

**QUARRY PARK MANAGEMENT SERVICES AGREEMENT
BETWEEN
CITY OF SHEBOYGAN
AND
EOS RECREATION LLC**

THIS MANAGEMENT SERVICES AGREEMENT (this “Agreement”) is made and entered into effective this ____ day of _____, 2025 (the “Effective Date”), by and between the City of Sheboygan, a municipal corporation of the State of Wisconsin (the “City”), and EOS Recreation LLC (“Manager”), a Wisconsin limited liability company, collectively, the “Parties.”

RECITALS

WHEREAS, the City owns Jaycee Park, a public park located at 3401 Calumet Drive, Sheboygan, Wisconsin (the “Quarry Park”), which includes a beach, water areas, and Quarryview Center that have historically been underutilized; and

WHEREAS, Manager has been providing professional operation and management services for recreational use of these underutilized areas since 2017 to mutual party benefit; and

WHEREAS, the City finds that continuing this partnership is in the City’s best interest.

NOW, THEREFORE, in consideration of the Recitals set forth and the mutual promises made herein, the sufficiency of which is acknowledged by the Parties, it is agreed as follows:

**ARTICLE I
ENGAGEMENT OF MANAGER; THE SERVICES**

- 1.1 Engagement of Manager. Subject to the terms and conditions of this Agreement, City hereby engages Manager, and Manager hereby accepts such engagement, to provide the Services (as defined below) at Quarry Park, within the area identified in Exhibit “A” (the “Property”). City agrees to provide Manager access to the Quarry Park public parking lot for its operations. Manager shall have access to the property beginning the third Monday of May and ending the third Monday of September until Agreement expiration or termination.
- 1.2 The Services. Manager shall provide the City with the following services during the term of this Agreement, at no cost to the City (collectively, the “Services”):
 - (a) Provide management expertise and consulting services with respect to recommending and implementing improvements to the Property facilities, programs, offerings and attractions;

(b) Manage and operate all aspects of the Property and the Quarryview Center, including, without limitation, staffing, reservations, reception, concessions, sales, bookkeeping, administration, marketing, advertising and promotion;

(c) Assume responsibility for all day-to-day expenses and normal maintenance associated with operations. Manager shall finance all personnel, operations and equipment associated with its operations;

(d) Manage and coordinate recreational programs, facilities and equipment for Property users. This includes, but may not be limited to selecting and providing products and equipment appropriate for the different water depths in the Quarry, as well as different demographic groups, selecting and providing site amenities to enhance guest comfort and creating a unique destination that will broaden Quarry Park's appeal and stimulate repeat visits;

(e) Hours of operation for the Quarry Park, open to the public for a daily admission fee shall be 10:30 a.m. to 5 p.m., seven days per week from the later of the Effective Date and June 1, 2025 and ending September 1, 2025. Hours of operation and dates of opening and closing may be altered upon approval of both Parties. The City's Parks Manager is authorized to consent to alterations under this paragraph on the City's behalf;

(f) During days of operation, Manager shall provide an on-site manager and two to ten additional staff members depending on weather, capacity and planned events;

(g) Provide such other services incidental to the operations of the City's Quarry and Quarryview Center as the City may reasonably request from time to time; and

(h) Institute and maintain reasonable safety measures and procedures including, but not be limited to:

- (i) Utilize inflatable safety buoys to segregate the shallow-water free zone from any pay-for-play areas;
- (ii) Require level III lifejackets for all activities in deep water areas, including stand-up paddleboards, pedal boats and kayaks;
- (iii) Utilize the existing dock also for the safety stations.

1.3 Scope. The scope of Services under this Agreement may be enlarged, reduced, or altered from time to time by mutual Party agreement and written amendment of this Agreement. The City shall be responsible for any agreed-upon capital improvements, major site cleanup, and major repairs required on existing facilities and structures.

1.4 Personnel.

(a) Manager shall provide all personnel reasonably necessary for Manager to perform the Services. Such personnel shall be employees or contractors of Manager (collectively, the “Personnel”). Manager, in its sole discretion, shall be responsible for all aspects of the hiring and employment of its employees, including without limitation, retirement and welfare plans, conduct policies, workers compensation insurance and compensation. To the extent permitted by law, Manager shall conduct criminal background checks on all prospective hires and condition employment on successful passage of a drug screen.

(b) To the extent permitted by law, the City shall have the right, at any time upon at least fourteen (14) days’ notice to Manager, to declare any Personnel no longer eligible to perform the Services for City under this Agreement.

(c) Manager may from time to time delegate its obligations hereunder to any person. City reserves the right to approve or disapprove any such delegation.

(d) Each of Manager’s employees shall undergo a thorough orientation and training program, with key emphasis on customer service skills and safety. All employees shall possess and maintain appropriate licensing and/or certification.

ARTICLE II
COVENANTS OF MANAGER

2.1 Compliance with Law. Manager will use commercially reasonable efforts to assure that the Services are performed in compliance with all applicable laws, statutes, ordinances, rules, regulations, or orders of any governmental authorities or regulatory bodies having jurisdiction over Manager or City.

2.2 Ownership of Records, Licenses and Systems.

(a) All reports, documents and other information generated solely pursuant to the Services herein or relating solely to the operation of the Quarry and the Quarryview Center shall be the property of City.

(b) All business records, documents and other information generated by Manager which may pertain to the Services but which are generated pursuant to or relating to the operation of Manager shall remain the property of Manager.

(c) Software licenses, licenses, permits, procedures, processes and systems generated by or purchased by Manager and used in connection with this Agreement shall be the property of Manager, unless otherwise agreed to in writing by Manager and City.

(d) Software licenses, licenses, permits, procedures, processes and systems generated by or purchased by City and used in connection with this Agreement shall be the property of City, unless otherwise agreed to in writing by Manager and City.

- 2.3 Access to Records and Facilities. Manager shall make available to the City, its agents and attorneys, at all times during normal business hours, all records and other information described in Section 2.2 which relate to Services under this Agreement. Manager shall promptly respond to any questions from the City with respect to such records and shall confer with the City at all reasonable times, upon request, concerning the operations of the Quarry (including the Quarryview Center). In addition, the City or the City's officers or designated agents shall have the right at any reasonable time or interval to examine Manager's books of account for the Quarry or any portion thereof. Manager acknowledges that certain of its records may be subject to disclosure under applicable public record laws.
- 2.4 Insurance.
(a) Manager agrees to obtain and maintain, at its sole cost and expense, commercial general liability insurance coverage in an amount not less than \$2,000,000 with respect to its operation of the Quarry, for the benefit of both the City and Manager and agrees to name the City as additional insured.

(b) Each party shall obtain and maintain property insurance coverage on their respective assets.
- 2.5 Performance Standards. Manager shall undertake all of the Services in accordance with the reasonable performance standards established by City for the Services.

ARTICLE III FEES AND PAYMENT

- 3.1 Manager shall pay to City an annual fee which increases by \$250 each year such that the fee for 2025 shall be \$250, the fee for 2026 shall be \$500, the fee for 2027 shall be \$750, the fee for 2028 shall be \$1,000, and the fee for 2029 shall be \$1,250. Manager shall be entitled to retain all of the proceeds which it generates from the operation of the Quarry Park and the Quarryview Center under this Agreement. Manager shall be responsible for paying the full cost of all utilities associated with the Services rendered pursuant to this Agreement.

ARTICLE IV RELATIONSHIP OF THE PARTIES

- 4.1 Independent Parties. Nothing in this Agreement shall be construed to constitute any party as a partner, agent or joint venturer of the other party. Neither party shall make any contract or representation, or incur any liability or obligation whatsoever, on behalf or in the name of the other party, except as set forth in this Agreement, or as may be stated otherwise in other agreements between the Parties. Except as otherwise provided herein, each party shall be responsible for its own operational expenses incurred in the performance of this Agreement.

- 4.2 Nonassumption of Liabilities. Neither party shall, by entering into and performing this Agreement, assume or become liable for any of the existing or future obligations, liabilities, or debts of the other party.

ARTICLE V HOLD HARMLESS

- 5.1 Indemnification. Manager agrees that it shall hold harmless and defend and indemnify the City from and against any and all claims, liabilities, losses, damages or expenses (including reasonable attorneys' fees and expenses), which may arise during the term of this Agreement as a result of the use and/or occupancy of the Property by its officers, agents and employees, or others acting by, through or under the express or implied authority of Manager including, but not limited to, any such claims, liabilities, losses, damages or expenses which may arise as a result of any personal injury, death or property damage occurring on or about the Property, except to the extent caused by the negligence or willful misconduct of the City. City agrees to defend, indemnify and hold harmless Manager and its shareholders, directors, officers, employees, and agents against any and all claims, lawsuits, settlements, judgments, costs, penalties, and expenses, including reasonable attorneys' fees and costs of investigation, resulting from, or arising out of, or in connection with any claim made as a result of the City's ownership of the Quarry unrelated to the Services set forth in this agreement, provided, however, that the City shall not defend, indemnify or hold Manager harmless from and against, and Manager shall not be exculpated from any claim, action, damage, expense, loss or liability directly or indirectly caused by or arising from bad faith recklessness, gross negligence, gross misconduct or willful misconduct of Manager, or arising out of any breach of representations or any of its obligations pursuant to this Agreement. The Parties shall notify each other of the existence of claims relating to the Quarry or the services provided under this Agreement and shall cooperate with each other in defense of third-party claims.

ARTICLE VI TERM AND TERMINATION

- 6.1 Term. This Agreement shall commence upon the Effective Date and continue in full force and effect for five years. Thereafter, Manager may request renewal of this Agreement for successive five year terms by providing the City with written notice of Manager's desire to renew by October 31 of the expiration year. The City shall respond to Manager's request in the affirmative or negative within thirty days of receiving such renewal request. Such renewal may be subject to different or additional terms and conditions as agreed upon by the Parties.
- 6.2 Termination for Cause. This Agreement may be terminated at any time for cause by the party indicated below upon fifteen (15) days' written notice to the other party:

(a) Bankruptcy. By either party, if the other party shall file a voluntary petition in bankruptcy, make a general assignment for the benefit of creditors, or take advantage of any insolvency law.

(b) Breach. By either party, if the other party shall default in the performance of this Agreement and the default shall continue for a period of fifteen (15) days after written notice to the other party stating specifically the default.

(c) Transfer of Business. By City, if Manager shall be acquired by, or transfer substantially all of its assets or business to, any third party.

6.3 Termination for Convenience. This Agreement may be terminated at any time for any reason by either party upon forty-five (45) days' written notice to the other party.

6.4 Effect of Termination or Expiration.

(a) Expiration or termination of this Agreement for any reason shall not release any party from its obligations hereunder that have accrued prior to the termination date.

(b) After any termination of this Agreement, the following shall apply:

(i) Manager shall promptly deliver to City all of City's park property and facilities in the possession of Manager, including, without limitation, any property of City described in Section 2.2 hereof.

(ii) The parties shall promptly conduct a final accounting of the amounts due under Section 3.1 hereof, and any amount due either party under such accounting shall be promptly paid by the other party.

ARTICLE VII MISCELLANEOUS

7.1 Assignment. The benefits, rights, and obligations set forth herein are personal to the Parties, and, except as provided for herein, may not be assigned or transferred to a third party without the prior written consent of the other party. Any attempted assignment in violation of this section shall be void. Without in any way limiting the foregoing, this Agreement shall be binding upon, enforceable by, and inure to the benefit of the Parties, their permitted successors and assigns.

7.2 Notice. Any notice, consent, approval, request or other communication required or permitted to be given pursuant to this Agreement (a "Notice") shall be in writing and shall be either personally delivered or sent by first class mail, postage prepaid, to the address each of the Parties keeps on record for the other party, or to such other address as either party may give notice of from time to time in accordance

with this Section 7.2. Delivery shall be deemed effective upon personal delivery or deposit in the United States mail. Routine business correspondence may be conducted via email, telephone, or in-person.

- 7.3 Entire Agreement. This Agreement contains the entire understanding between the Parties on the subject matter hereof and no representations, inducements, promises, or agreements, oral or otherwise, not embodied herein shall be of any force or effect. This Agreement supersedes any other oral or written agreement entered into between the Parties on the subject matter hereof.
- 7.4 Amendment. This Agreement may be amended only by a writing signed by both parties.
- 7.5 Waiver. No failure or delay of any party in exercising any right or power given to it under this Agreement shall operate as a waiver thereof. No waiver of any breach of any provision of this Agreement shall constitute a waiver of any prior, concurrent, or subsequent breach. No waiver of any breach or modification of this Agreement shall be effective unless contained in writing executed by both parties.
- 7.6 Severability. The invalidity or unenforceability of any particular provisions of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.
- 7.7 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Parties hereto, their permitted successors and permitted assigns, and, subject to Section 6.2(c) hereof, any corporate successors by merger, consolidation or other corporate reorganizations, without limitation.
- 7.8 Force Majeure. Neither party shall be deemed to be in violation of this Agreement if such party is prevented from performing any of its obligations hereunder for any reason beyond its reasonable control, including, without limitation, acts of God or of any public enemy, elements, flood, strikes, or statutory or other law, regulation or rule of the federal or any state or local government or any agency thereof.
- 7.9 Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of Wisconsin.
- 7.10 Counterparts. This Agreement may be executed in two or more counterparts, including by signature pages provided by facsimile or in PDF format. All such counterparts together shall constitute one and the same instrument.

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

MANAGER:

EOS RECREATION LLC

By: _____

Date: _____

CITY:

CITY OF SHEBOYGAN

By: _____

Ryan Sorenson
Mayor

Date: _____

ATTEST:

Meredith DeBruin
City Clerk

Date: _____

