LIQUOR AND BEER MEETING LOCAL LICENSING AUTHORITY CITY OF GRAND JUNCTION, COLORADO MUNICIPAL HEARING ROOM, CITY HALL, 250 NORTH 5TH STREET

MINUTES WEDNESDAY, JUNE 15, 2016, 2:00 P.M.

HEARING OFFICER MICHAEL GRATTAN

I. CALL TO ORDER

The meeting was called to order at 2:00 p.m. Those present were Hearing Officer Michael Grattan, City Attorney John Shaver, and Deputy City Clerk Juanita Peterson.

II. APPLICATIONS TO RENEW LIQUOR AND BEER LICENSES

- 1. El Tapatio, LLC dba El Tapatio, 1145 North Avenue, Grand Junction, CO 81501, Hotel and Restaurant **MOVED TO LAST ON THE AGENDA**
- 2. JJ's Cruisers, LLC dba Cruisers, 715 Horizon Drive, Suite 100, Grand Junction, CO 81506, Tavern
 - James Hadrath and Jon U-Ren, Owners, were present.
 - The renewal for JJ's Cruisers, LLC dba Cruisers was found to be in order and approved.
- 3. Hilda M. Landeros dba Taqueria Guadalajara, 719 Pitkin Avenue, Grand Junction, CO 81501, Hotel and Restaurant
 - No one was present representing the applicant. The renewal for Hilda M. Landeros dba Tagueria Guadalajara was found to be in order and approved.
- 4. Main Street Management, LLC dba Spring Hill Suites, 236 Main Street, Grand Junction, CO 81501, Tavern with Outdoor Dining Lease
 - No one was present representing the applicant. The renewal for Main Street Management, LLC dba Spring Hill Suites was found to be in order and approved.
- 5. Kuniko Corporation dba Kuniko's Teriyaki Grill, 2696 Patterson Road Unit #11, Grand Junction, CO 81506, Beer and Wine
 - No one was present representing the applicant. The renewal for Kuniko Corporation dba Kuniko's Teriyaki Grill was found to be in order and approved.
- 6. Safeway Store Forty Six, Inc. dba Safeway Store #2625, 681 Horizon Drive, Grand Junction, CO 81506-1901, 3.2% Beer (Off Premises)

No one was present representing the applicant. The renewal for Safeway Store Forty Six, Inc. dba Safeway Store #2625 was found to be in order and approved.

III. APPLICATION FOR CHANGE IN CORPORATE STRUCTURE

1. Rosco's, Inc. dba Kannah Creek Brewing Company, 1960 N. 12th Street, and Edgewater Brewery, 905 Struthers Avenue, Grand Junction, CO 81501 – Reallocation of stock ownership

President/VP: James P. Jeffryes, 32.54%

Secretary/Treasurer: Bernadette Jeffryes, 42.65%

Investors: Eric Ross, 9.93%, Christina Ross, 9.93%, Shane Dixon, 3.68%, and

Tosha Dixon, 3.68%

No one was present representing the applicant for these changes. Hearing Officer Grattan entered the reallocation breakdown of the stock ownership as Exhibit A (see attached) into the record. Four members had stock ownership reduced and two new investors were added. Both were approved.

IV. APPLICATION FOR SPECIAL EVENT PERMIT

March of Dimes Foundation, 634 Main Street, Grand Junction, CO 81501 –
 MUDD Volley Ball – 2016, July 23, 2016 from 9:00 a.m. to 4:30 p.m., located at 745 23 Road, Grand Junction, CO 81501

Executive Director: Polly S. Kennedy, 544 Jarrad Avenue, Rifle, CO 81650

Ms. Polly Kennedy, Executive Director, was present.

City Attorney Shaver provided Ms. Kennedy with three documents, the first two marked with an "A" and the third one marked with a "B" and asked Ms. Kennedy if she has personal knowledge of those documents. Ms. Kennedy said yes. City Attorney Shaver asked why she is familiar with these. Ms. Kennedy said she completed them as part of the paperwork for this event from copies of the paperwork previous Special Events held by the March of Dimes. City Attorney Shaver asked Ms. Kennedy to describe the event. Ms. Kennedy said it is a fundraiser for March of Dimes and it is her first year as the Executive Director but this will be the fourth year for the MUDD Volleyball fundraiser. City Attorney Shaver asked how they came up with the number of attendees that are expected. Ms. Kennedy said from previous years but it looks like there will only be about 350 – 400 who have pre-registered. City Attorney Shaver asked Ms. Kennedy about the diagram marked with a "B", and to describe the roped off area. Ms. Kennedy said that is where the beer will be contained and also located in the roped off area is the check-in, shade, bathrooms, volleyball pits, showers, food and drinks. City Attorney Shaver asked Ms. Kennedy how it will be roped off. She described orange cones and rope. She said ID's will be checked at check-in and over 21 will be given a wristband. She said she just

took the City of Grand Junction's Seller/Server training that was offered yesterday at City Hall along with other volunteers they will have at the event. City Attorney Shaver asked about security provided. Ms. Kennedy said it will be the DD Group and they will be present the night before the event until the end.

Hearing Officer Grattan entered Exhibits "A" and "B" (see attached) into the record. He asked if there was anyone present in opposition of this application.

There was no one.

Hearing Officer Grattan found that pursuant to Colorado State Statutes 12-48-106, there are no grounds to deny the special events permit, it would not be injurious to the public welfare because of the nature of the special event (it is a fundraiser), its location within the community, or the failure of the applicant in a past special event to conduct the event in compliance with applicable law. He found that the application for a special events permit submitted by March of Dimes Foundation dba MUDD Volleyball was in order and approved it.

V. <u>APPLICATION FOR TRANSFER OF OWNERSHIP</u>

 Pueblo Magico Authentic Mexican Restaurant, LLC dba Pueblo Magico Authentic Mexican Restaurant, 2839 North Avenue, Grand Junction, CO 81501, Hotel and Restaurant from Robert Schlagel dba Bobby's, 2839 North Avenue, Grand Junction, CO 81501

Member: Henry Cisneros, 447 ½ Doris Road, Grand Junction, CO 81504

Henry Cisneros, Member, was present.

Ms. Peterson reported the paperwork was in order, all the reports are in compliance, and Mr. Cisneros is operating on a temporary permit.

City Attorney Shaver asked Ms. Peterson to clarify the Transfer of Ownership; he believed this property was abandoned. Ms. Peterson said Mr. Cisneros along with the owner of the building worked very hard to locate Mr. Schlagel to ask him to sign the Affidavit of Transfer over to Pueblo Magico Authentic Mexican Restaurant. Mr. Cisneros would have just applied for a new license if that was not possible.

Hearing Officer Grattan asked if there was anyone present in opposition of this transfer request. There was no one.

Hearing Officer Grattan approved the Transfer of Ownership from Robert Schlagel dba Bobby's to Pueblo Magico Authentic Mexican Restaurant, LLC dba Pueblo Magico Authentic Mexican Restaurant located at 2829 North Avenue, Grand Junction, Colorado.

VI. APPLICATIONS FOR NEW LICENSE - RESOLUTION, FINDINGS, AND DECISION

 GJBlues, LLC dba Ella's Blues Room, 336 Main Street, Grand Junction, CO 81501, Hotel and Restaurant with Outdoor Dining Lease

Member: Paul Northup, 322 Hearthstone, Grand Junction, CO 81507 Member: Jeffrey Davis, 2719 Eden Court, Grand Junction, CO 81506

Mr. Jeffrey Davis, Managing Member, was present along with two employees who conducted the needs and desires survey for this applicant.

Ms. Peterson reported that the paperwork was in order and submitted to the State for a concurrent review. CBI background check is pending along with the location still being under construction. A final inspection from the Fire and Health Departments will be conducted prior to the Certificate of Occupancy (CO) being issued. The sales tax report is in compliance.

Mr. Jeffrey Davis introduced Mr. Shannon Ludeman and Ms. Gita Yost.

Ms. Peterson read the results of the needs and desires survey (see attached) into the record.

City Attorney Shaver asked Ms. Ludeman and Ms. Yost if they conducted the survey together or separate. Ms. Ludeman responed separately. City Attorney Shaver asked both of them if they believe the results Ms. Peterson read into the record to be true and accurate. They indicated yes. City Attorney Shaver asked Mr. Ludeman when she conducted the survey. Ms. Ludeman said it was done in the middle of May, and she did only the businesses. She said she walked Main Street and conducted the survey. City Attorney Shaver asked about there being no opposition from any of the businesses. She said that was true, every one of the businesses were in favor of it. City Attorney Shaver asked Ms. Yost about the residential that was surveyed. Ms. Yost said she went out on Wednesday, Friday, and the following Tuesday between 4:00 p.m. and 7:00 p.m. City Attorney Shaver asked Ms. Yost about no opposition of the residential area. Ms. Yost said there were three – one person was on the phone, one did not like alcohol, and the third person just did not want to sign the petition.

Hearing Officer Grattan asked where this location is at. Mr. Davis said 336 Main Street in the restaurant area where the Local was last located. Hearing Officer Grattan said to his knowledge there has been several restaurants in this same location.

Hearing Officer Grattan asked if there was anyone present who opposed the issuance of this license. There was no one.

Ms. Peterson said that at the City Council Meeting that evening the Outdoor Dining Lease will be considered.

Hearing Officer Grattan approved the issuance of the new hotel and restaurant liquor license. The City Clerk's office will prepare a resolution for the Hearing Officers signature.

VII. OTHER BUSINESS

 Oceanic Grand Junction, LLC dba Hideaway Lounge, 718 Horizon Drive, Grand Junction, CO 81506, Tavern – Review of Noise Issues

Raj Chokshi, Consultant for Oceanic Grand Junction, LLC, and Susan Meders, Manager, representing Oceanic Grand Junction, LLC and Mr. David Miller with Citadel Security were present.

Hearing Officer Grattan started by having Mr. Chokshi update him on the issue from the February 17, 2016 Liquor and Beer meeting when Mr. Chokshi said he had hired a sound engineer to address the noise level but he was from California. Mr. Chokshi said that did not get done, so he has checked with several other places more local and the cost is from \$6,300 to \$9,800 which he believes is just too expensive for Hideaway Lounge (see proposal attached). He said Mr. Miller with Citadel Security is present to update the Authority on how they have been checking the noise levels in the ballroom as well as outside the building. Mr. Miller said not only have they learned by placing vehicles differently outside helps to block the noise from carrying up the hill to the neighborhood, doing four spot checks during the events and checking the readings, they believe the decibel readings are better and have been consistent. They keep it under 100 decibels in the room, if it goes any higher, there are issues outside. They have had to shut down one event, which was a heavy metal group on the 4th of April.

Mr. Chokski gave City Attorney Shaver and Hearing Officer Grattan records of all the events and the decibel readings from those events.

City Attorney Shaver reviewed the documents and questioned the applicant about the March 18, 2016 event in which five Grand Junction Police Department officers showed up for a noise compliant. Mr. Chokski and Ms. Meders said that was not due to an event in the ballroom but guests staying at the hotel in the parking lot. City Attorney Shaver asked Mr. Chokski to get copies of these reports to the City Clerk's office.

Hearing Officer Grattan expressed his concerns are for the neighborhood, but told the applicant this is a step in the right direction and he appreciates their good faith showing to get this issue under control.

Hearing Officer Grattan asked Mr. Miller what his background was in relation to this matter. Mr. Miller said he was in various positions in radio and broadcasting so he understands the issues within the building and how sound is absorbed. The hotel provides the meter for the readings, and then they are logged per event.

Hearing Officer Grattan said what he would like to do is have a meeting in the hotel ballroom one evening, invite the neighborhood, and make sure there are no other issues. He would ask the staff to do a demonstration for the Hearing Officer and

City Attorney Shaver on the good efforts being done for this noise issue with the decibel readings.

Mr. Chokski, Ms. Meders, and Mr. Miller were all in agreement. Hearing Officer Grattan said he was thinking in about 30 to 45 days. He asked Mr. Chokski to look at the bookings in the room and on a free night, give a few dates to Ms. Peterson and she will be in contact to make sure his calendar and City Attorney Shaver's calendar is available before confirming a date.

2. El Tapatio, LLC dba El Tapatio, 1145 North Avenue, Grand Junction, CO 81501, Hotel and Restaurant – **MOVED TO LAST ON THE AGENDA**

Ms. Peterson reported that she just received the Police Report on the owner and the establishment. It showed Mr. Espinoza was cited for Indecent Exposure on September 27, 2015 and that Mr. Espinoza plead guilty and paid a fine. Mr. Espinoza did not disclose this on question 3 of the renewal.

Ms. Peterson said she would contact Mr. Espinoza by letter to have him appear to explain why he did not disclose this, let him know this renewal has been continued, and ask him to appear.

Hearing Officer Grattan and City Attorney Shaver concurred.

VIII. ADJOURNMENT – 2:58 p.m.

NEXT REGULAR MEETING – July 6, 2016



Rosco's Inc Ownership

		previous ownersip	new ownership	
James P	Jeffryes	32.54%	30.15%	President/Vice President
Bernadette	Jeffryes	46.03%	42.65%	Secretary/Treasurer
Eric P	Ross	10.71%	9.93%	Investor
Christina E	Ross	10.71%	9.93%	Investor
Shane	Dixon	0.00%	3.68%	Investor
Tosha	Dixon	0.00%	3.68%	Investor
	Total	100%	100%	

A A

SPECIAL EVENT PERMIT QUESTIONNAIRE AND AFFIDAVIT

1.	Name of Event: MUDD Volleyball
2.	How many attendees are expected at this event?
3.	Has the event been held in the past? If so, how many years? Yes, 3
4.	Have there ever been any violations or citations issued during the event in the past?
5.	Describe the premises at which this event will take place. 745 23 Road is 45 acres of raw land
6.	What type of security will be provided at this event? March of Dimes has hired a professional security company, the DD Group to handle all security
	Alan Foust (505)330-0313
7.	How many security personnel will be on hand? 6-8
8.	How will security personnel be identified? Professional Uniforms
9.	If this event is being held outdoors, how will the exterior boundaries of the premises be marked (i.e., roped, fenced, etc.)? Fenced
10.	What method will be used in checking identification for proper age of attendees (i.e., at the door at the bar, etc.) and how will underage patrons be identified so as not to be served alcohol beverages (i.e., stamp or mark on the hand, etc.)
	Security will perform ID checks at registration and participants partaking in alcohol consumption will be
	identified by wrist bands. Beverage tickets must be purchased.

11.	How will the conduct and level of intoxication of attendees be monitored and by whom?
	Hired security company will be tasked with intoxication control and monitoring
12.	Have the volunteers or members of your organization been trained in the sale/service of alcohol beverages?
	Yes
7	
13.	What types of alternate beverages and food/snacks will be available?
	Water, non-alcoholic beverages will be available. Food trucks will be on site for food purchases.
14.	Has a State and City Sales Tax Number been initiated by you or a member of your organization? I so, provide those numbers in the space provided.
	29918202 78-62633-0000
	*
	eby certify, under penalty of perjury, that the information provided to the Grand Junction Liquor asing Authority contained in this affidavit is true and accurate to the best of my knowledge.
	Pour 5 Kmy Date 5/11/14
Appli	cant's Signature Date 5/11/14
COUN	E OF COLORADO) NTY OF MESA) SS. OF GRAND JUNCTION)
Subs	cribed and sworn to before me this, day of
Witne	ess my hand and official seal.
Nota	ephanie Pun My commission expires 1/3/2019

STEPHANIE TUIN
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID #19944015553
My Commission Expires January 3, 2019



MEMO: Local Licensing Authority

FROM: Juanita Peterson, Deputy City Clerk

DATE: June 3, 2016

SUBJECT: Application for a new hotel and restaurant liquor license by G.J.

Blues, LLC dba Ella's Blues Room, 336 Main Street, Grand

Junction, CO 81501

G.J. Blues, LLC filed an application with the Local Licensing Authority on May 13, 2016 for a new hotel and restaurant liquor license permitting sales of malt, vinous, and spirituous liquors by the drink for consumption on the premises at 336 Main Street under the trade name of Ella's Blues Room. The application and supplementary documents were reviewed, found to be in order and accepted. A copy was sent to the State Liquor Enforcement Division for a Concurrent Review. The hearing date was set for June 15, 2016. The Notice of Hearing will be given by posting a sign on the property on or before noon on June 1, 2016 and by publishing a display ad in the Daily Sentinel on June 1, 2016.

In order to address the reasonable requirements of the neighborhood and the desires of the adult inhabitants of the neighborhood, the applicant conducted a survey. The neighborhood was defined as the area bounded on the North by Teller Avenue, South by 4th Avenue, 9th Street on the East, and Vine Street on the West and included both sides of the streets as the outer boundaries. The results of that survey are as follows:

Check, the <u>YES</u> column if you <u>SUPPORT</u> this type of license being issued because the <u>existing outlets do not adequately serve</u> the reasonable requirements of the designated area or check the <u>NO</u> column if you <u>OPPOSE</u> this type of license being issued because the <u>existing outlets adequately serve</u> the reasonable requirements of the designated area.

Business Results: FAVOR: 61

OPPOSE: 0

Residential Results: FAVOR: 82

OPPOSE: 0

There were four responses that were disqualified due to no address, out of area, and no opinion.

No letters of opposition or counterpetitions have been filed to date.

The Grand Junction Police Department will be investigating the owners for local criminal history and verifying that the Notice of Hearing was posted in a timely manner and that the diagram matches the establishment. The fingerprints were forwarded to CBI for further processing. Reports have been requested by the Grand Junction Fire Department, the Grand Junction Sales Tax Department, and Mesa County Health Department.

The number of liquor licensed outlets in the survey area are:

Hotel and Restaurant = 13 (Fly'n Roosters, Los Reyes Restaurant, Two Rivers Convention Center, LeRouge, Dream Café, Nepal Restaurant, Las Maria's, Taqueria Guadalajara, Mx Tapas Bar, Bin 707 Food Bar, 626 on Rood, Suehiro Japanese Restaurant, Il Bistro Italiano) Tavern = 3 (Thunderstruck Valley, Fairfield Inn, Spring Hill Suites)

Beer and Wine = 4 (Pablo's Pizza, Café Sol, The Palette, Art Bar)

Art = 3 (The Raw Canvas, The Main Street Gallery, CMU Downtown Art Gallery)

Retail Liquor Store = 2 (Andy's Liquor, GC Discount Liquors)

3.2% Beer (Off Premises) = 2 (City Market #32 and LOCO Food Store)

That concludes this report.

cc: Applicant

John Shaver, City Attorney

Meghan Woodland, Grand Junction Police Department

File



Associates in Acoustics, Inc.

May 17, 2016

Skip Hudson
Oceanic Grand Junction, LLC
c/o Travelodge Motel
718 Horizon Dr.
Grand Junction, CO 81506
skiph@turnkeyllc.net Sent via email

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Website: www.esion.com

Associates in Acoustics, Inc.

Contact information:

Corporate Office:

31385 Burn Lane Evergreen, CO 80439

(303) 670-9270

FAX: (303) 670-9937

Dennis P. Driscoll, P.E. Principal Consultant 31385 Burn Lane Evergreen, CO 80439 Direct: (303) 670-9270 FAX: (303) 670-9937

Thomas M. Lloyd Senior Consultant 20275 Plymouth Rd Wilson, KS 67490 Direct: (785) 658-2331 Mobile: (303) 362-3733

Joshua Leasure, P.E. Manager of Acoustics 4144 Sumter Sq. Fort Collins, CO 80525 Direct: (512) 715-4383 Mobile: (512) 704-4383

Patrick Murphy Senior Consultant 9848 Tabor St. #217 Los Angeles, CA 90034 Direct: (323) 813-8848 Mobile: (310) 694-7848 RE: PROPOSAL FOR ACOUSTICAL CONSULTING SERVICES
Travelodge Grand Junction (Proposal Number 1630)

Dear Skip:

Thank you for the opportunity to submit this proposal for services. As requested, we are providing this professional services proposal for conducting acoustical measurements at the Travelodge in Grand Junction, CO. The purpose of the survey is to determine compliance with the Colorado Noise Statute 25-12-103 and identify potential mitigation options. We understand the existing Travelodge ballroom building is the subject of concern during music events, potentially affecting nearby residential areas. Therefore, we propose to conduct acoustical measurements at select locations outside the ballroom structure, including at the Travelodge property line, and possibly in the nearby community; and then compare the noise levels to the Colorado Noise Statute to determine compliance.

For the survey, Travelodge will conduct a simulated music event, including providing the sound engineer/technician and sound system for the ballroom. If noise maps are desired, then we can construct these maps, as depicted in the attached examples. However, please note it takes approximately two days (16 hours) of office time to input the requisite data and model the environmental noise maps using SoundPlan software. Therefore, to help with managing project costs, the noise maps are presented as an optional service with a separate fee estimate. Finally, we propose to provide mitigation options for consideration, regardless of the compliance status.

For your review, we have outlined the following Scope of Services:

A. SCOPE OF SERVICES

We anticipate the following measurement procedure.

- Adjust the sound system so that it produces the interior noise level representative of music/concert events.
- Conduct exterior noise level measurements at the Travelodge property line, and if desired by the client, at select residential properties toward the South and East. We anticipate 15–30 minutes for each of these measurements.

- 3. With the sound system off, the ambient noise level will be measured at the same locations previously used.
- 4. Compare the results to the Colorado Noise Statue to determine compliance.
- If desired by the client, construct noise maps depicting the propagation of sound to the nearby residences.
- Inspect the ballroom structure, and provide noise mitigation options for consideration, irrespective of compliance status.
- 7. Prepare a letter providing the results of the study, mitigations option, and optional noise maps.

B. FEE COMPENSATION

Our cost to provide the professional services outlined in section "A. SCOPE OF SERVICES," shall be a fixed fee as follows:

Option 1 - Noise Measurement, Compliance Determination, and Mitigation Options:

o Professional services, including travel-related expenses: \$6,380.00

Option 2 – All of Option 1 and Construction of Noise Maps:

o Professional services, including travel-related expenses: \$9,395.00

C. ADDITIONAL SERVICES

Any work over and above that outlined in the Scope of Services will be charged on an hourly basis of \$165.00 or, upon request, a detailed scope of work and associated fee will be submitted for approval.

D. SCHEDULE

We are prepared to conduct the on-site survey as soon as May 24th, or any mutually agreeable timeframe. The final report will be completed by the June 14th deadline, assuming we can conduct the survey prior to June 8th.

E. CONTRACTUAL INFORMATION

Please refer to the attached Contractual Information which covers the basis of cost, invoicing, insurance coverage, confidentiality, and validity.

If this proposal is satisfactory, you may issue a purchase order or work services contract indicating your authorization to proceed.

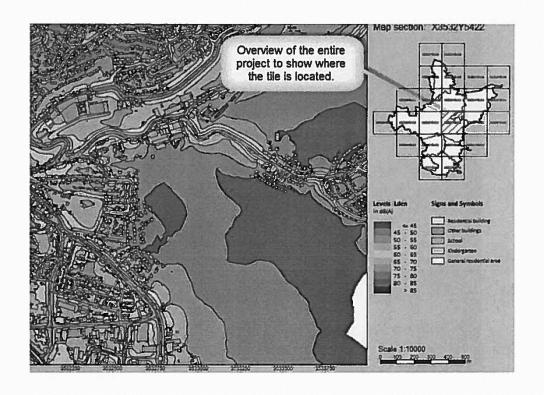
I trust this information will be useful to you. If you have any questions, or need any additional information, please do not hesitate to contact me.

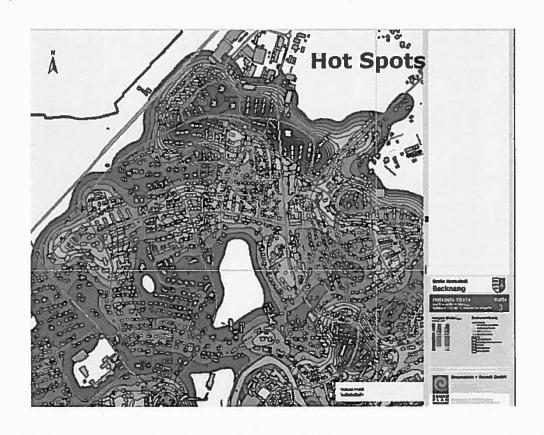
Sincerely yours,

Dennis P. Driscoll, P.E. Principal Consultant

Attachments







CONTRACTUAL INFORMATION EFFECTIVE JANUARY 1, 2015

Associates in Acoustics, Inc. is a Colorado corporation based in Evergreen, Colorado. The Associates are experienced in 1) analysis, measurement, and control of noise in a variety of environments and conditions, and 2) design and implementation of comprehensive hearing conservation programs. The firm provides consulting and field engineering and audiology services performed on a best effort, cost-reimbursement basis. Acceptance or rejection of recommendations and the implementation thereof is the prerogative of the client. Therefore, Associates in Acoustics, Inc. provides no warranties or guarantees, expressed or implied, except that the work shall be performed in a professional manner.

A purchase order or equivalent indicating the acceptance of the terms and conditions outlined herein is normally sufficient for the initiation of a project. In emergency situation, verbal requests may be honored; however, any work begun without or prior to written agreement between Associates in Acoustics, Inc. will be under the terms and conditions outlined herein and a confirming purchase order will be required in such cases. Contracts with special provisions may be negotiated on an individual basis.

BASIS OF COSTS:

- Labor costs will be charged to the project on the basis of the hourly rates of the various personnel assigned to the project and in accordance with the fee schedule for each service performed;
 - Associates in Acoustics, Inc. normal working hours are from 8:00 a.m. to 5:00 p.m., Monday through Friday. During these hours the standard labor rate will be in effect.
 - b) Work performed outside the above listed hours and on holidays will be at a rate equal to 1-1/2 times the standard labor rate.
 - c) A minimum of eight (8) hours per day will be charged when Associates in Acoustics, Inc. personnel are out of the Denver area pursuant to the requirements of a project. This includes time spent on standby (waiting time) and on weekends.
 - d) If Associates in Acoustics, Inc. personnel expedite a project at the client's request and authorization, all work performed outside of the normal working hours may be billed at 1-1/2 times the standard labor rate. However, Associates in Acoustics, Inc. will seek client authorization for this rate increase prior to commencement of expedited work.
 - Travel time for Associates in Acoustics, Inc. personnel will be charged at the labor rate of 67% of the basic hourly rate.
- Material charges including travel, subsistence, communication services, computer charges, project
 materials, shipping, reproduction services, customs duties and brokerage fees, and other non-labor
 expenses will be billed to the client at cost.
- If the client requires special instrumentation outside our standard equipment inventory, then
 arrangements for equipment rental will be provided by Associates in Acoustics, Inc. with the rental fee
 charged to the project as an added expense item.
- 4. Air travel within the boundaries of the contiguous United States will normally be at coach rates, if available. Travel requiring flights of more than six (6) hours duration (offshore) will normally be first or business class fare.
- Foreign and offshore field trips may require additional insurance which will be charged to the project on a per diem basis.

INVOICING:

Associates in Acoustics' invoice will document the labor, fees, and material charges for each project. Invoicing will normally be made on a partial basis at monthly intervals. All invoices are net and payable in United States Dollars within thirty (30) days of the date of the invoice. After thirty (30) days, the account shall be considered overdue and delinquent. Associates in Acoustics, Inc. retains the right to suspend work on a project until payment of delinquent or overdue invoices are made. Payment of the invoiced charges shall be free and clear of all taxes, duties and governmental charges. In the event such charges are levied, the client shall pay or arrange for payment of same.

Associates in Acoustics, Inc. reserves the right to charge interest at one and one-half (1-1/2) percent per month (18 percent APR) on overdue invoices.

INSURANCE COVERAGE:

Associates in Acoustics, Inc. maintains in effect the following forms of insurance coverage:

- Commercial General Liability covering all operations with a combined Bodily Injury and Property Damage Limit of \$4,000,000; plus an additional \$1,000,000 in Excess/Umbrella Liability coverage.
- 2. Automobile Liability Insurance covering hired and non-owned automobiles \$2,000,000.
- Worker's Compensation Insurance providing statutory coverage and Employer's Liability Insurance Limit
 of \$500,000 per accident.
- Professional and Supplemental Liability insurance providing coverage limits of \$1,000,000 per incident and \$6,000,000 aggregate for services performed by audiologists.

Note: Special insurance requirements for foreign or offshore travel will be charged to the project.

CONFIDENTIALITY:

Associates in Acoustics, Inc. recognizes the rights of each client to maintain the confidentiality of certain information. Associates in Acoustics, Inc. will enter into reasonable secrecy agreements as required, provided that such agreements are executed prior to the initiations of the project. Associates in Acoustics, Inc. will retain an original copy of each report and other pertinent data in files for reference in the event further communication between Associates in Acoustics, Inc. and the client is required. The contents of such reports and the data pertaining to the project will be held in confidence and will not be disclosed in anyone without the client's prior permission. Similarly, any data or the results of Associates in Acoustics, Inc. reports shall not be made public outside of the client's company without prior permission from Associates in Acoustics, Inc.

VALIDITY PERIOD:

All previous contractual information sheets are hereby superseded. All items and conditions quoted herein will be applicable to work accepted by Associates in Acoustics, Inc. until this Contractual Information sheet is superseded or unless other specific contractual terms are accepted. The Contractual Information is subject to change at any time by Associates in Acoustics, Inc.