALL FLOOR PLAN - GALLERY LEVEL

C-10

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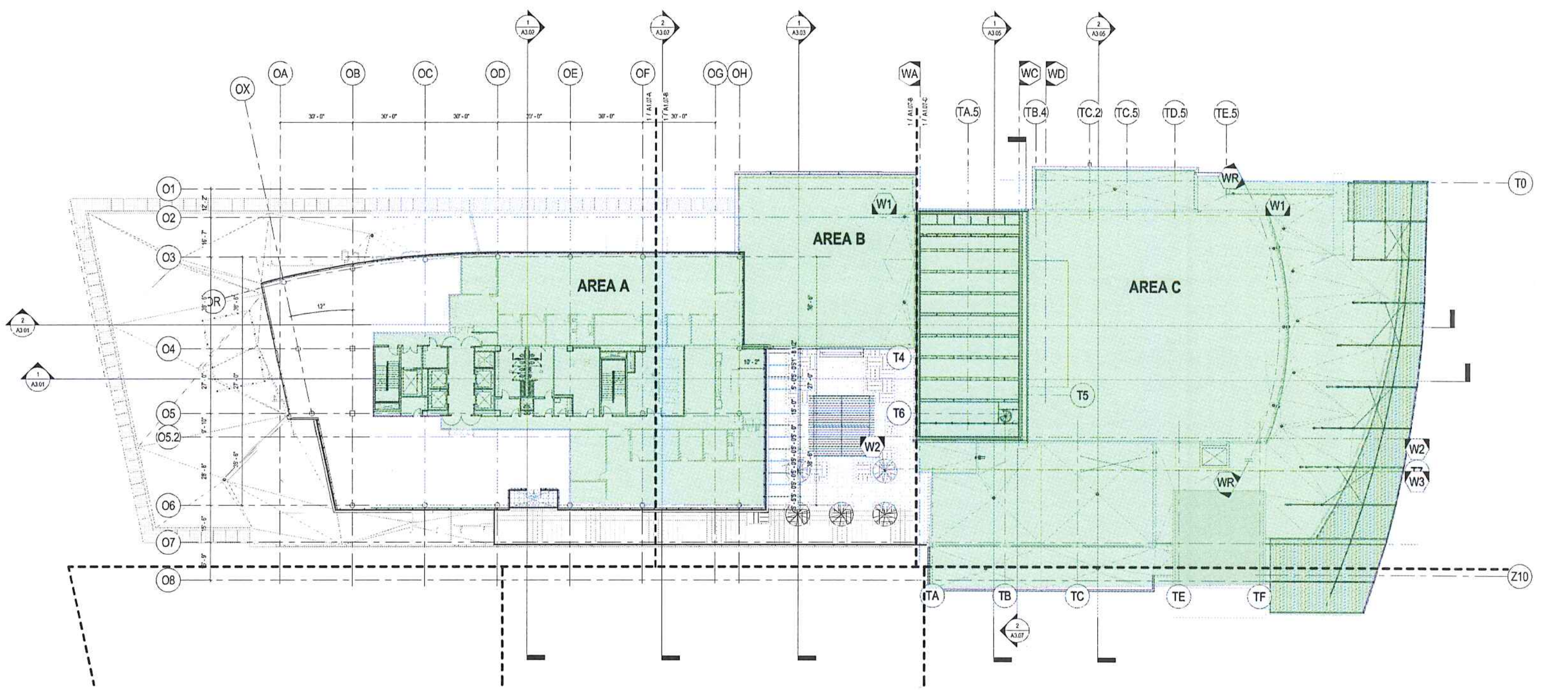
1/20/2016 1:36:37 PM



1 OVERALL FLOOR PLAN - TENANT LEVEL
A1.07 1" = 20'-0"

0' 10' 20' 40' 80'
1 INCH

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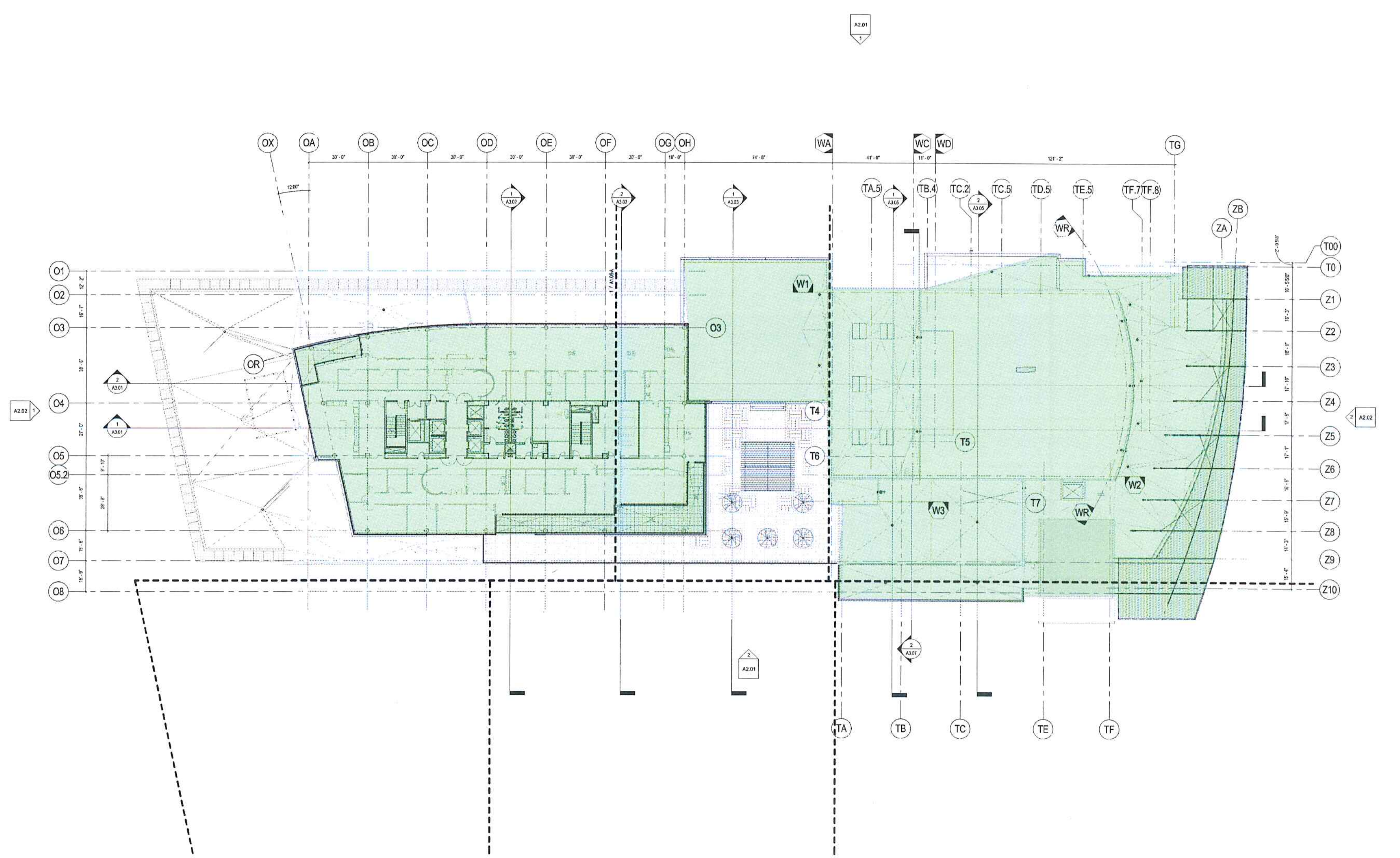
ROSSER PROJECT NUMBER	14023
DRAWN BY	NETO
CHECKED BY	PK
DATE RELEASED FOR CONSTRUCTION	01 FEB 2016

SHEET TITLE
OVERALL FLOOR PLAN - TENANT LEVEL

C-11

RELEASED FOR CONSTRUCTION



1 A1.08 OVERALL FLOOR PLAN - GOVERNMENT OFFICE LEVEL
1" = 20'-0"

0' 10' 20' 40' 80'

1 INCH

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DRAWN BY	Author
CHECKED BY	Checker
DATE RELEASED FOR CONSTRUCTION	01 FEB 2016

SHEET TITLE
OVERALL FLOOR PLAN - GOVERNMENT OFFICE LEVEL

C-12

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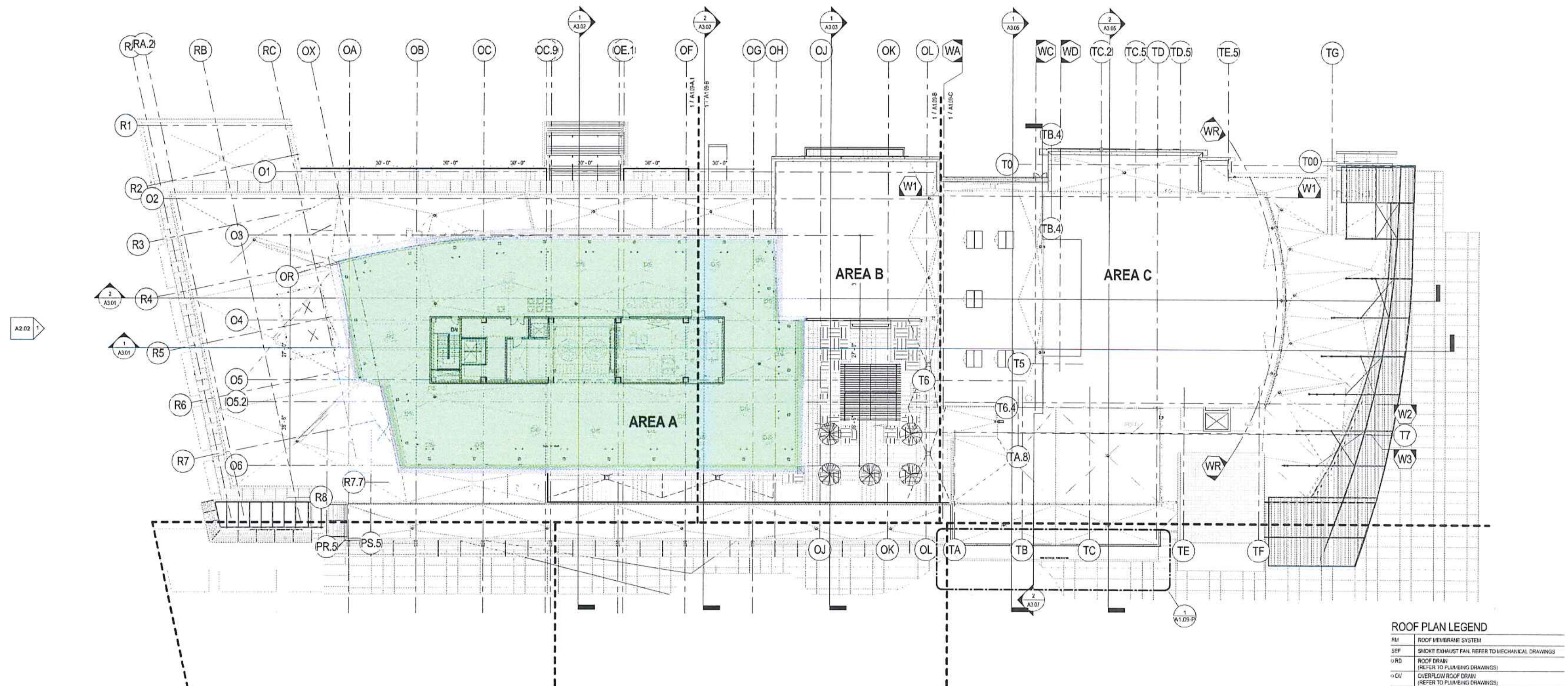

ROOF PLAN LEGEND

RM	ROOF MEMBRANE SYSTEM
SEF	SMOKE EXHAUST FAN. REFER TO MECHANICAL DRAWINGS
o RD	ROOF DRAIN (REFER TO PLUMBING DRAWINGS)
o OV	OVERFLOW ROOF DRAIN (REFER TO PLUMBING DRAWINGS)
ME	MECHANICAL EQUIPMENT (REFER TO MECHANICAL DRAWINGS)
MC	METAL COPING SYSTEM
TR	TRENCH DRAIN SYSTEM (REFER TO PLUMBING DRAWINGS)
→	DIRECTION OF ROOF SLOPE
	30"X36" ROOF HATCH
RPS	ROOF PEDESTAL PAVER SYSTEM
TIC	TAPERED INSULATION CRICKET, TYP.
GRS	GREEN ROOF w/ WATERPROOFING SYSTEM AND IRMA SYSTEM
FF	4mm ACM FORMED FASCIA ELEMENT
SCD	SUN CONTROL DEVICE
LWB	LINE OF WALL BELOW
RA	ROOF ABOVE. ROOF MEMBRANE OVER 4" ROOF INSULATION AND METAL DECK
NR	NO ROOF ABOVE
GRS	GREEN ROOF w/ WATERPROOFING SYSTEM

GENERAL NOTES

1. SLOPE OF ROOF 1/4" PER FOOT MINIMUM. TYPICALLY, CRICKETS PITCH IS 1/2" PER FOOT. ROOF SLOPE SHALL NOT BE LESS THAN 1/4" PER FOOT

2. ROOFING ELEVATIONS ARE IN INCHES FROM TOP OF ROOF DRAIN

3. REFER TO MECH., ELEC. & PLUMB. DWGS. FOR ADDITIONAL INFORMATION CONCERNING ROOF EQUIP. REQUIREMENTS. PROVIDE CRICKETS AT EQUIPMENT AS REQUIRED FOR PROPER ROOF DRAINAGE.

4. PROVIDE 4" ROOF INSULATION WITH COVER BOARD TYPICALLY. PROVIDE ADDITIONAL TAPERED INSULATION TO ACHIEVE PROPER DRAINAGE WHERE REQUIRED

5. ALL ROOFING TO BE TWO PLY MODIFIED BITUMEN SBS w/ LOW ALBIDO CAP SHEET U.N.O.

6. WALKING PADS 2'X4' TYP AS NEEDED. REFER TO SPECIFICATION 075200.

1 A1.09 OVERALL FLOOR PLAN - OFFICE ROOF LEVEL
1" = 20'-0"

0' 10' 20' 40' 80'

1 INCH

KEY PLAN

A B C F E D G H J

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SHEET TITLE

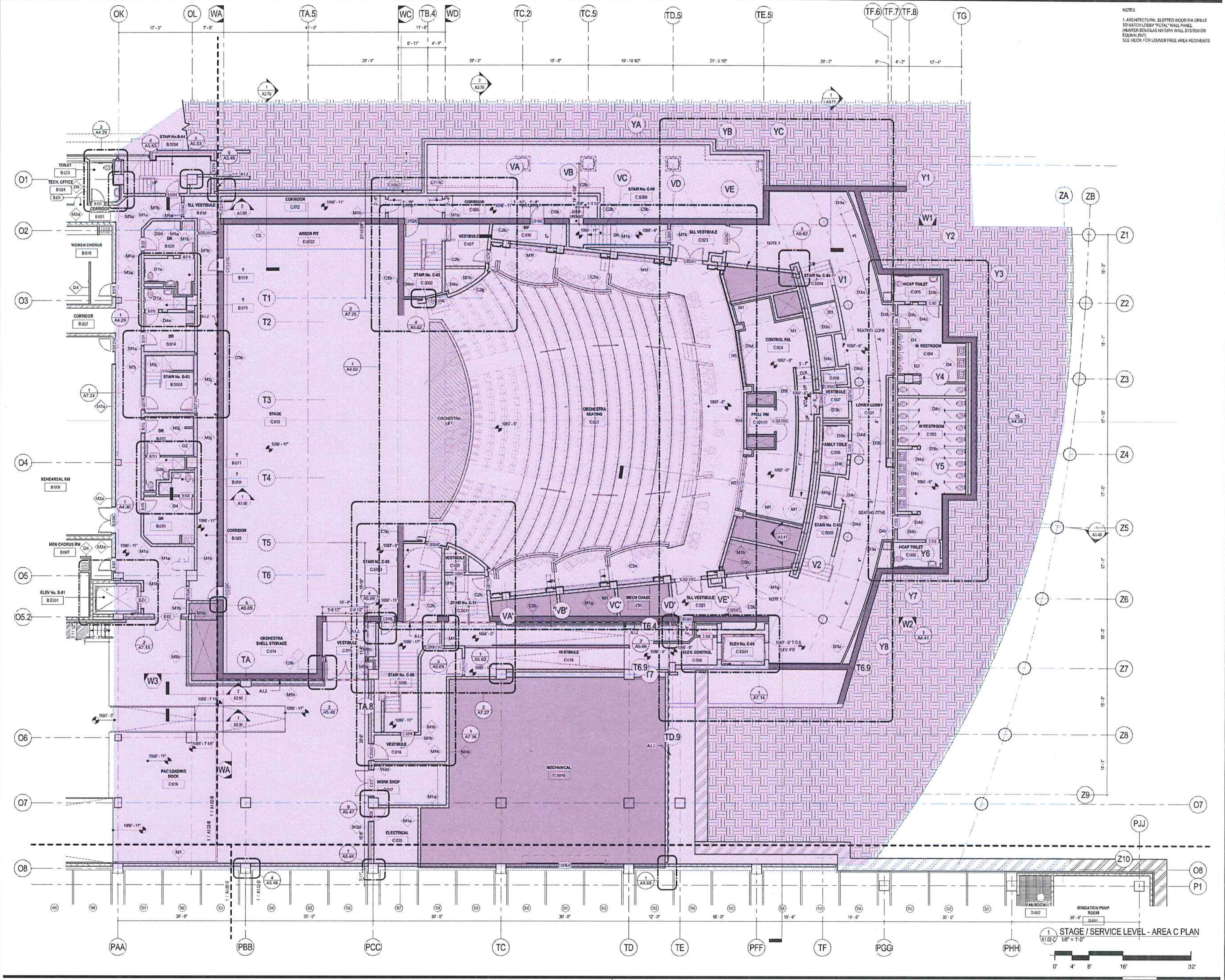
OVERALL FLOOR PLAN - OFFICE ROOF LEVEL

C-13

RELEASED FOR CONSTRUCTION

NOTES:

1. ARCHITECTURAL SLOTTED WOOD R/A GRILLE TO MATCH LOBBY "PETAL" WALL PANEL (HUNTER-DOUGLAS NATURA WALL SYSTEM OR EQUIVALENT)
SEE MECH. FOR LOUVER FREE AREA REQ'MENTS.



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SHEET TITLE

STAGE / SERVICE LEVEL - AREA C PLAN

C-14

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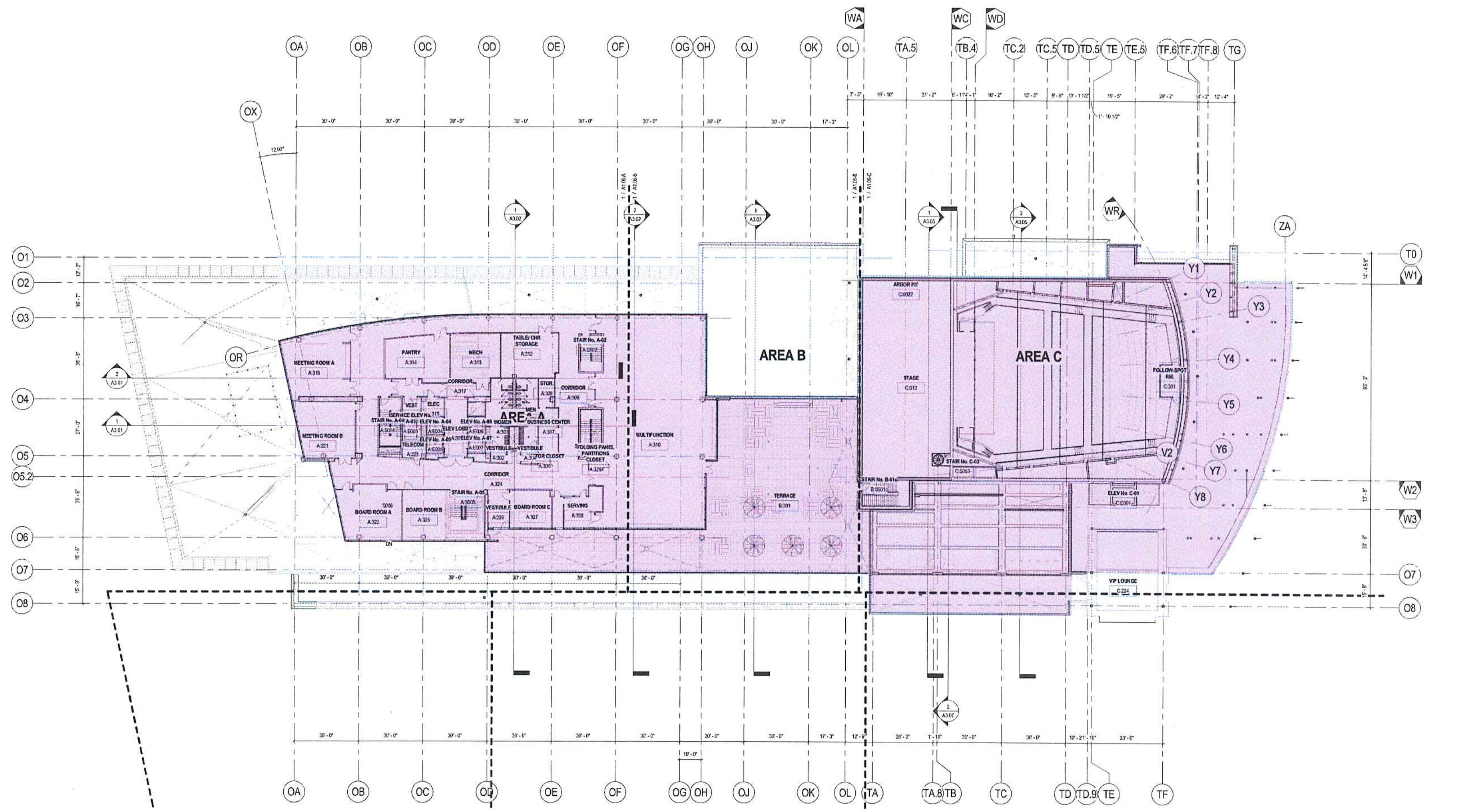

1 OVERALL FLOOR PLAN - CONFERENCE LEVEL
A1.06 1" = 20'-0"

0' 10' 20' 40' 80'

1 INCH

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SHEET TITLE
OVERALL FLOOR PLAN - CONFERENCE LEVEL

C-15

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1/28/2016 1:37:52 PM

EXHIBIT D

PRE-OPENING EXPENSE BUDGET

PUBLIC FACILITIES AUTHORITY FUND 360 - OPERATIONS
FY 2017 PROPOSED BUDGET

Description	2014 Actual	2015 Actual	2016 Projected	2016 Budget	2017 Budget
OPERATIONS BUDGET					
REVENUES:					
INTEREST REVENUE	0	0	0	0	0
BOND PROCEEDS	0	0	7,958,266	0	0
TRANSFER FROM GENERAL FUND	0	0	0	0	6,447,625
TOTAL REVENUES	**0**	**0**	**7,958,266**	**0**	**6,447,625**
EXPENDITURES:					
PERSONNEL					
SALARIES-GENERAL MANAGER	0	0	0	0	179,670
OPERATIONS					
MANAGEMENT FEE	0	0	0	0	60,000
EQUIPMENT RENTAL	0	0	0	0	5,000
INSURANCE	0	0	0	0	500
COMMUNICATIONS	0	0	0	0	1,800
ADVERTISING/PUBLIC RELATIONS	0	0	0	0	19,800
PROMOTIONS/TRADE SHOWS	0	0	0	0	30,000
TRAVEL	0	0	0	0	12,000
DUES & FEES	0	0	0	0	3,450
CONTRACTUAL SERVICES	0	0	0	0	14,100
GENERAL OPERATING SUPPLIES	0	0	0	0	4,500
CONTINGENCIES	0	0	0	0	19,180
	0	0	0	0	350,000
DEBT SERVICE					
PRINCIPAL DEBT RETIREMENT	0	0	0	0	2,440,000
INTEREST EXPENSE	0	0	3,718,585	0	7,315,250
COSTS OF ISSUANCE	0	0	572,734	0	0
	0	0	4,291,319	0	9,755,250
TOTAL OPERATIONS	**0**	**0**	**4,291,319**	**0**	**10,105,250**
TOTAL PUBLIC FACILITIES AUTHORITY	**0**	**0**	**40,427,250**	**222,712,000**	**232,817,250**

EXHIBIT E
INSURANCE

(a) The Manager shall not commence work under this Agreement or continue performance of the services unless and until the Manager has obtained and continues to carry all required insurance. The Manager shall provide the following insurances throughout the term of the Agreement, and shall provide the City Certificates of Insurance demonstrating compliance with this section.

(1) The Manager shall comply with the following insurance requirements:

(i) Statutory Workers' Compensation and Employers Liability Insurance as required by the State of Georgia. Such workers' compensation coverage shall be as provided by O.C.G.A. § 34-9-1, et seq.

(ii) Comprehensive Automobile and Vehicle Liability Insurance with One Million Dollars ($1,000,000) combined single limits, covering claims for injuries to members of the public and/or damages to Property of others arising from the use of the City's owned or leased motor vehicles, including onsite and offsite operations.

(iii) Commercial General Liability Insurance with limits of One Million Dollars ($1,000,000) per occurrence and in the aggregate, covering claims for injuries to members of the public or damages to Property of others arising out of any covered acts of the Manager undertaken to provide Services for the City as required in the Agreement or omission of the Manager or any of its employees, or subcontractors.

(b) The Manager shall be responsible for maintaining its professional liability insurance for a minimum of two (2) years from the data of expiration of this Agreement. Upon request of the City, the Manager shall make available for inspection copies of any claims filed or made against any policy during the policy term. The Manager shall additionally notify the City, in writing, within thirty (30) calendar days of becoming aware of any claims filed or made as it relates to the services provided under this Agreement against any policy in excess of Twenty Five Thousand Dollars ($25,000) during the policy term.

(c) Certificates of insurance, reflecting evidence of the required insurance, shall be filed with the City Manager prior to the commencement of any work under this Agreement. Policies shall be issued by companies authorized to do business under the laws of the State of Georgia, with financial ratings acceptable to the City Manager. The City shall be named as an additional insured on allowable policies obtained regarding services under this Agreement, including but not limited to the Commercial General Liability and Comprehensive Auto Liability insurance policies.

(d) All insurance required herein shall contain a provision that the coverage afforded will not be cancelled, materially changed, or renewal refused until at least thirty (30) days prior written notice has been given to the City. All such insurance shall remain in effect during the term of the Agreement. If the Manager receives notice of non-renewal or material adverse change of any of the above coverages, the Manager shall promptly advise the City in writing. Failure of the Manager to promptly notify the City on non-renewal or material adverse change of any of the above coverages shall terminate the Agreement as of the date that the Manager should have given notification to the City.

(e) In the event the insurance certificate provided indicates that the insurance shall terminate and lapse during the period of this Agreement, the Manager shall furnish, fifteen (15) days prior to expiration of such insurance, a renewed certificate of insurance as proof that equal and like coverage for the balance of the period of the Agreement is in effect. The Manager shall not continue work pursuant to this Agreement unless all required insurance remains in full force and effect.

(f) Subject to the terms of this Agreement regarding insurance, the costs of all policies of insurance required hereunder shall be Operating Expenses to be funded by the City.

INTERGOVERNMENTAL AGREEMENT FOR THE PROVISION OF FINANCIAL, ACCOUNTING AND SUPPORT SERVICES, CONTRACT MANAGEMENT SERVICES TO THE CITY OF SANDY SPRINGS PUBLIC FACILITIES AUTHORITY

THIS INTERGOVERNMENTAL AGREEMENT ("**Agreement**"), is made and entered into by and between the **CITY OF SANDY SPRINGS, GEORGIA**, a municipal corporation of the State of Georgia ("**City**"), and the **CITY OF SANDY SPRINGS PUBLIC FACILITIES AUTHORITY**, an Authority of the State of Georgia ("**Authority**"), this ___________ day of ______________________________, 2016.

W I T N E S S E T H:

WHEREAS, the City is a municipal corporation created and existing pursuant to the Constitution and laws of the State of Georgia; and

WHEREAS, the Authority is a public facilities existing under the laws of the State of Georgia; and

WHEREAS, the City is constructing and the Facilities Authority will own certain improvements known as the City Springs Development in the City of Sandy Springs, Georgia, consisting of a performing arts center, a studio theater, an office building which will include certain meeting space, a public park space, a parking facility, and other areas (collectively, the "**City Springs Development**" and/or "**Development**"); and

WHEREAS, the Development is a significant financial benefit the City as well as a significant contribution to the cultural, social, and physical infrastructure of the City; and

WHEREAS, the Authority desires for, and the City agrees to, provide financial, accounting and other support services to the Authority ("**Financial Services**"); and

WHEREAS, the City desires, and is qualified and equipped, to perform the Financial Services for the Authority, more particularly described on Exhibit "A" attached hereto and incorporated herein by reference; and

WHEREAS, the parties have entered into that certain Pre-Opening and Management Services Agreement ("**Global Agreement**") by and among, the City, The Authority, and Global Spectrum, LP, d/b/a Spectra Venue Management, a Delaware limited partnership ("**Global**") for the management of portions of the Development,

WHEREAS, the Authority desires for, and the City agrees to, to serve as the Authority's agent in managing the relationship with Global pursuant to the Global Agreement, and be responsible for the payment of costs and expenses related to the Global Agreement and operation of the Development ("**Management Services and Costs**"); and

WHEREAS, the City desires, and is qualified and equipped, to provide **Management Services and Costs** regarding the relationship with Global pursuant to the Global Agreement for the Authority, more particularly described on Exhibit "A" attached hereto and incorporated herein by reference; and

WHEREAS, Article IX, Section III, Paragraph I(a) of the Georgia Constitution authorizes, among other things, any county, municipality or other political subdivision of the State to contract, for a period not exceeding fifty (50) years, with another county, municipality or political subdivision or with any other public agency, public corporation or public authority for joint services, for the provision of services, or for the provision or separate use of facilities or equipment, provided that such contract deals with activities, services or facilities which the contracting parties are authorized by law to undertake or to provide; and

WHEREAS, the parties desire to enter into this Agreement for the provision of the Services and have authorized the execution of this Agreement through appropriate action by their respective governing bodies;

NOW, THEREFORE, for and in consideration of the premises and undertakings as hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Authority and the City do hereby agree as follows:

ARTICLE 1
PURPOSE AND INTENT

The City agrees to provide and the Authority agree to accept the Financial Services and Management Services and Costs described on Exhibit "A" pursuant to the terms of this Agreement.

ARTICLE 2
TERM OF AGREEMENT

This Agreement shall be effective upon execution, and shall expire on July, 1 2020. It shall automatically renew each subsequent year unless the other party terminates the Agreement by notice to the other party. Following the intial term, either party may terminate this Agreement at an earlier date upon at least sixty (60) days' written notice to the other party.

ARTICLE 3
COMPENSATION AND CONSIDERATION

As the parties agree that the Authority's role is creating the Development is a significant financial benefit the City, as well as a significant contribution to the cultural, social, and physical infrastructure of the City, the City agrees that the Services to be performed under this Agreement shall be provided by the City at the rate of Ten Dollars ($10.00) per annum, payable in advance, due on July 1, unless otherwise agreed to by the parties in writing.

ARTICLE 4
RECORDKEEPING AND REPORTING

The City shall prepare and deliver monthly reports of the Authority's finances to the Board of Directors of the Authority. The reports shall describe general financial transactions of the Authority and such other information as the Authority shall reasonably request.

ARTICLE 5
MISCELLANEOUS

1. **Entire Agreement**. This Agreement contains the entire agreement of the parties hereto and all understandings, representations, agreements between them. Each party warrants to the other that no agent, officer, employee, attorney or other representative of either has made any representation or statement, nor are there any other agreements or understandings between or among any of the parties or their representatives, upon which any party relies that are not expressed and set forth in writing herein.

2. **Notices**. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by registered or certified mail, return receipt requested, postage prepaid. Notice shall be given:

If to Authority: Chairman, City of Sandy Springs
Public Facilities Authority
City of Sandy Springs
7840 Roswell Road, Building 500
Sandy Springs, Georgia 30350

If to the City: City Manager
City of Sandy Springs
7840 Roswell Road, Building 500
Sandy Springs, Georgia 30350

3. **Further Documents**. The parties shall execute such other and further documents as may be deemed necessary by either party to fulfill the intent of the parties to this Agreement.

4. **Time of Essence**. Time is of the essence of each and every term, provision and covenant of this Agreement.

5. **Governing Law**. This Agreement is made and shall be construed under and in accordance with the laws of the State of Georgia.

6. **Captions**. All captions, headings, section, and subsection numbers and letters and other reference numbers or letters are solely for the purpose of facilitating reference to this Agreement and shall not supplement, limit, or otherwise vary in any respect the text of this Agreement.

7. **Counterparts**. This Agreement may be executed in several counterparts, each of which shall constitute an original and all of which together shall constitute one and the same instrument.

8. **Severability**. This Agreement is intended to be performed in accordance with, and only to the extent permitted by, all applicable laws, ordinances, rules and regulations. If any provision of the Agreement, or the application thereof to any person or circumstance, shall, for any reason and to any extent be invalid or unenforceable, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby but rather shall be enforced to the greatest extent permitted by law.

IN WITNESS WHEREOF, the parties hereto, acting by and through their duly authorized officers, have caused this Agreement to be executed under their respective seals as of the day and year first above written.

CITY OF SANDY SPRINGS PUBLIC FACILITIES AUTHORITY

By: ____________________________________
Chairman

(SEAL)

ATTEST:

____
Vice Chairman

CITY OF SANDY SPRINGS, GEORGIA

____
Mayor

(SEAL)

ATTEST:

____
City Clerk

EXHIBIT "A"

SERVICES

Financial Services:

Financial, accounting and support services includes, but is not limited to: (a) providing budgetary and accounting review, implementation and support; (b) paying, with authorized funds, any and all authorized claims and debts of Authority as may be requested by Authority; (c) reviewing bank account statements and other information; (d) providing bank account statements and other relevant information to Authority on a monthly basis; (e) making bank deposits and conducting banking transactions on behalf of Authority in connection with its business; (f) providing other financial and support services and reports as may be requested by Authority from time to time.

Management Services:

The City shall serve as the Authority's agent in managing the relationship with Global pursuant to the Global Agreement. Such services shall include managing all aspects of the Agreement and periodically reporting the Authority as requested regarding activities.

The City shall be authorized to negotiated and sign agreements as required pursuant to the Global Agreement provided that all such agreements shall comply with all Federal, State and local laws and rule and regulations.

Payment of Costs and Expenses:

As the parties agree that the Development is a significant financial benefit the City as well as a significant contribution to the cultural, social, and physical infrastructure of the City; the City agrees to be responsible for the payment of costs and expenses related to the Global Agreement and operation of the Development.