

RESOLUTION NO. 2661**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLEDAD
AUTHORIZING EXECUTION OF AN AGREEMENT
BETWEEN THE CITY OF SOLEDAD AND
PYRO SPECTACULARS, INC.**

WHEREAS, the City has expressed its desire to hold a special Fourth of July event to help commemorate Independence Day; and

WHEREAS, the City has entered into a fireworks display agreement, with Pyro Spectaculars, Inc., for a total sum of \$7,500; and

WHEREAS, the "Fourth of July Committee," an Ad Hoc, non-profit group of citizens, business persons and civic leaders, organized to oversee the celebration, has agreed to donate \$7,500 to the City for all direct contract costs; and

WHEREAS, the City will incur some additional costs in providing security, fire protection, site planning, permit processing and sand for the event; and

WHEREAS, pursuant to Soledad Municipal Code Section 17.38.120, the proposed fireworks display is subject to the City's conditional use permit process; and

WHEREAS, said festivities will require the use of Gallardo Park, Rotary Park and the Little League Park and closure of Andalucia Street at Metz Road and Ticino Street, and Walker Drive at Metz Road and Granada Street; and

WHEREAS, the proposed fireworks display and festivities have been deemed as enjoyable and an appropriate means of celebrating Independence Day, which will furnish the additional benefit of providing members of the community with a safe City-controlled alternative to the individual illegal discharge of specific types of fireworks within City limits.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOLEDAD
DOES HEREBY RESOLVE AS FOLLOWS:**

Section 1: The City Manager is hereby authorized to execute a contract on behalf of the City of Soledad with Pyro Spectaculars, Inc., in the amount of \$7,500, for a Fourth of July Fireworks display as shown on "Exhibit A" and hereafter made a part.

Section 2: The City is authorized to make expenditures up to the amount of \$1,200 for providing police, fire protection, planning and sand for the firework

Section 3: Pursuant to Government Code Section 37354, the City is authorized to receive \$7,500 from the Fourth of July Committee for the payment of all direct contract costs associated with the Pyro Spectaculars, Inc., agreement.

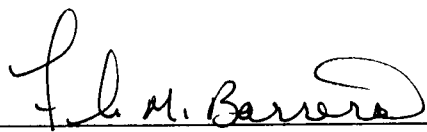
Section 4: City acknowledges that the execution of the involved agreement is not authorization for the actual fireworks display, and that any such authorization can only be obtained through approval of a conditional use permit. As such, the proposed fireworks display is contingent upon approval of said permit.

PASSED AND ADOPTED by the City Council of the City of Soledad at a regular meeting duly held on the 1st day of April, 1998, by the following vote:

AYES, and in favor thereof, Councilmembers: Ben Jimenez, Jr., Fred Ledesma, Richard Ortiz, Mayor Pro Tem Gary Gerbrandt, Mayor Fabian Barrera

NOES, Councilmembers: None

ABSENT, Councilmembers: None


MAYOR OF THE CITY OF SOLEDAD

ATTEST:


CITY CLERK OF THE CITY OF SOLEDAD

PYRO SPECTACULARS, INC.
Display Agreement

1) THIS AGREEMENT, entered into this ____ day of _____ 199 ____, by and between PYRO SPECTACULARS, INC., a California corporation hereinafter referred to as "PYRO" and _____ hereinafter referred to as "PURCHASER".
CITY OF SOLEDAD

2) PYRO agrees to furnish PURCHASER, in accordance with the terms and conditions hereinafter set forth, 1 fireworks display as per Program A, submitted, accepted and made part hereof, including the services of a licensed pyrotechnic operator to take charge of and, along with sufficient helpers, safely discharge the display.

The said display is scheduled to be performed on July 4, 1998 at _____
Open field, West of Orchard Lane, Soledad

3) PURCHASER, at its own expense, agrees to provide to PYRO:

A) A suitable DISPLAY SITE in which to stage the firework display, including a firing and fallout zone reasonably acceptable to PYRO in which the fireworks and firework debris may be exhibited, rise and fall safely. B) Adequate policing, guard protection, roping, fencing and/or other crowd control measures to prevent the access of the public or its property or any other people or property not authorized by PYRO into the DISPLAY SITE. C) The services and cost of standby firemen and/or any applicable permit fees as required by state and local statutes, ordinances or regulations. D) Access by PYRO, at all times, to the DISPLAY SITE to set up the display. If PURCHASER fails to fully comply with requirements A, B, C and/or D set forth above, PYRO shall have no obligation to perform and PURCHASER agrees to pay to PYRO the entire contract price plus any additional expenses incurred because of said failure. If, in its sole discretion, PURCHASER designates an area for members of the public to view the Display ("Spectator Area") and/or an area for vehicular parking ("Parking Area"), the PURCHASER shall: E) Ensure that the Spectator Area does not infringe on the Display Area; F) Have sole responsibility for ensuring that the terrain of the Spectator Area and any structures thereon, including, but not limited to grandstands and bleachers are safe for use by spectators; G) Have sole responsibility for ensuring that the Parking Area is safe for use; H) Have sole responsibility to police, monitor and appropriately control spectator access to the Spectator Area and the Parking Area and police, monitor and appropriately control the behavior of persons in these areas. It is expressly agreed that PYRO, (including its operators and helpers) shall not inspect, police, monitor or otherwise supervise any area of the site other than the Display Area, except to ensure: I) That any Spectator or Parking Areas are outside the Display Area; and J) After completion of the Display, that the Display Area is cleared of any live firework debris originating from the program.

4) PURCHASER shall pay to PYRO the sum of SEVEN THOUSAND FIVE HUNDRED Dollars (S 7,500.00). A deposit of \$ 1,875.00 must be paid by May 4, 1998. Full final payment is due within ten (10) calendar days after date of the display. A finance charge at a periodic rate of 1.5% per month, 18% annual percentage rate, or the maximum rate permitted by law, whichever is less, will be charged on the unpaid balance after 10 days from the date of the display. PURCHASER, by signing this Agreement, authorizes PYRO to receive and verify financial information concerning PURCHASER from any person or entity.

5) PURCHASER agrees to assume the risk of weather, or other causes beyond PYRO's control, which may prevent the display from being safely discharged on the scheduled date, which may cause the cancellation of any event for which PURCHASER has purchased the display, or which may affect or damage such portion of the exhibits as must be placed and exposed a necessary time before the display. It shall be within PYRO's sole discretion to determine whether or not the display may be safely discharged on the scheduled date and at the scheduled time. If, for any reason beyond PYRO's control, including, without limitation, inclement weather, PYRO is unable to safely discharge the display on the scheduled date or should any event for which PURCHASER has purchased the display be cancelled, the parties shall attempt to negotiate a new display date, which shall be within 60 days of the original display date. PURCHASER further agrees to pay PYRO for any additional expenses made necessary by this postponement. If they are unable to agree on a new display date, PYRO shall be entitled to liquidated damages from PURCHASER as if PURCHASER had cancelled the display on the date set for the display, as provided in the following paragraph.

6) PURCHASER shall have the option to unilaterally cancel this display prior to the date of the display. If PURCHASER exercises this option, PURCHASER agrees to pay to PYRO, as liquidated damages, the following percentages of the agreed contract price. 1) 25% if cancellation three (3) or more days prior to the scheduled day of the display, 2) 50% if cancellation occurs within two (2) days of the actual date set for the display, 3) 75% if cancellation occurs on the date set for the display but prior to the time physical set-up of the display actually begins, 4) 100% thereafter. If cancellation occurs prior to the date set for the display, PURCHASER agrees to pay PYRO in addition to the above percentages, the value associated with any specific custom work performed by PYRO or its agents including but not limited to music/narration tape production and/or sponsors logos.

(continued on reverse side)

Exhibit A

7) In the event PURCHASER cancels the display, it will be impractical or extremely difficult to fix the actual amount of PYRO's damages. The foregoing represents a reasonable estimate of the damages PYRO will suffer if PURCHASER cancels the display.

8) PYRO reserves the ownership rights and trade names that are used in or are a product of the pyrotechnic display to be performed herein. Any reproduction by sound, video or other duplication or recording process without the express written permission of PYRO is prohibited.

9) PYRO agrees to furnish insurance coverage in connection with the Display only, for the following risks and amounts: bodily injury and property damage, including products liability ONE MILLION DOLLARS (\$1,000,000) combined single limits. Such insurance shall include PURCHASER as an additional insured regarding claims made against PURCHASER for bodily injury or property damage arising from the operations of PYRO in performing the Display provided for in this Agreement. Such insurance afforded by PYRO shall not include claims made against PURCHASER for bodily injury or property damage arising from A) Failure of PURCHASER, including through or by its employees, agents and/or independent contractors, to perform its obligations under this Agreement, including, without limitation, those contained in Paragraph 3 of this Agreement; B) Failure of the PURCHASER to provide discretionary Spectator and Parking Areas referred to in Paragraph 3 of this Agreement. PURCHASER shall indemnify and hold PYRO harmless from all claims and suits made against PYRO for bodily injury or property damage arising from A) and B) of this Paragraph.

10) If any legal action is brought to enforce or interpret the terms or provisions of this Agreement, the prevailing party shall be entitled to reasonable attorney fees and costs in addition to any other relief to which they may be entitled.

11) In the event PYRO breaches this agreement, or is otherwise negligent in performing the firework display provided for herein, PURCHASER shall, under no circumstances, be entitled to recover monetary damages from PYRO beyond the amount PURCHASER agreed to pay PYRO under this Agreement. PURCHASER shall not, under any circumstances, be entitled to recover any consequential damages from PYRO including, without limitation, for loss of income, business or profits. Nothing in this paragraph shall be construed as a modification or limitation on the insurance coverages afforded to Paragraph 9 above.

12) It is agreed, nothing in this Agreement or in PYRO's performance of the display provided for herein, shall be construed as forming a partnership or joint venture between PURCHASER and PYRO. The parties hereto shall be severally responsible for their own separate debts and obligations and neither party shall be held responsible for any agreements or obligations not expressly provided for herein.

13) This Agreement shall be governed and interpreted under the laws of the State of California. It is further agreed that the courts of the State of California shall have exclusive jurisdiction to adjudicate any disputes arising out of this contract or performance of the display provided for herein. It is further agreed that the Central Judicial District of San Bernardino County, California, shall be proper venue for any such action.

14) Any Notice to the parties permitted or required under this Agreement may be given by mailing such Notice in the United States Mail, postage prepaid, first class, addressed as follows: PYRO - Pyro Spectaculars, Inc., P. O. Box 2329, Rialto, California 92377.
PURCHASER - _____

15) All terms of this Agreement are in writing and may only be modified by written agreement of both parties hereto. Both parties acknowledge they have received a copy of said written Agreement and agree to be bound by said terms of written Agreement only.

16) If there is more than one PURCHASER, they shall be jointly and severally responsible to perform PURCHASER's obligations under this Agreement. This Agreement shall become effective after it is executed and accepted by PURCHASER and after it is executed by PYRO at PYRO's offices in Rialto, California. This Agreement may be executed in several counter parts, including faxed copies, each one of which shall be deemed an original against the party executing same. This Agreement shall be binding upon the parties hereto and upon their heirs, successors, executors, administrators and assigns. PURCHASER recognizes that because of the nature of fireworks, an industry accepted level of 3% of the product used in any display may not function as designed and this level of nonperformance is acceptable as full performance.

In Witness Whereof the parties hereto, by and through their duly authorized agents, have set their hands and seals this 15th day of April, 1998.

PYRO SPECTACULARS, INC.

James R. Duff

PURCHASER

, Title PRESIDENT

Price firm through March 15, 1998.
Purchaser to provide sand and communication.

Brenda B. Espinosa

, Title City Manager