



To enrich lives through effective and caring service



June 14, 2007

Stan Wisniewski
Director

Kerry Silverstrom
Chief Deputy

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**SECOND AMENDMENT TO
LIFEGUARD CLOTHING SPONSORSHIP AGREEMENT (NO. 72852)
(3rd AND 4th DISTRICTS)
(3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Chair to execute the attached Second Amendment To Lifeguard Clothing Sponsorship Agreement (No. 72852) with Phillips-Van Heusen (IZOD) for a term of five years, with one five-year optional extension.
2. Grant to the Director, with concurrence of the Fire Department and County Counsel, the authority to execute nonmaterial amendments to the Agreement during the potential total ten-year term.
3. Find that the recommended action is categorically exempt from the provisions of the California Environmental Quality Act (CEQA).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The current Lifeguard Clothing Sponsorship Agreement (Agreement) with IZOD, which has provided the Los Angeles County Lifeguards with swimwear and related items for the past seven years in exchange for name recognition as the "Official Swimwear Sponsor of the Los Angeles County Beach Lifeguards" and various other ancillary rights, will expire on July 4, 2007. Approval of the attached Second Amendment will continue the current Agreement with IZOD for a term of five years, with one five-year optional extension.

During the extended term, Lifeguards will continue to be provided with all necessary uniforms and outerwear (but for foul weather gear in severe weather conditions) for use while on beach or in-the-water duty. In addition, the Lifeguards' clothing mix will be

increased, as will cost savings and monetary payments paid to the County, over the potential total ten-year term.

The Lifeguards expressed their desire to continue the current sponsorship with IZOD, as the IZOD Agreement has been the most beneficial of all previous Lifeguard Clothing Sponsorship Agreements. Accordingly, the Department of Beaches and Harbors negotiated the attached Second Amendment. Without an extension of the existing Agreement, Lifeguards will need to purchase uniform items currently provided without cost by IZOD.

This proposed Second Amendment will provide for flexibility in quantity and mix of yearly uniform orders to be donated to the Lifeguards, Junior Lifeguard Program staff, and W.A.T.E.R. Program participants. Additionally, IZOD will provide Sun Protection Factor clothing to Lifeguards, Junior Lifeguard Program staff, and the W.A.T.E.R. Program participants, and Lifeguards will be provided with rashguards, at their request. In addition to Junior Lifeguard participants being able to purchase uniforms at preferred prices, Lifeguards will be able to purchase apparel at a preferred price for their Lifeguard National Team. As with the current Agreement, the Fire Department will ensure that IZOD's preferred prices are competitive with what other vendors would charge for these uniforms.

The current Agreement provides for IZOD to provide 150 volleyball nets annually, yet another beach sponsor, Arrowhead Water, is now providing those nets. Therefore, the Second Amendment requires IZOD to provide 250 Lifeguard tower signs, which offer a public information message and the Watch The Water (www.watchthewater.org) web address. Beachgoers can access this website before coming to the beach in order to obtain vital information on water quality and weather conditions, as well as special events on particular Los Angeles County beaches. In addition, IZOD will provide Lifeguards with beach towels and a competition banner that will be displayed at as many Lifeguard competition events as possible. Finally, IZOD will provide to the County the following fees at the commencement of each amended Agreement Year:

First Agreement Year - 2007	---\$10,000
Second Agreement Year - 2008	---\$10,000
Third Agreement Year - 2009	---\$10,000
Fourth Agreement Year - 2010	---\$10,000
Fifth Agreement Year - 2011	---\$10,000
Sixth Agreement Year - 2012	---\$15,000
Seventh Agreement Year - 2013	---\$20,000
Eighth Agreement Year - 2014	---\$25,000
Ninth Agreement Year - 2015	---\$25,000
Tenth Agreement Year - 2016	---\$25,000

In exchange, IZOD will have name identification as the "Official Clothing Sponsor of the Los Angeles County Beach Lifeguards" and be allowed to place name identification, including a combined insignia featuring the IZOD and Lifeguard logos (IZOD/LACO Lifeguard logo), on the Lifeguard tower signs, beach towels, competition banners, and seven dories (small and shallow-draft boats roughly 20 feet long used by the Lifeguards for training and competitions). The Lifeguard tower sign will be displayed on the right side of 158 Lifeguard towers along the Los Angeles County coastline in a clear and noticeable location for all to view.

Attachment A provides a comparison of benefits under the existing Agreement and the proposed Second Amendment.

Implementation of Strategic Plan Goals

The Second Amendment will promote the County Strategic Plan Goals of "Service Excellence" and "Children and Families' Well-Being" by supporting the Lifeguards in providing exemplary services to the 55 million annual beach patrons and assisting the Department of Beaches and Harbors in its ongoing commitment to provide a quality recreational experience to at-risk children who participate in the W.A.T.E.R. Program. The Strategic Plan Goal of "Fiscal Responsibility" is also promoted by the provision by IZOD of donated clothing, tower signs, towels and competition banners for a total cost savings over the potential ten-year term of \$2,488,450.

FISCAL IMPACT/FINANCING

This Amendment provides the County with a projected \$2,488,450 in cost savings from the donated clothing, towers signs, towels and competition banners and \$160,000 in cash over its potential ten-year term. The specific breakdown of cost savings to the County is detailed in Attachment B.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On July 5, 2000, your Board approved entering into contract No. 72852. In 2001, the Director exercised delegated authority to grant nonmaterial changes to the Lifeguard Clothing Sponsorship Agreement, pursuant to which the mix and quantity of clothing provided under the Agreement was changed. The parties now wish to extend the terms of the Agreement and execute material changes; therefore, Board authority is required.

County Counsel has approved this Second Amendment as to form, which is also recommended by the Beach Commission.

CONTRACTING PROCESS

Because of the Lifeguards' particular needs and requirements and IZOD's flexibility relative to meeting these needs and requirements, as well as that the IZOD Agreement has been the most beneficial of all previous Lifeguard Clothing Sponsorship Agreements, other manufacturers or vendors were not solicited for a new Lifeguard Clothing Sponsorship Agreement.

ENVIRONMENTAL DOCUMENTATION

Approval of this Second Amendment is categorically exempt from the provisions of CEQA pursuant to Sections 15301 and 15304 of the CEQA Guidelines, as well as Classes 1 and 4(j) of the County's Environmental Document Reporting Procedures and Guidelines.

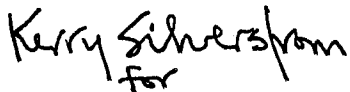
IMPACT ON CURRENT SERVICES (OR PROJECTS)

Reducing the County's costs plus increasing County revenue enables Lifeguards and the Department of Beaches and Harbors to provide enhanced service to the public.

CONCLUSION

Instruct the Chair of the Board of Supervisors to sign the Second Amendment to Lifeguard Clothing Sponsorship Agreement and forward three signed copies of the Amendment to the Department of Beaches and Harbors.

Respectfully submitted,


for

Stan Wisniewski, Director

SW:KS:DC:CML:ks

Attachments (3)

c: Chief Administrative Officer
County Counsel
Fire Chief

**LOS ANGELES COUNTY
DEPARTMENT OF BEACHES AND HARBORS**

Second Amendment To Lifeguard Clothing Sponsorship Agreement (No. 72852)

This Second Amendment to Los Angeles County Department of Beaches and Harbors' Lifeguard Clothing Agreement with Phillips-Van Heusen Corporation, Agreement No. 72852, is entered into this 26TH day of JUNE, 2007, by and between the COUNTY OF LOS ANGELES ("COUNTY"), a political subdivision of the State of California, and Phillips-Van Heusen Corporation ("SPONSOR"), a Delaware corporation.

RECITALS

- A. WHEREAS, COUNTY and SPONSOR entered into the Lifeguard Clothing Sponsorship Agreement No. 72852 ("Agreement") on July 5, 2000, which Agreement will terminate on July 4, 2007; and
- B. WHEREAS, COUNTY and SPONSOR agreed to the First Amendment that made non material changes to the Agreement in 2001, which changed the mix and quantity of clothing provided by SPONSOR; and
- C. WHEREAS, COUNTY is authorized by California Government Code Sections 26109 and 26110 and Los Angeles County Code Section 2.132 to acknowledge the donation of property to the COUNTY by, among other things, allowing sponsors to use COUNTY Logos and market the name(s) and other intellectual property owned by the COUNTY; and
- D. WHEREAS, COUNTY and SPONSOR desire to extend the current Lifeguard Clothing Sponsorship Agreement (No. 72852) for up to ten years to continue the SPONSOR's donation of IZOD clothing to COUNTY, for use by Lifeguards, Junior Lifeguard Program staff and participants in the W.A.T.E.R. Program, in consideration for allowing the SPONSOR to use COUNTY Logos and market the name(s) and other intellectual property owned by the COUNTY in SPONSOR's identification as the "Official Clothing Sponsor of the Los Angeles County Beach Lifeguards"; and
- E. WHEREAS, COUNTY and SPONSOR wish to increase clothing sponsorship opportunities, such as the COUNTY's purchase of uniforms at a preferred price for the Los Angeles County Lifeguard National Team that competes each year in the United States Lifesaving Association National Lifeguard Championships, and new marketing opportunities, consisting of SPONSOR's

name identification on 158 Lifeguard tower signs, 1,000 beach towels, seven dories, and one competition banner.

NOW, THEREFORE, in consideration of the above, it is hereby agreed by and between COUNTY and SPONSOR as follows:

1. The terms set forth herein supersede those contained in the original Lifeguard Clothing Sponsorship Agreement No. 72852 and the First Amendment thereto in their entirety. This Second Amendment will hereinafter be referred to as "Agreement".
2. **Definitions:** As used herein the terms set forth below shall be defined as follows:
 - A. "Agreement Year" shall mean the 12-month period commencing on the date this Agreement is executed by the Los Angeles County Board of Supervisors ("Board of Supervisors"), which date shall become the effective date of this Agreement, and each following 12-month period thereafter throughout the term of this Agreement.
 - B. "Beach Lifeguard(s)" ("Lifeguard") shall mean those persons employed whether on a permanent or temporary basis by the Los Angeles County Fire Department Lifeguard Division.
 - C. "Beach Towels" shall mean a standard beach towel imprinted with the IZOD/LACO Lifeguard Logo and Tagline (if desired) (Exhibit A).
 - D. "Chief Lifeguard" shall mean the Chief Lifeguard of the Los Angeles County Fire Department Lifeguard Division.
 - E. "Competitions" shall mean a variety of judged contests that demonstrate and encourage Lifeguarding skills, which are held annually on a national level.
 - F. "Competition Banner" shall mean a banner containing the IZOD/LACO Lifeguard Logo and Tagline (if desired), used at Lifeguard competitions to identify the sponsorship (Exhibit B).
 - G. "County Beaches" shall mean those beaches at which the Los Angeles County Fire Department Lifeguard Division performs lifeguard and ocean rescue duties.
 - H. "Department" shall mean the Los Angeles County Department of Beaches and Harbors.
 - I. "Director" shall mean the Director of the Department.
 - J. "Dories" shall mean small and shallow-draft boats (roughly 20 feet long) used by the Lifeguards for training and competition purposes (Exhibit C).

- K. "Hangtag" shall mean a label attached to a garment used to give information about the product, including price, maker, and size.
- L. "IZOD/LACO Lifeguard Logo" shall mean a combined insignia featuring the IZOD logo (utilized to identify the apparel division at the Phillips-Van Heusen Corporation) and the Lifeguard logo (utilized to identify the Los Angeles County Fire Department Lifeguard Division) (Exhibit D).
- M. "Junior Lifeguard Program" shall mean a summer youth program operated by the Los Angeles County Fire Department's Lifeguard Division that teaches Lifeguard skills and other ocean-related activities to youth from 9 to 17 years of age.
- N. "Lifeguard(s)" shall mean those persons employed whether on a permanent or temporary basis by the Los Angeles County Fire Department Lifeguard Division who perform their duties on County Beaches or in the water.
- O. "Lifeguard Clothing" shall mean the clothing items worn as conditions warrant by on-duty Lifeguards in performance of their duties on County Beaches or in the water (Exhibit E).
- P. "Lifeguard Logo" shall mean the Los Angeles County logo that is utilized to identify the Los Angeles County Fire Department Lifeguard Division (Exhibit F).
- Q. "Lifeguard National Team" shall mean a team comprised of Los Angeles County Lifeguards who compete in the annual United States Lifesaving Association's National Lifeguard Championships.
- R. "Lifeguard Tower Sign" shall mean all of the materials, texts, and images that constitute a 30.5" by 34" sign containing the IZOD/LACO Lifeguard Logo, a public information message, and the Watch The Water (www.watchthewater.org) web address (Exhibit G).
- S. "Name Identification Space" shall mean that space which is designated for SPONSOR's Trademarks on all donated Lifeguard, Junior Lifeguard Program and W.A.T.E.R. Program clothing; Lifeguard Tower Signs; Dories; Beach Towels; and a Competition Banner.
- T. "Preferred Price" shall mean the price that SPONSOR will charge the COUNTY for any clothing or clothing related items, including Lifeguards, Junior Lifeguard Program youth and Lifeguard National Team uniforms, which price will equal SPONSOR's base production cost plus shipping charges to deliver clothing to COUNTY.

- U. "Product(s)" shall mean IZOD clothing or clothing related items manufactured by or on behalf of SPONSOR.
- V. "Special Event Permit(s)" shall mean permit(s) issued to SPONSOR by the Department for events that are conducted by SPONSOR that promote its Products for which no entrance fee is charged or for which SPONSOR receives no sponsorship funding from other commercial sponsors.
- W. "Tagline" shall mean the phrase that may be used below the IZOD/LACO Lifeguard Logo stating, "Official Clothing Sponsor of the Los Angeles County Beach Lifeguards" (Exhibit H).
- X. "Trademark(s)" shall mean any word, name, symbol or any combination thereof which, when used by a party to this Agreement, would distinguish the Products made or sold by SPONSOR or services rendered by it from those goods made or sold or services rendered by others.
- Y. "Watch the Water (www.watchthewater.org)" shall mean a County website maintained by the Los Angeles County Fire Department Lifeguard Division, which offers beachgoers access to information on water and weather conditions, as well as special events on Los Angeles County Beaches.
- Z. "W.A.T.E.R. Program" shall mean the Water Awareness, Training, Education, and Recreation Program operated by the Department that provides inner city youths from 7 to 17 years of age with the opportunity to participate in water-related activities.

3. Rights Granted to SPONSOR

- A. Subject to the conditions set forth below, COUNTY grants SPONSOR, during the term of this Agreement, the right to be the exclusive clothing sponsor of the Los Angeles County Lifeguards. As such, SPONSOR has the exclusive right to promote itself as the "Official Clothing Sponsor of the Los Angeles County Beach Lifeguards" or other similar wording approved by the Director and Chief Lifeguard, which approval shall not to be unreasonably withheld or delayed. The COUNTY also grants SPONSOR the right to display SPONSOR's Trademark(s) on Lifeguard, Junior Lifeguard Program and W.A.T.E.R. Program clothing; Lifeguard Tower Signs; Dories; Beach Towels; and a Competition Banner within the Name Identification Space, specifically:
 - i. The right to place the IZOD/LACO Lifeguard Logo on the Name Identification Space on Lifeguard Tower Signs. It will be placed on the right sides of 158 Los Angeles County Lifeguard towers in a clear and noticeable location. The number of Lifeguard towers is subject to change based on tower usage needs during peak and off-peak beach seasons and

beach reconstruction, as well as due to damage as a result of the elements, vandalism, and graffiti. The SPONSOR and COUNTY agree that in the event that the COUNTY's jurisdictional authority is changed, the Lifeguard Tower Signs, to the best of COUNTY's ability, shall be relocated to other Lifeguard Towers that are owned or operated by the COUNTY. The design and placement of the Lifeguard Tower Signs are subject to approval by the Director and Chief Lifeguard, which approvals shall not be unreasonably withheld or delayed.

- ii. The right to place the IZOD/LACO Lifeguard Logo on seven Dories, 1,000 Beach Towels, and one Competition Banner.

SPONSOR must obtain prior written approval from the Director and Chief Lifeguard for any use of the IZOD/LACO Lifeguard Logo pursuant to this Agreement, which approval shall not be unreasonably withheld or delayed.

B. The COUNTY also grants to SPONSOR the following ancillary rights:

- i. The right to use the Lifeguard Logo during the term of this Agreement, which is to be utilized only in connection with the advertising and promotion of SPONSOR's Products. SPONSOR expressly acknowledges that the rights granted herein with respect to the Lifeguard Logo are limited to use in connection with the promotion of its Products. The Lifeguard Logo and/or any combination of words that denotes the Lifeguards may not be placed on products that are sold to the general public except through a separate licensing agreement to be negotiated with COUNTY. The Lifeguard Logo may not be used to produce any items that could be used by anyone to suggest to a reasonable person a representation or any impersonation of a Lifeguard. SPONSOR must obtain prior written approval from the Director and Chief Lifeguard for any usage of the Lifeguard Logo pursuant to this Agreement, which approval shall not be unreasonably withheld or delayed.
- ii. The exclusive right during the term of the Agreement to be known as the "Official Clothing Sponsor of the Los Angeles County Beach Lifeguards" or other similar wording approved by the Director and Chief Lifeguard, which approval shall not be unreasonably withheld or delayed. SPONSOR expressly acknowledges that the rights granted herein with respect to the above Tagline are limited to use in connection with the promotion of its Products. The SPONSOR can promote its official sponsorship status on Hangtags used on clothing produced by its authorized licensee(s). SPONSOR must obtain prior written approval from the Director and Chief Lifeguard for any use of the Tagline pursuant to this Agreement, which approval shall not be unreasonably withheld or delayed.

- iii. The right to obtain ten Department-approved Special Event Permits in each Agreement Year, under the Special Event Permit process without having to pay the permit fee, so long as the following conditions are met: (a) SPONSOR meets all of the requirements of the permit process; (b) SPONSOR applies for the permit at least two weeks in advance of each scheduled event; and (c) the proposed special event does not conflict with a previously scheduled event. All costs associated with these events are the responsibility of SPONSOR, with the exception of the permit fee. This right does not apply to beaches owned or operated by the City of Santa Monica and the City of Hermosa Beach.

4. SPONSOR Obligations

For the exclusive right to promote itself as the “Official Clothing Sponsor of the Los Angeles County Beach Lifeguards”, SPONSOR agrees to provide the COUNTY the following:

A. Donated Clothing:

- i. The SPONSOR will annually donate during each Agreement Year from amongst the following categories of Lifeguard Clothing in sufficient quantities to fully annually outfit 760 male Lifeguards and 136 female Lifeguards, which numbers can change each Agreement Year based upon the workforce composition then in employment, as ordered by COUNTY:
 - a. Short-sleeve and long-sleeve polo shirts;
 - b. Watershorts;
 - c. Boardshorts;
 - d. One-piece and two-piece women’s swimsuits;
 - e. Short-sleeve and long-sleeve t-shirts;
 - f. Sweat shirts with half-zipper;
 - g. Sweat pants;
 - h. Baseball caps, knit cap, floppy hats or other type of head gear;
 - i. Men’s competitive racing swimsuits;
 - j. Light weight jackets;
 - k. Heavy weight jackets; and
 - l. Rashguards.

The Lifeguard Logo will be placed on the left hip of shorts and pants; the left chest area of shirts, sweatshirts, jackets, and two-piece women’s swimsuits; the left hip of the one-piece woman's swimsuit; the front center area of all headwear; and the upper bicep area of the rashguard sleeves. All of the above clothing will be designed and produced as illustrated in Exhibit E.

- ii. The SPONSOR will annually donate during each Agreement Year uniforms for Junior Lifeguard Program staff, with all necessary silk screening and embroidery along with SPONSOR's Trademarks, from amongst the following categories of clothing, as ordered by COUNTY:
 - a. Short-sleeve and long-sleeve t-shirts for Instructors and Officials;
 - b. Short-sleeve and long-sleeve polo shirts for Instructors/Coordinators/Director;
 - c. One-piece women's swimsuits for Instructors;
 - d. Boardshorts for Instructors/Coordinators/Director;
 - e. Watershorts for Instructors/Coordinators/Director; and
 - f. Rashguards for Instructors.
- iii. The SPONSOR will annually donate during each Agreement Year to W.A.T.E.R. Program participants from amongst the following categories of clothing as ordered by County:
 - a. Short-sleeve and long-sleeve 100% cotton t-shirts in a mutually agreed upon color. The back of the t-shirt is the only area that will have the Name Identification Space;
 - b. Watershorts; and
 - c. Baseball caps or other type of headgear in a mutually agreed upon color.

Each Agreement Year, the SPONSOR and COUNTY will mutually agree on the mix and quantity of Lifeguard Clothing, Junior Lifeguard Program staff uniforms, and clothing for participants of the W.A.T.E.R. Program before orders are placed. All of this clothing is to be delivered by SPONSOR or SPONSOR's exclusive licensee to COUNTY by April 15th of each Agreement Year, with the exception that SPONSOR may deliver these items by July 15th for the first Agreement Year. During the term of the Agreement, the SPONSOR and COUNTY may mutually agree to alterations in the design of all clothing items.

SPONSOR must be given five months' lead time of the April 15th delivery date for orders placed on styles repeated from the prior year. New styles or alterations must be mutually agreed upon and approved by COUNTY and SPONSOR, and an order by the COUNTY for new styles or alterations must be placed seven months in advance of the April 15th delivery date.

SPONSOR will make every reasonable effort to provide clothing that suits the daily operational and safety needs of Lifeguards, Junior Lifeguard

Program staff, and W.A.T.E.R. Program participants, including but not limited to Sun Protection Factor and durable fabrics.

The Director and Chief Lifeguard may accept from SPONSOR any additional quantities of donated items listed above, as well as any new donated items not listed herein. All such items will be governed by the applicable rights and obligations contained in this Agreement.

B. Preferred Price Clothing

- i. If requested by COUNTY, SPONSOR will annually sell during each Agreement Year at the Preferred Price to the COUNTY Junior Lifeguard Program uniforms of varying quantities meeting quality and design standards as provided by COUNTY to SPONSOR for participants in that program, if the Preferred Price is competitive with that of other vendors. A Junior Lifeguard youth uniform for males will normally consist of a white t-shirt and navy blue watershorts and for female participants, a white t-shirt and one-piece navy blue swimsuit, each bearing the SPONSOR's Trademarks. This clothing is to be delivered by SPONSOR to COUNTY by April 15th of each Agreement Year the COUNTY requests such items, with the exception that SPONSOR may deliver these items by July 15th for the first Agreement Year.

SPONSOR must be given five months' lead time of the April 15th delivery date for orders placed on styles repeated from the prior year. New styles or alterations must be mutually agreed upon and approved by COUNTY and SPONSOR, and an order by the COUNTY for new styles or alterations must be placed seven months in advance of the April 15th delivery date.

- ii. If requested by COUNTY, SPONSOR will annually sell during each Agreement Year at the Preferred Price to the COUNTY Lifeguard National Team uniforms of varying quantities meeting the quality and design standards as provided by COUNTY to SPONSOR for approximately 60 Lifeguards, if the Preferred Price is competitive with that of other vendors. A Lifeguard National Team uniform will normally consist of a t-shirt, boardshorts, and a baseball cap, with all necessary silk screening and embroidery along with SPONSOR's Trademarks. This clothing is to be delivered by SPONSOR to COUNTY by April 15th of each Agreement Year that COUNTY requests such items, with the exception that SPONSOR may deliver these items by July 15th for the first Agreement Year.

SPONSOR must be given five months' lead time of the April 15th delivery date for orders placed on styles repeated from the prior year. New styles or alterations must be mutually agreed upon and approved by COUNTY and SPONSOR, and an order by the COUNTY for new styles or

alterations must be placed seven months in advance of the April 15th delivery date.

- iii. By mutual agreement, the COUNTY may purchase from SPONSOR at the Preferred Price additional clothing or clothing related items not listed herein for the Lifeguards, the Junior Lifeguard Program and/or the W.A.T.E.R. Program.

C. Fees and Expenses

- i. For the right to place SPONSOR's Trademarks on 158 Lifeguard Tower Signs, seven Dories, 1,000 Beach Towels, and one Competition Banner, the SPONSOR will pay the COUNTY an annual fee for each Agreement Year as follows:

First Agreement Year	---\$10,000
Second Agreement Year	---\$10,000
Third Agreement Year	---\$10,000
Fourth Agreement Year	---\$10,000
Fifth Agreement Year	---\$10,000
Sixth Agreement Year	---\$15,000
Seventh Agreement Year	---\$20,000
Eighth Agreement Year	---\$25,000
Ninth Agreement Year	---\$25,000
Tenth Agreement Year	---\$25,000

The fee is due July 1st of each Agreement Year, except that the fee for the first Agreement Year is due within 30 days after the commencement of the Agreement. Any payment not received within ten days of the due date shall be deemed a late payment. All late payments will accrue interest at an annual interest rate of 10%, beginning the day after the payment is due.

- iii. The SPONSOR will bear all costs for producing and providing replacement materials for the Lifeguard Tower Signs, as determined by the COUNTY and meeting all COUNTY requirements for their construction. This responsibility includes producing 250 Lifeguard Tower Signs for the first Agreement Year, as well as providing COUNTY with replacement signs, or materials if a sign can be repaired, when the existing signs are weathered, damaged by the elements or damaged by graffiti and/or vandalism. The SPONSOR will also bear all costs for any modifications or redesigns to the Lifeguard Tower Signs.
- iii. The SPONSOR will bear all costs for producing the 1,000 Beach Towels annually and one Competition Banner every two years. The SPONSOR will also bear all costs for adding the IZOD/LACO Lifeguard Logo and Tagline (if desired) to Beach Towels and Dories.

5. COUNTY Obligations

- A. Los Angeles County Lifeguards will wear only SPONSOR's products and shall use the Beach Towels during their on-duty shifts on the beaches or in the water.
- B. COUNTY shall conduct routine inspections of the Lifeguard Tower Signs. COUNTY shall repair within seven days any damaged, vandalized or graffitied signs. If damage, vandalism or graffiti to a Lifeguard Tower Sign is such that in the COUNTY's determination public safety in the area of the sign is endangered, COUNTY shall remove the Lifeguard Tower Sign. All Lifeguard Tower Signs and materials to be replaced by SPONSOR must be reinstalled by the COUNTY within seven days of receipt.
- C. The COUNTY will be responsible for removing and disposing of any or all of the Lifeguard Tower Signs at the end of this Agreement.
- D. The COUNTY will make a good faith effort to display the Competition Banner, in a clear and visible location, at as many Competitions as possible.
- E. The SPONSOR and COUNTY will work together to determine the appropriate placement of the IZOD/LACO Lifeguard Logo on Dories.

6. Term and Extension of Rights

This Second Amendment shall commence on the date it is executed by the Board of Supervisors and shall continue for five Agreement Years, subject to the possible extension of the Agreement and to the provisions concerning termination set forth below.

Subject to mutual consent in writing between the Director and SPONSOR, this Agreement may be extended for one five-year option period on the same terms and conditions specified in this Agreement. The SPONSOR must inform the Director in writing at least 180 days prior to the termination of the fifth Agreement Year if SPONSOR proposes to extend the Agreement, and Director shall respond to SPONSOR in writing at least 60 days prior to Agreement termination to advise whether such an extension will be granted.

7. Operation Expansion or Reduction

SPONSOR and COUNTY agree that in the event that the COUNTY's jurisdictional or operational authority on County Beaches is expanded or reduced, thereby affecting the extent of SPONSOR's ability to advertise its Product, both parties will in good faith promptly renegotiate this Agreement to take into account the increase or decrease in the size of operation. In renegotiation of the Agreement, the parties shall attempt to adjust the annual fixed payment and donated goods specified in Section 4

to reflect the increase or decrease in the square mileage of beach areas remaining under the COUNTY's jurisdictional or operational authority and portion of the Agreement Year affected.

If the reduction of COUNTY's control exceeds 50% of the area of County Beaches under its control as of the effective date of this Agreement, the SPONSOR may terminate this Agreement upon 90 days' written notice to COUNTY without incurring any further liability or monetary obligation to the COUNTY beyond the liability or monetary obligation incurred up to and including the termination date.

8. Indemnification

So long as not due to the COUNTY's recklessness, intentional malfeasance or gross negligence, SPONSOR agrees to indemnify, hold harmless and defend the COUNTY and its Special Districts, elected and appointed officers, including without limitation its Supervisors and Board of Supervisors, employees, agents and successors, from and against any and all liability and expense, including but not limited to demands, claims, or lawsuits for injuries or damages of any nature whatsoever, defense costs, legal fees and workers compensation benefits, resulting from or in any way attributable to any items produced, placed, maintained, distributed or warranted by SPONSOR, its employees, contractors, agents, servants, receivers, successors or assignees in connection with this Agreement, and further including any claims of illegal competition or trade practices or of false or deceptive advertising, common-law and/or statutory, arising out of, connected with or as a result of this Agreement, and SPONSOR will bear all costs of litigation, including attorney's fees, in defending the COUNTY against any lawsuits alleging same.

9. Default and Termination

A. A party shall be deemed to be in default of this Agreement upon one or both of the following conditions:

- 1) The breaching party fails to perform its obligations under this Agreement, after 30 days' written notice by the other party describing the nature and extent of the failed performance. However, if the occurrence of such failure to perform is due to fire, earthquake, or other events reasonably beyond the control of the breaching party, the non-breaching party shall grant a reasonable extension of time within which the breaching party may meet its obligations. The length of time for such extensions shall be determined by the non-breaching party; or
- 2) The breaching party becomes bankrupt or insolvent, or enters into liquidation, or has a receiver appointed and is prevented from fulfilling its obligations. SPONSOR shall be deemed to be insolvent if it has ceased to pay its debts in the ordinary course of

business or cannot pay debts as they become due, whether or not it has committed an act of bankruptcy or not, whether it has filed for bankruptcy or not, whether it has filed for federal bankruptcy protection and whether it is insolvent within the meaning of federal bankruptcy law.

- B. Upon the occurrence of either of the foregoing conditions, the non-breaching party shall have the right to terminate this Agreement within 60 days after serving written notice to the breaching party. Any adjudication of rights arising as a result of default under this Agreement shall be limited to a determination of monetary damages due. Also, COUNTY shall not be liable for any consequential damages that might accrue as a result of default or termination of this Agreement.
- C. COUNTY shall not be held liable for any damages caused to SPONSOR by virtue of COUNTY's failure to perform any obligation hereunder when said failure to perform is a result of a court order issued by a court of competent jurisdiction.
- D. In the event of termination of this Agreement, by default or by early expiration of this Agreement, all donated Lifeguard Clothing, Junior Lifeguard Program staff uniforms, W.A.T.E.R. Program participant clothing, Lifeguard Tower Signs, Beach Towels and Competition Banner shall become property of the COUNTY.
- E. No portion of cash payments made pursuant to Section 4 above shall be refunded to the SPONSOR upon termination pursuant to this section.

10. Approval Process

COUNTY shall request SPONSOR's approval in writing and must obtain prior approval for all proposed designs for all clothing, Lifeguard Tower Signs, Beach Towels, Dories, and Competition Banner.

11. Waiver

Failure or inability of either party to enforce any right hereunder shall not waive or modify any right to enforce said right in the future.

12. Notices

All notices and statements to be given hereunder shall be given at the respective addresses of the parties as set forth below, unless notification of a change of address is given in writing. Any notice concerning this Agreement shall be sent by registered or certified mail and shall be effective upon receipt. The addresses for notice and agents for service of process are:

COUNTY Department of Beaches and Harbors
13837 Fiji Way
Marina del Rey, CA 90292
Attention: Dorothy Crane

SPONSOR Phillips-Van Heusen Corporation/IZOD
200 Madison Avenue
New York, NY 10016
Attention: Malcolm Robinson

13. Assignment and Delegation

SPONSOR shall not assign any of its rights or delegate any of its duties under this Agreement to any party without the prior written consent of the COUNTY. Any delegation of duties or assignment of rights under this Agreement without consent of the COUNTY shall be null and void and shall constitute a breach for which the Agreement may be terminated. However, SPONSOR can use its exclusive licensees to produce any or all items provided to COUNTY through this Agreement.

14. Compliance with Law, Rules and Regulations

SPONSOR shall comply with all applicable federal and state laws and regulations, as well as all municipal and COUNTY ordinances, rules and regulations, including but not limited to those relating to the Los Angeles County Department of Beaches and Harbors and the Los Angeles County Fire Department.

15. County Lobbyist

SPONSOR agrees that each "County Lobbyist" as defined in Los Angeles County Code Section 2.160.010, retained by the SPONSOR, shall fully comply with the COUNTY Lobbyist Ordinance that is set forth in Los Angeles County Code Chapter 2.160. Failure on the part of any County Lobbyist retained by the SPONSOR to comply with the COUNTY Lobbyist Ordinance shall constitute a material breach of this Agreement upon which the COUNTY may immediately terminate this Agreement, upon written notice thereof to SPONSOR.

16. Severability of Provisions

Should any individual provision of this Agreement be declared void, the validity of the remainder of this Agreement will not be affected and will remain in full force and effect.

17. Arbitration of Disputes

The parties agree to meet and confer to resolve any and all disputes arising out of this Agreement. Should the parties fail to reach an agreement to resolve the dispute, the

parties shall submit the dispute to the American Arbitration Association for non-binding arbitration. Arbitration shall be conducted pursuant to the Commercial Arbitration Rules of the American Arbitration Association and the laws of the State of California. The location for the arbitration shall be within the County of Los Angeles or at a mutually agreeable location. Submission of any dispute as set forth herein shall not waive the rights and remedies of the parties to enforce the Agreement.

18. No Joint Venture

Nothing herein contained shall be deemed to constitute this a joint venture or partnership between the parties and neither of them shall have the power to bind the other in any way, and neither shall be responsible for any obligations of the other, except as herein specifically provided.

19. Termination for Improper Consideration

COUNTY may, by written notice to SPONSOR, immediately terminate the right of SPONSOR to proceed under this Agreement if it is found that consideration, in any form, was offered or given by SPONSOR, either directly or through an intermediary, to any COUNTY officer, employee or agent with the intent of securing the Agreement or securing favorable treatment with respect to the award, amendment for extension of the Agreement or the making of any determinations with respect to the SPONSOR's performance pursuant to the Agreement. In the event of such termination, COUNTY shall be entitled to pursue the same remedies against SPONSOR as it could pursue in the event of default by the SPONSOR.

SPONSOR shall immediately report any attempt by a COUNTY officer or employee to solicit such improper consideration. The report shall be made either to the COUNTY manager charged with the supervision of the employee or to the COUNTY Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861.

Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

20. Headings

The headings of the paragraphed Sections of this Agreement are for convenience and reference only, and shall not define or limit any of the terms or provisions hereof.

21. Amendments

Except as otherwise provided herein, this Agreement shall not be modified or changed unless said modification is in writing and signed by the parties and shall not be effective until approved by the Board of Supervisors. Only amendments to the Agreement that do not change any material term or condition of the Agreement,

increase the COUNTY's financial responsibility or impose additional liability on the COUNTY may be executed by the Director and SPONSOR without approval of the Board of Supervisors.

22. Governing Law

This Agreement and all of its terms and conditions thereof shall be governed by and construed in accordance with the laws of the State of California. SPONSOR agrees that this Agreement was entered into in Los Angeles County and that the exclusive jurisdiction and venue of any judicial action arising from or connected with this Agreement shall be in the courts of the State of California located in Los Angeles County, California.

23. Entire Agreement

This Agreement is complete and contains the entire understanding between the parties relating to the subject matter herein contained.

IN WITNESS WHEREOF SPONSOR has executed this Agreement, or caused it to be duly executed, and County of Los Angeles, by order of its Board of Supervisors, has caused this Agreement to be executed on its behalf by the Chairman of said Board and attested by the Executive Officer-Clerk of the Board thereof, the day and year first above written.

(SPONSOR ACKNOWLEDGMENT)

SPONSOR

Phillips-Van Heusen Corporation

By: Mark Fischer
Mark Fischer
Senior Vice President

STATE OF NEW YORK}
COUNTY OF NEW YORK}

On JUNE 7, 2007, before me the undersigned notary public, personally appeared Mark Fischer, to me known, being duly sworn, did depose and say that he is Vice President, General Counsel and Secretary of Phillips-Van Heusen Corporation, the corporation being described in and which executed this instrument, and acknowledged that he executed it in such capacity on such corporation's behalf.

Michelle O'Donnell
Notary Public

MICHELLE O'DONNELL COUNTY OF LOS ANGELES
Notary Public, State of New York
No. 010D6102929
Qualified in Suffolk County
Commission Expires Dec. 08, 2007

Ben Yassela
Chairman, Board of Supervisors

ATTEST

SACHI A. HAMAI
Executive Officer-Clerk
of the Board of Supervisors

By: Dem
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By: Tracy Surran
Deputy



I hereby certify that pursuant to Section 25103 of the Government Code, delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Directors

By: Dem
Deputy

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

► # 34

JUN 26 2007

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER



Exhibit A
Beach Towel
With IZOD/LACO Lifeguard Logo
Without Tagline

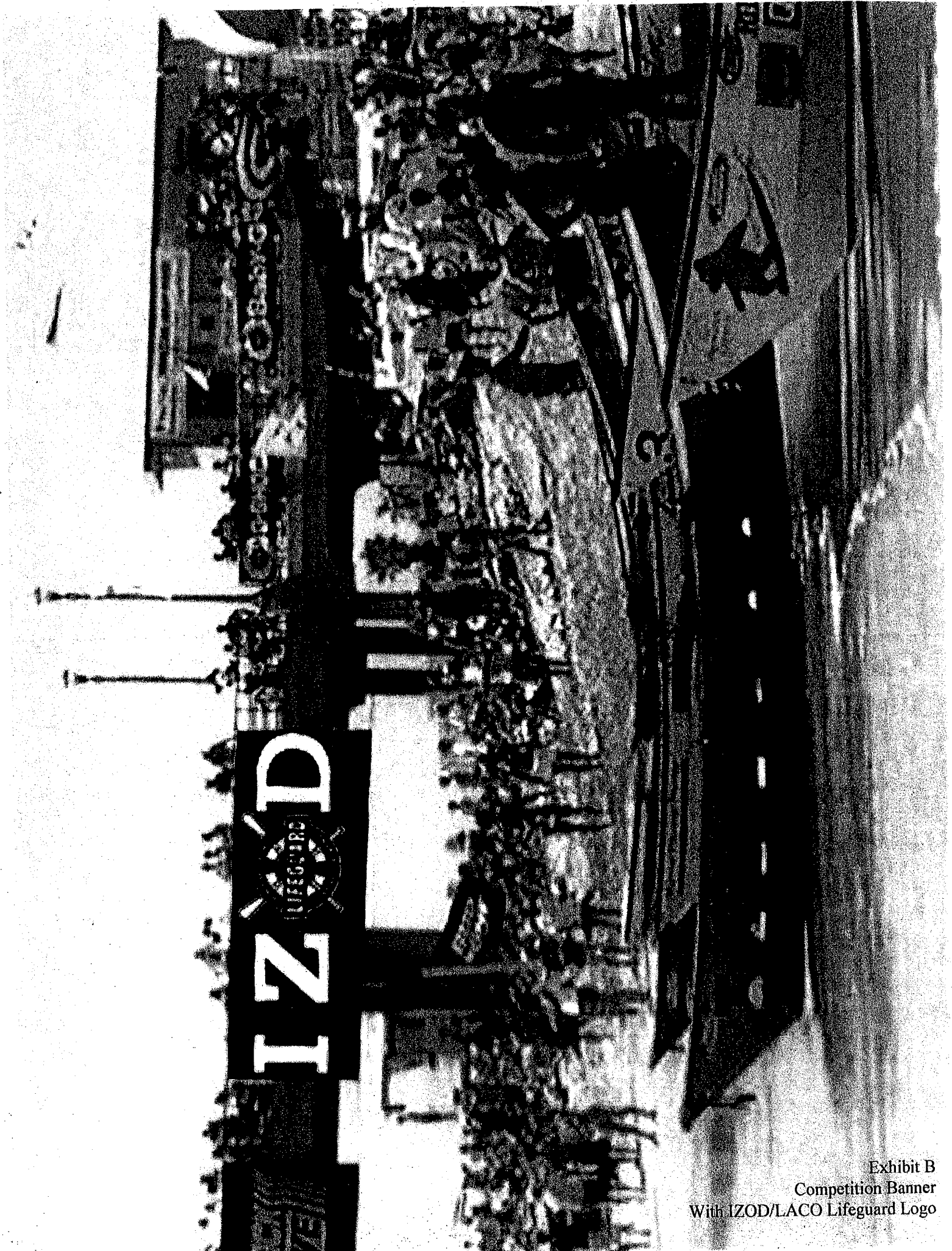


Exhibit B
Competition Banner
With IZOD/LACO Lifeguard Logo

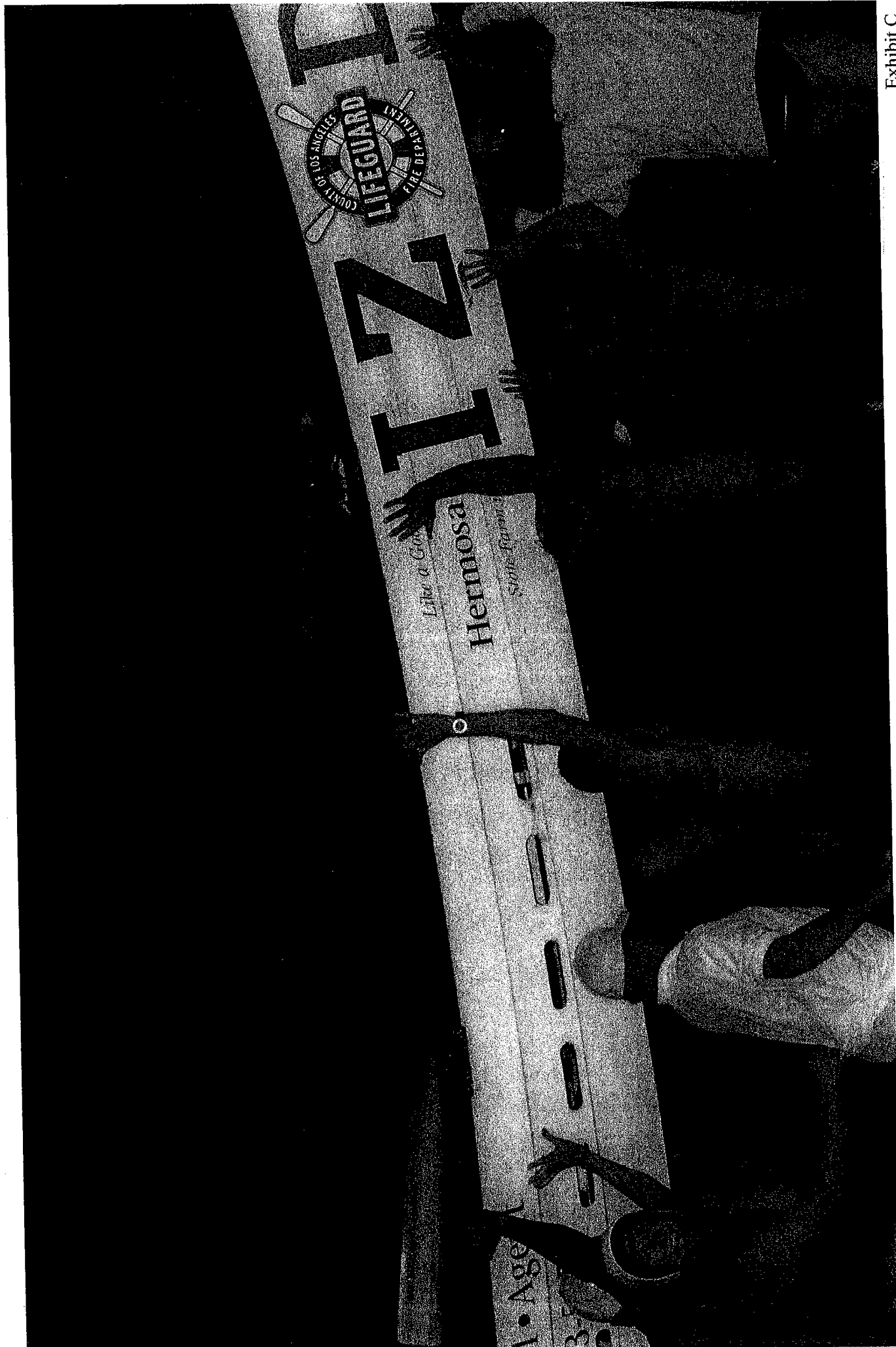


Exhibit C
Lifeguard Dory
IZOD/LACO Lifeguard Logo

A



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I



Exhibit E1
Lifeguard Clothing
Floppy Hat



Exhibit E2
Lifeguard Clothing
Knit Hat



Exhibit E3.1
Lifeguard Clothing
Women's Two-Piece Suit (Front View)

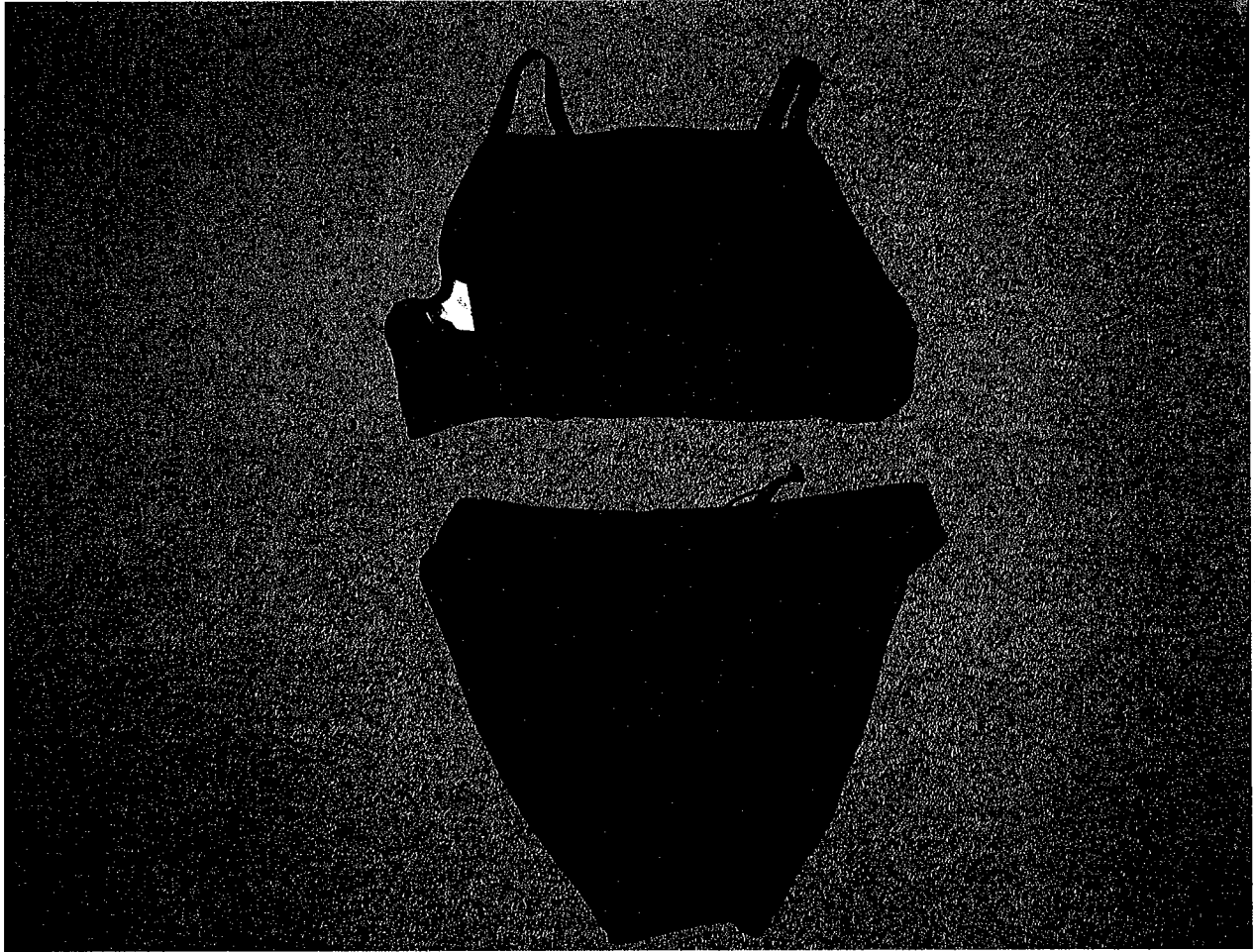


Exhibit E3.2
Lifeguard Clothing
Women's Two-Piece Suit (Back View)



Exhibit E4.1
Lifeguard Clothing
Women's One Piece Suit (Front View)

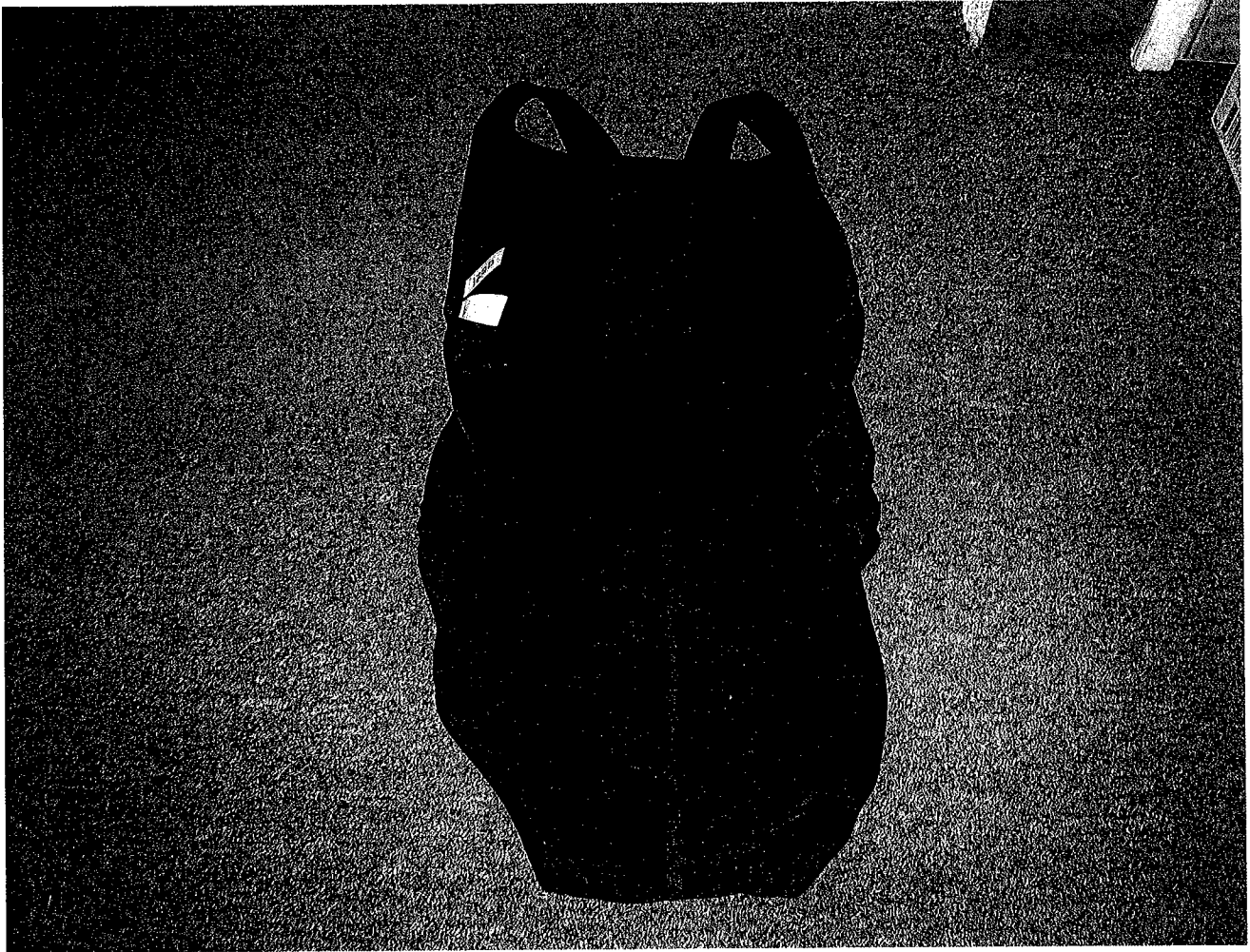


Exhibit E4.2
Lifeguard Clothing
Women's One-Piece Suit (Back View)



Exhibit E5.1
Lifeguard Clothing
Boardshorts (Front View)



Exhibit E5.2
Lifeguard Clothing
Boardshorts (Back View)

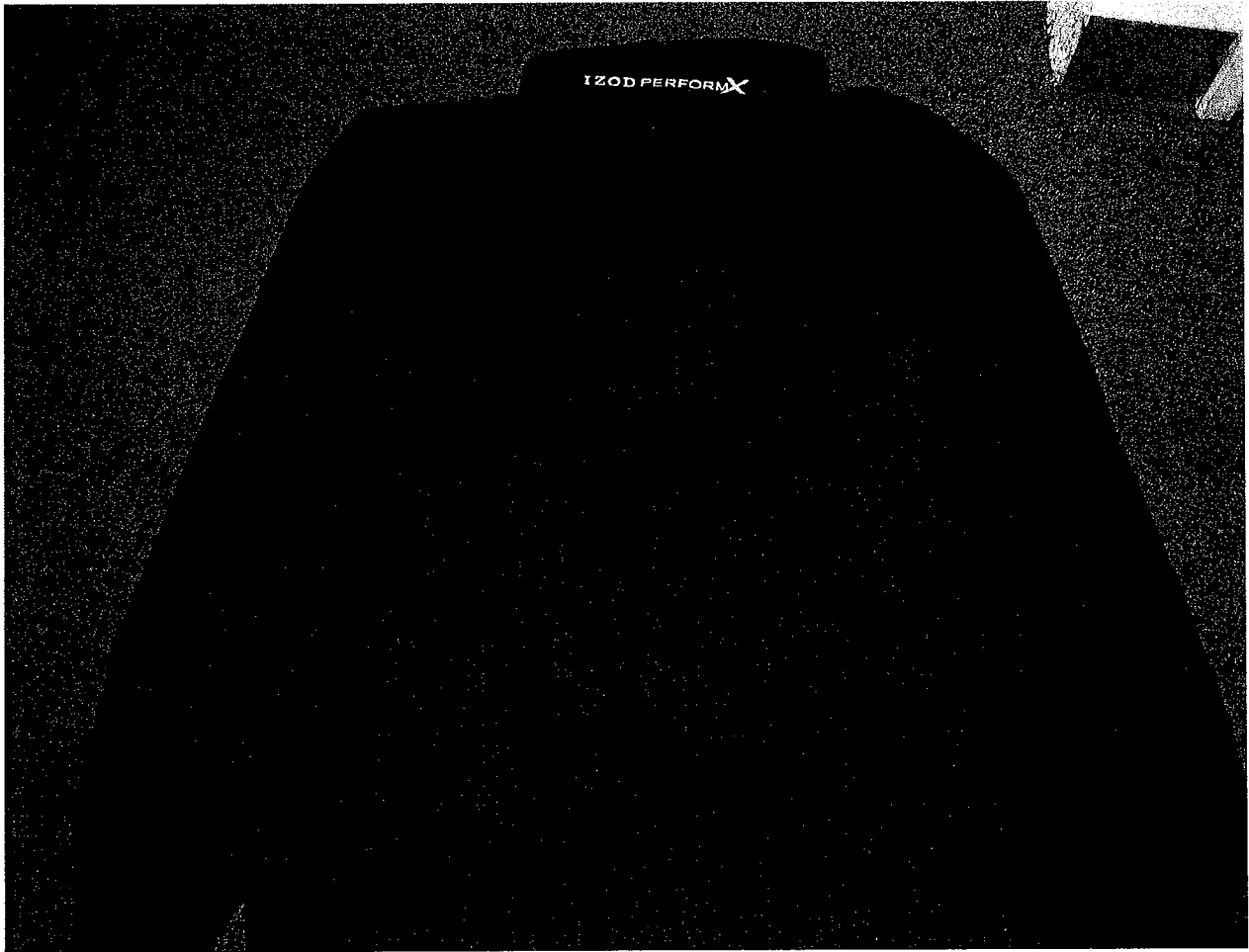


Exhibit E6.1
Lifeguard Clothing
Heavy Weight Jacket (Back View)



Exhibit E6.2
Lifeguard Clothing
Heavy Weight Jacket (Front View)



Exhibit E7
Lifeguard Clothing
Short-sleeve Polo Shirt



Exhibit E8
Lifeguard Clothing
Sweat Pants (Front and Back Views)

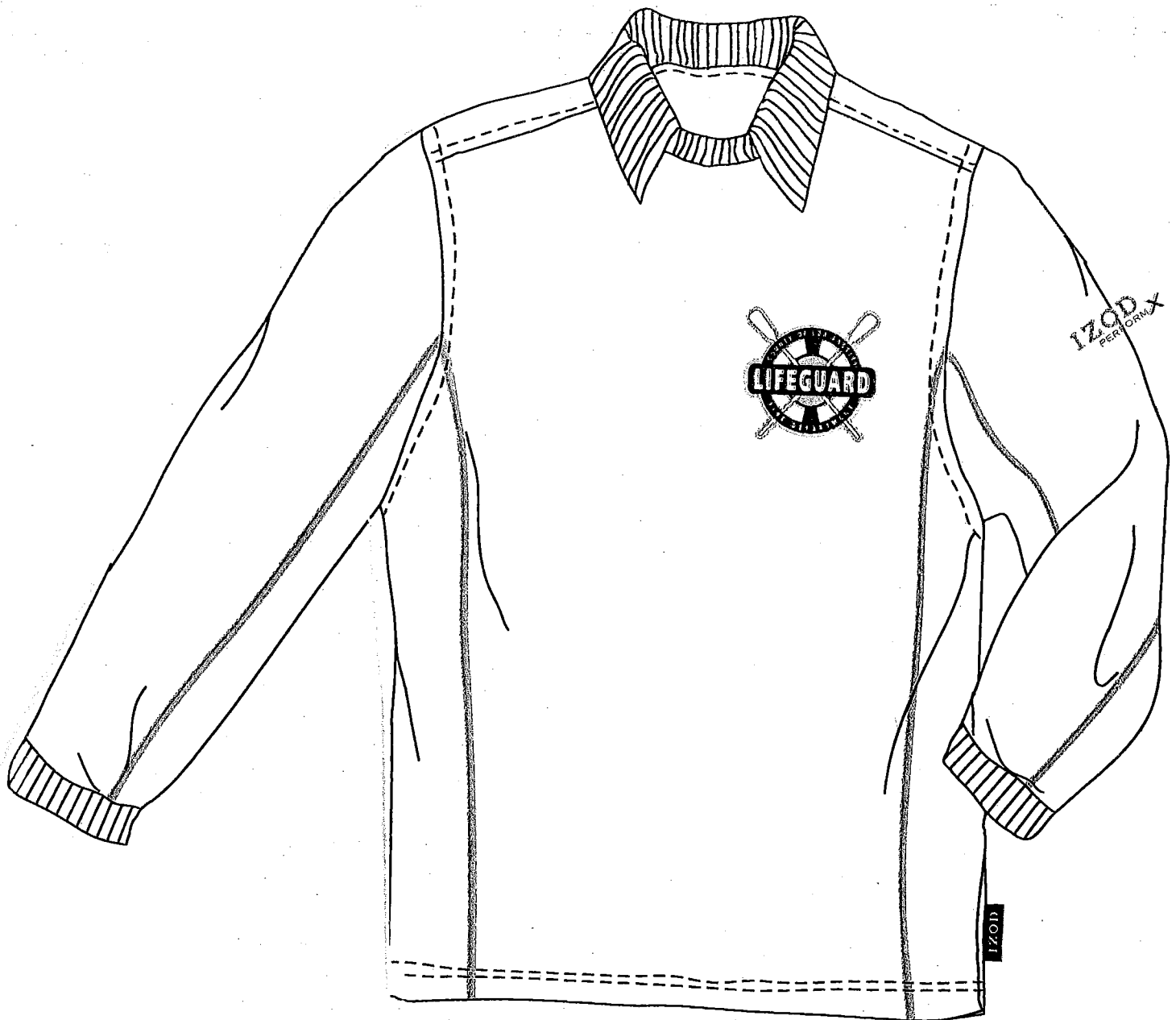


Exhibit E9
Lifeguard Clothing
Long-sleeve Polo Shirt



Exhibit E10.1
Lifeguard Clothing
Sweat Shirt with Half-zipper (Front View)



Exhibit E10.2
Lifeguard Clothing
Sweat Shirt with Half-zipper (Back View)

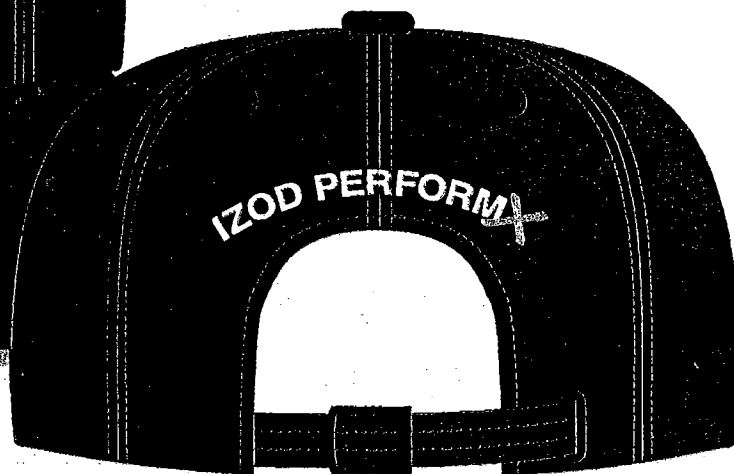


Exhibit E11
Lifeguard Clothing
Baseball Cap (Front and Back Views)



Exhibit E12.1
Lifeguard Clothing
Light Weight Jacket (Front View)
Windbreaker

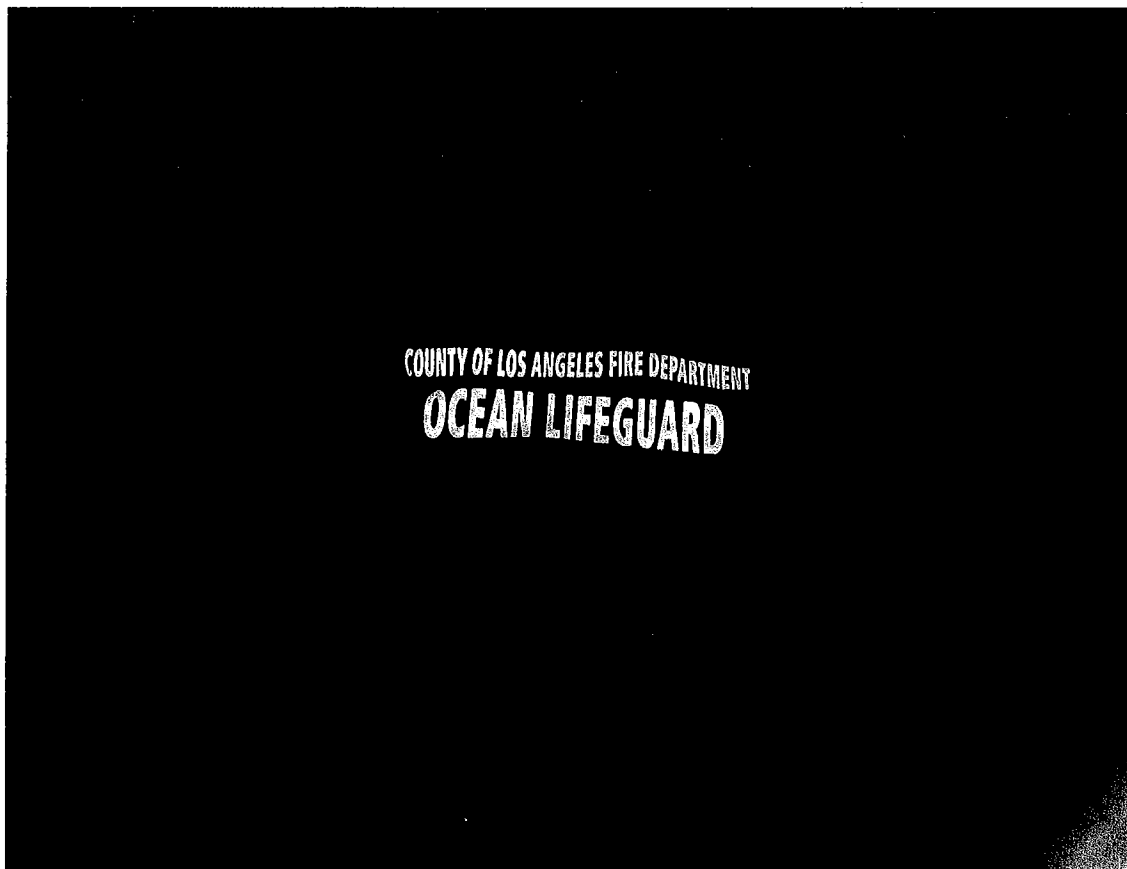


Exhibit E12.2
Lifeguard Clothing
Light Weight Jacket (Back View)
Windbreaker



Exhibit E13.1
Lifeguard Clothing
Water Shorts (Front View)

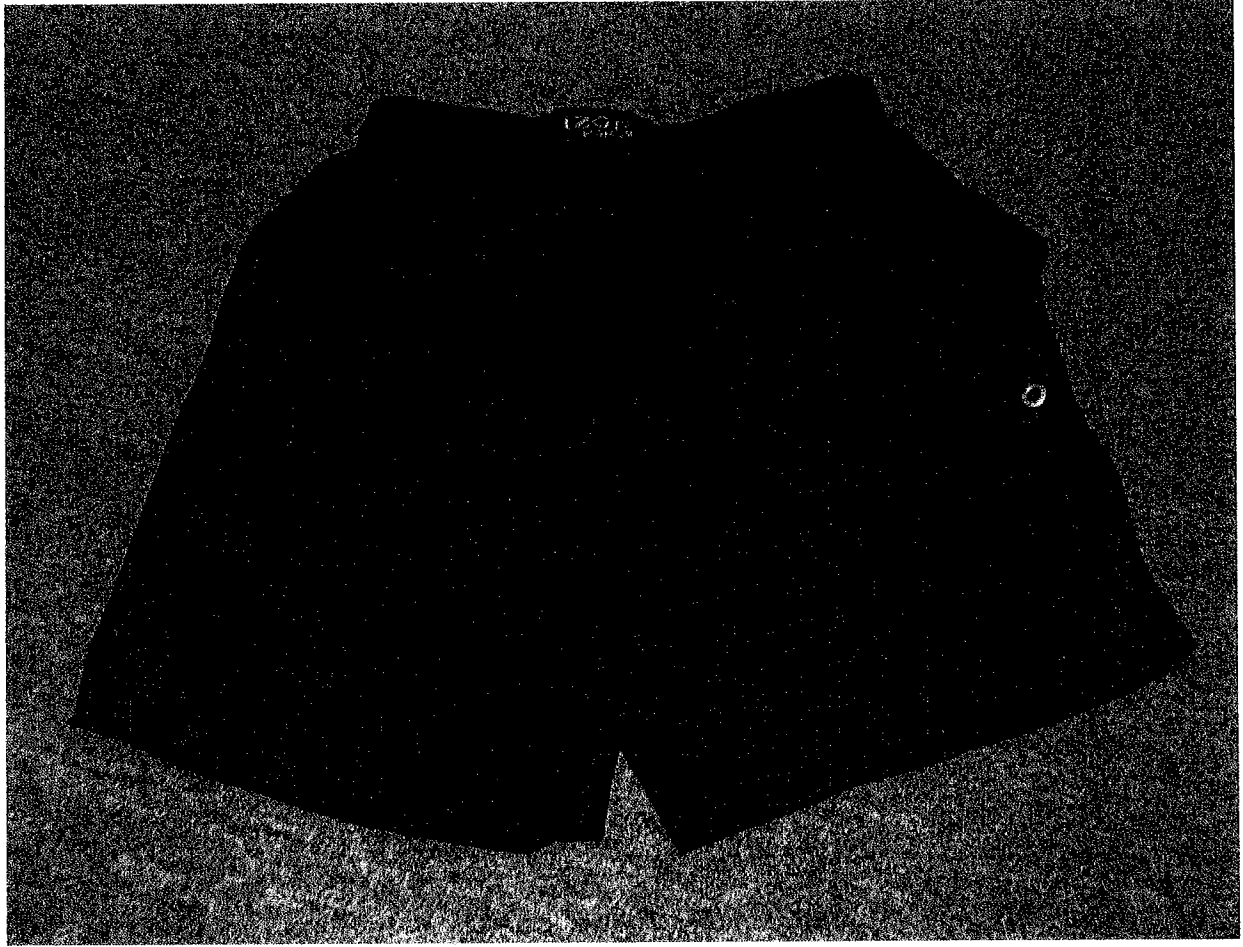
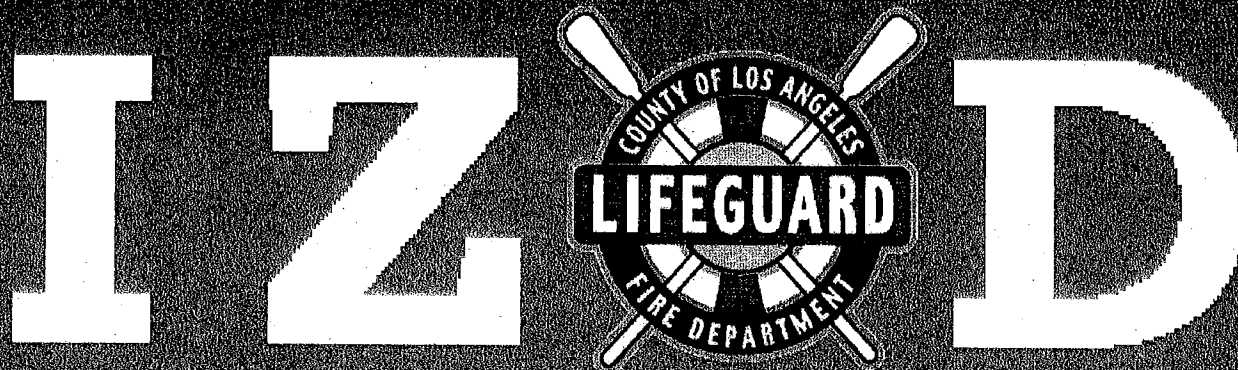


Exhibit E13.2
Lifeguard Clothing
Water Shorts (Back View)





OFFICIAL CLOTHING SPONSOR OF THE
LOS ANGELES COUNTY BEACH LIFEGUARDS

FOR THE LATEST INFORMATION

ON BEACH ADVISORIES,

WATER QUALITY, WEATHER CONDITIONS,

UPCOMING EVENTS AND

PUBLIC ANNOUNCEMENTS, VISIT

WWW.**WatchTheWater**.ORG

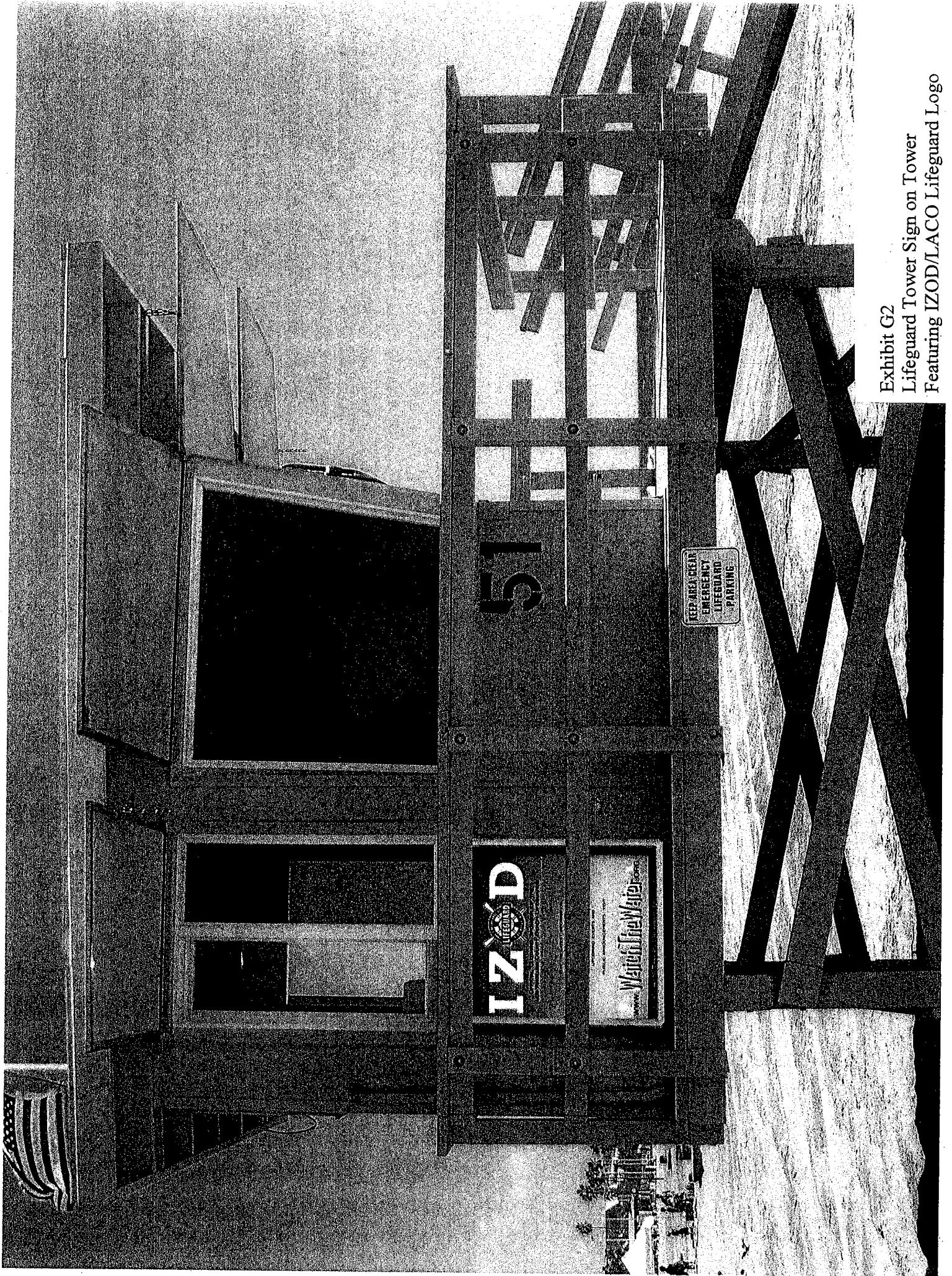
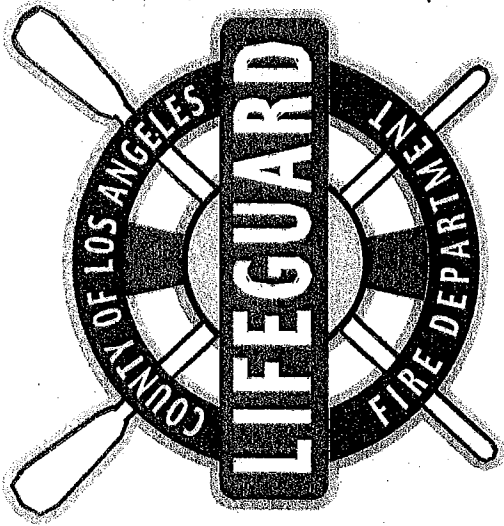


Exhibit G2
Lifeguard Tower Sign on Tower
Featuring IZOD/LACO Lifeguard Logo

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D

Official Clothing Sponsor of the Los Angeles County Beach Lifeguards

Exhibit H
Tagline

Including IZOD/LACO Lifeguard Logo