

## AGREEMENT

THIS AGREEMENT (4516-18-DH), made this 3<sup>rd</sup> day of April, 2018 by and between the CITY OF GRAND JUNCTION, a municipal corporation, hereinafter referred to as "CITY" and Clubhouse 25, LLC, a Colorado limited liability corporation, hereinafter referred to as "CONCESSIONAIRE."

### WITNESSETH:


This agreement contemplates lease of all restaurant, food and beverage service facilities located on the premises of Tiara Rado Golf Course (Tiara Rado) located at 2057 S. Broadway, Grand Junction, Colorado (known as the "Premises" or the "Facilities" unless specific references in context apply). The Concessionaire's purpose is to fulfill the food and beverage service needs of patrons of Tiara Rado Golf Course, as set forth in this agreement. Accommodating the golf patrons using the Premises shall be the Concessionaire's first priority.

### I. LEASED PREMISES/UTILITIES/HOURS

A. The Concessionaire shall have the exclusive right to operate on the Premises food service and vending operations, including food and beverage sales, tobacco and snack food product sales and other machine vended items. There shall be no smoking in any enclosed area of the Premises. Failure to provide any service provided for herein or otherwise commercially required or reasonably requested by the City, in a suitable quality, will be considered a breach of this Agreement and the Concessionaire will be considered in default. The Facilities outlined in this Agreement shall be exclusively managed and controlled, subject to the limitations herein contained, during the pendency of this Agreement by the Concessionaire.

B. City agrees to lease to Concessionaire the facilities located at Tiara Rado, including the restaurant, bar and snack bar facility, and beverage cart from April 15, 2018 to December 31, 2019 on terms and conditions stated below, unless or until the Concessionaire or the City is in breach. The City shall conduct a review of the contract and performance of the Concessionaire every January 1<sup>st</sup> – 31<sup>st</sup>, to determine continuation of the contract, and to address any concerns or issues that require curement. This time frame shall also serve as a window for either party to terminate the contract for convenience, upon receipt of written 30 day notice.

C. The City reserves the right to renew this contract for two (2) additional one (1) year periods annually upon review and recommendation of the Parks and Recreation Director, the satisfactory negotiation of terms, and the annual availability of budget appropriation.

 D. The Tiara Rado Restaurant Facility ~~shall be open on all days the golf course is open by 30 minutes before the first tee time.~~ The Snack Bar Facility shall be open at mutually agreed upon hours of operation. Snack Bar shall have vending machine(s) and water available. All special events or gatherings shall be scheduled so as not to interfere with golf activities. Golf activities shall have first priority to use the Facilities. Alternate hours may be negotiated.

E. The Concessionaire shall maintain the Premises and Facilities in good repair. The City shall maintain the exterior of the Facilities in good repair including heating, cooling, lighting, water and sewer systems.

F. The Concessionaire shall pay grease disposal costs and the cost to maintain the stove hood for the Tiara Rado Restaurant Facility.

G. The City shall pay the cost of gas, electric, sewer and water utilities and services for the Tiara Rado.

H. The Concessionaire shall promptly and timely pay any and all vendors who supply materials, merchandise, food, food stuffs, liquor, wine, beer or other beverages or other goods to the Concessionaire. Nonpayment of any or all vendors or account delinquencies of thirty (30) days or more shall constitute a breach of this Agreement.

I. The Concessionaire shall bear the cost of insect and rodent control. Insect and rodent control shall be provided by a licensed contractor of the Concessionaire's selection. Should insect and rodent control not be satisfactory, as determined by the City in its sole discretion, the City may as a condition of this agreement, require the Concessionaire to increase the frequency or change the method of extermination services at the facilities.

J. The Concessionaire shall be responsible for all telephone, internet and cable/satellite television expenses, charges and fees.

K. The Concessionaire shall be responsible for interior maintenance of all portions of the Premises and maintain the same in a first class condition. Maintenance shall include painting walls and ceilings, maintaining carpet and floor coverings and proper maintenance of all fixtures, including tables, chairs and the like. The City and Concessionaire will equally divide the cost of replacement of City-owned floor coverings, window coverings, tables and chairs as required by the normal course of wear and tear occasioned by the food service business. Any and all replacement shall occur only upon the mutual consent and concurrence of the Concessionaire and the City. Such consent and concurrence shall not be unreasonably withheld by either the City or the Concessionaire.

L. The Concessionaire shall maintain, repair and replace all equipment and/or furnishings provided by the Concessionaire under the terms of this Agreement. The Concessionaire acknowledges that the Premises and City-supplied equipment are in good and satisfactory condition and accepts the same.

M. In the operation of the Agreement, it shall be understood and agreed that the Concessionaire is an independent contractor and not an agent, servant or employee of the City.

## II. INSPECTION AND ALTERATION OF PREMISES

A. Concessionaire agrees that the Director of Parks and Recreation, or his duly authorized agent(s), shall have the right to enter the Premises at any reasonable time to inspect the same. Costs for additional electrical wiring, outlets, facilities, shelving, fixtures, improvements or installations installed by the Concessionaire shall be the sole responsibility of the Concessionaire and shall be done only with the written consent of the City and shall become the property of the City at conclusion or termination of this Agreement.

B. The use of extension cords shall be as limited by fire, building and electrical codes. All signs erected on the Premises by the Concessionaire shall conform to applicable codes and shall not be erected or installed until the City has given its approval in writing. All improvements and or renovations including, but not limited to, paint, floor coverings, window coverings and decorating shall be made only with prior approval of the City. City and Concessionaire agree that the Director of Parks and Recreation or his designee is the party to whom any and all notices required to be given under this Agreement by Concessionaire shall be delivered and the person from whom all City consents shall be obtained.

C. In the event this agreement is terminated prior to the full amortization of any capital expenditure that has been provided by the Concessionaire, the Concessionaire will be reimbursed at the non-amortized amount of the capital expenditure. The Concessionaire shall prepare an amortization schedule in accordance with Generally Accepted Accounting Principles (GAAP) that shall be presented to the City upon completion or acquisition of the capital expenditure. Capital expenditures are defined as furniture, fixtures, equipment of improvements with an initial cost of \$5,000 or more and an estimated life in excess of three years.

### III. LICENSES, TAXES AND FEES

A. It is further agreed and understood by the parties that certain licenses issued by the City, the County and the State are necessary requirements to Concessionaire's operation. Concessionaire agrees to obtain all necessary licenses at its sole and separate expense and shall maintain the same in full force and effect during the term of and under the conditions of this Agreement.

B. The registered manager for purposes of liquor license at the premises shall be Butch Miller or his designee. As a condition of this Agreement, Butch Miller or his designee shall be the registered manager of the Hotel/Restaurant liquor license held by the City for the clubhouse premises and optional premise licenses for the Tiara Rado Golf Course. The Concessionaire shall pay the annual renewal fees for all licenses. All beverages served shall be canned or contained in plastic cups or containers if consumed on the golf courses. Concessionaire shall strictly enforce and limit containers as provided by this paragraph and furthermore, the Concessionaire and/or the Manager shall not serve or dispense beverages in violation of applicable law.

C. Service in violation of this Agreement and/or applicable law or the loss of or the failure to renew the Tiara Rado liquor licenses shall be deemed a breach of this Agreement.

D. Concessionaire shall adhere to and comply with all liquor, wine and beer laws, codes or regulations of the State of Colorado, City of Grand Junction or other regulatory entities having jurisdiction. Concessionaire shall have and does affirmatively acknowledge its duty to be circumspect and prudent with regard to over-service, underage-service and compliance with commercially reasonable alcohol service practices.

E. Concessionaire shall pay all license fees, taxes and all retail sales taxes on the products or services which the Concessionaire provides hereunder, including, but not limited to, all federal and state payroll and income taxes, including withholding, state and local sales taxes, compensation payments, unemployment insurance, and other taxes with respect to services provided under this Agreement and all other taxes arising from the Concessionaire's operation.

F. The Concessionaire and all Concessionaire's employees shall attend the Alcohol Server Responsibility Class, or similar class approved by the City, on no less than an annual basis beginning at the employee's date of hire.

### IV. EMPLOYEES OF CONCESSIONAIRE

A. In the operation of the Facilities, Concessionaire will need to employ certain personnel. It is agreed and understood that any person or persons employed by the Concessionaire shall be employees of Concessionaire and not the City. The Concessionaire assumes full responsibility for the action(s) of such personnel while performing service(s) pursuant to this Agreement and shall be solely responsible for supervision, payment of wages or salary, withholding and income taxes, social security taxes and unemployment insurance, as required by law. Concessionaire further agrees that Worker's Compensation insurance shall be provided for said employee(s) in conformity with the Colorado law and that a certificate of Worker's Compensation Insurance

evidencing continuous coverage shall be filed with the City Risk Manager.

B. The Concessionaire and each of its agents and employee(s) shall provide at all times courteous service to customer(s). Concessionaire shall employ, train and deploy employees in optimum numbers who are proficient, productive and courteous to patrons. Concessionaire shall furnish all necessary qualified supervision for the performance of food and beverage service and agrees to maintain highly competent management staff at all times.

## V. INSURANCE

A. Concessionaire agrees to procure and maintain in full force and effect, at Concessionaire's sole expense, commercial general liability insurance and liquor liability insurance for and covering the Premises naming the City of Grand Junction, its agents, servants, employees and elected and appointed officials as additional named insureds. This insurance shall reflect minimum coverage in the following amounts:

### COVERAGE

Injury or death	\$ 500,000
Property damage	\$1,000,000
Product liability	\$ 500,000
Liquor liability	\$ 500,000
Automobile liability	\$ 500,000

B. A certificate evidencing such insurance policy coverages shall be provided to the City Risk Manager and shall have a provision that any and all of the same shall not expire or be canceled or terminated without first giving written notification thereof to the City Risk Manager thirty (30) days prior to termination, expiration or cancellation. A renewal policy shall be delivered to the City at least fourteen (14) days before a policy's expiration, except for policy(ies) in effect upon termination of this Agreement. Failure to maintain such insurance coverage shall be deemed breach of this Agreement.

C. Concessionaire shall furnish fire, theft and contents loss insurance for Concessionaire-owned material(s), supplies and equipment. City will not be responsible for any loss of, or damage to, or replacement of material, supplies and equipment of Concessionaire due to theft, natural disasters or other events beyond the control of the City. If City property, material(s), supplies or equipment are damaged by acts or omissions of Concessionaire, agent(s), or employee(s) of Concessionaire. Concessionaire shall be responsible for the depreciated cost of replacement, whether replaced by the City or not. City-owned material(s), supplies and equipment are insured against fire and theft for acts not occasioned by Concessionaire, agents or employees of Concessionaire.

## VI. WAIVER OF SUBROGATION

Concessionaire, its agent(s), employee(s) and insurers hereby release the City, its officers, employees, agents assigns ("City") from any and all liability or responsibility, including anyone claiming through or under City by way of subrogation or otherwise, for any loss or damage which Concessionaire, its agents or insurers may sustain incidental to or in any way related to Concessionaire's operation under this contract, except for loss or damage due to breach of this Agreement by the City or due to the City's gross negligence or willful or wanton conduct.

## VII. LIABILITY AND INDEMNIFICATION

The Concessionaire shall indemnify and hold harmless the City against all action(s), claim(s), proceeding(s), demand(s), loss(es), cost(s), damage(s) and expense(s) whatsoever which may be

brought against or suffered by the City or which it may sustain, pay or incur, by reason of, or on account of any injury, illness or death of persons and/or damage to property arising out of, or incidental to, the Concessionaire's provision of food and/or beverage service(s) herein provided for and/or any negligence, act of omission or commission, by Concessionaire's employee(s), licensee(s) or invitee(s). The Concessionaire's agreement to indemnify and/or hold harmless shall survive termination, expiration or cancellation of this Agreement and/or termination or expiration of any or all insurance coverage required hereunder.

## VIII. STANDARDS OF PERFORMANCE

A. Concessionaire has requested and agreed to providing the following to the facility and services, at the sole expense of the Concessionaire:

- Transfer liquor license.
- 1st food order.
- 1st liquor order.
- Glassware
- Silverware
- Plates/Chaffing.
- Lighting in dining area
- New Tables & chairs
- Decorations & signage
- Security cameras & sonos
- New Paint entry & interior

B. Providing quality food and beverage service to golf course patrons shall be the Concessionaire's top priority. The Concessionaire shall organize, operate and manage efficiently the food and beverage operations of the Facilities to provide high quality food, beverage and vending services in a clean, attractive and pleasant environment.

C. As an express condition of this Agreement, the City requires the Concessionaire to have and provide adequate capitalization to operate the Facilities at the expected level of excellence. To ensure adequate ability to perform, Concessionaire shall agree and allow the City to conduct routine credit and financial background checks of the business or corporate finances of the Concessionaire. If each or any of such inquiries disclose insufficient capitalization or outstanding judgment(s), liabilities or delinquencies which may impair or prevent the proper operation of the facility, the City may declare this Agreement breached, void and of no effect.

D. Concessionaire hereunder shall provide unencumbered capitalization of \$10,000.00 and shall maintain a net worth of no less than \$10,000.00, as determined by generally accepted accounting principles (as opposed to generally accepted tax accounting principles). The City may, in writing, accept smaller amounts of capitalization and net worth if Concessionaire shows reasonable cause therefor. The Concessionaire shall maintain the equipment, assets and the Premises in good and serviceable condition.

E. Concessionaire's responsibility shall include, but not be limited to, the following as costs and requirements of operation:

Purchasing all inventory and supplies required for food service operations;

Routine cleaning of the food preparation areas and floors, storage areas and counter tops and service areas including, but not necessarily limited to, cleaning all hoods not less than two times per year;

Supplying and laundering of kitchen and banquet linen including, but not limited to: uniforms, aprons, cleaning cloths, table cloths, napkins, *etc.*;

Purchasing replacement small wares as necessary, including, but not necessarily limited to: china, glassware, flatware, cooking utensils and sundry items. Any and all replacement shall be deemed a cost of Concessionaire's operation;

Installing, servicing and maintaining vending machines in good repair at such locations as may be agreed upon and keeping the machines adequately supplied with merchandise;

Keeping all Premises, including patio and service areas, clean and sanitary in conformance with the guidelines in Appendix A, attached hereto and incorporated by reference. The City shall provide paper, cleaning and soap products for restrooms.

Transportation of all waste materials, including grease, from the food/beverage areas to the garbage pick-up area in a manner designated by the City and health/restaurant codes. The Concessionaire shall not discharge any grease into the building drains but shall keep grease in proper containers for disposal by the Concessionaire. If the Concessionaire fails to comply with this provision, any cost, charge or expense involved in opening, cleaning or repairing drains necessitated by such failure shall be paid by the Concessionaire;

Maintain all food service equipment (both City provided and Concessionaire provided) in good repair. Concessionaire shall be responsible for repair and/or replacement of City provided equipment used in the fulfillment of this Agreement, normal wear and tear excepted;

Provide beverage sales on the golf course as deemed appropriate by the Parks and Recreation Director or designee.

F. Only quality food and beverages shall be purchased and served by Concessionaire. Upon delivery, all merchandise shall be checked for quality and shall be stored in proper areas in sanitary containers, which are dated for effective rotation of stock on a first-in, first-out basis.

G. The City may require the Concessionaire to sell items that the City reasonably deems necessary to the operation of the facilities. The City may limit or require the discontinuance of the sale of products which the City reasonably deems not in the best interest of the operation of the Facilities.

H. At the City's option a survey of Facility users by the City or an independent contractor may be conducted to determine Concessionaire's performance. Facility users may be surveyed to determine if they are "very satisfied," "satisfied," "dissatisfied," or "very dissatisfied" with the Concessionaire's operation. The acceptable performance standard shall be 75% of Tiara Rado Facility users "satisfied" or "very satisfied" with the food and beverage concession. A rating below either or both satisfaction standards may be considered by the City as grounds for declaring the Concessionaire in breach of this Agreement. If a user survey results in customer satisfaction less than required by this Agreement, the Concessionaire may contract and pay for a second survey to be performed by an independent third party agreed to by the City and the Concessionaire. All costs of this second survey shall be at the Concessionaire's sole expense. If the results of the second survey show customer satisfaction to be at or above standard, Concessionaire will be deemed to have met a standard of acceptable performance.

## IX. TERMINATION

A. The Concessionaire must be able at all times to meet the standard of 75% customer satisfaction as determined by the user survey explained in paragraph VIII (G).

B. This contract shall remain in effect until any of the following occurs: (1) contract expires; (2) completion of services; (3) acceptance of services or, (4) during the January 1<sup>st</sup> – 31<sup>st</sup> review period only, for convenience terminated by either party with a written *Notice of Cancellation* stating therein the reasons for such cancellation and the effective date of cancellation at least thirty days past notification.

C. In the event that compensation provided for is in arrears, or if Concessionaire is in default of any covenant, term or agreement as herein provided, the City shall give the Concessionaire a written notice specifying the default. In the event Concessionaire fails to remedy and cure said default within ten (10) calendar days from mailing of such written notice, the City shall be entitled to declare this Agreement terminated and may immediately reoccupy the premises with or without process of law using such reasonable force as may be necessary without being liable to prosecution for damages therefor. In the event of repeated default by Concessionaire, the City may declare this Agreement terminated and may reoccupy as provided. Repeated default(s) shall be defined as three (3) notices of violation within a twelve (12)-month period. Concessionaire covenants and agrees to surrender and deliver up said premises peaceably to the City upon expiration or termination. Any notice provided for herein may be mailed or may be served upon the Concessionaire by delivering a copy thereof to it in person or by leaving it with any person employed by the Concessionaire at the concession.

D. Any notice or communication of default shall be deemed made if personally served or received by certified mail at:

CITY OF GRAND JUNCTION  
Attn: Director of Parks and Recreation  
1340 Gunnison Ave. Grand Junction, CO 81501

CONCESSIONAIRE  
2057 South Broadway, Grand Junction, CO 81503

The City or Concessionaire may from time to time change the above address upon written notice to the other.

E. In the event of litigation hereunder, the prevailing party shall be entitled to recover its reasonable attorney's fees in addition to all other damages or remedies authorized by law.

F. Upon termination or expiration of this Agreement, Concessionaire agrees to return all equipment and supplies furnished by the City. Said equipment and supplies shall be in as good condition as originally furnished, ordinary wear excepted.

G. Notwithstanding any provision to the contrary, upon termination by the City for default by Concessionaire, Concessionaire's duties to indemnify and hold harmless the City shall continue and survive.

H. Upon termination or expiration of this Agreement, for any reason, all installed equipment purchased by the Concessionaire becomes the property of the City. The City agrees to pay Concessionaire depreciated fair market value for this equipment if the City desires to retain said equipment. Any equipment the City does not want will remain the property of the

Concessionaire and will be removed at no expense to the City. An independent third party appraiser shall determine value of Concessionaire's equipment if the parties disagree. Cost of appraisal shall be the City's sole responsibility.

I. The City may terminate this Agreement if any of the liquor or beer licenses obtained or managed by Concessionaire are revoked, suspended or any action or proceeding is initiated by the City or State against the licensees and/or the Manager or any person operating under the direction or authority of the Manager.

J. Any failure by the City to give Concessionaire any notice hereunder in a timely manner, *e.g.* a notice of breach or default, shall not be deemed to waive the City's right to do so thereafter.

#### X. ASSIGNING OR SUBLETTING PROHIBITED

Concessionaire shall have no right to assign, sell, transfer or in any way convey any of the rights or obligations attached or arising hereunder. Further, the portion of this Agreement relating to the granting of this concession is a personal service agreement and the parties agree and understand that the Concessionaire shall not assign or in any way divest itself of any of the duties or responsibilities provided herein.

#### XI. PATENTS, TRADEMARKS, ETC.

Concessionaire represents that it is the owner of and fully authorized to use any and all services, processes, machines, articles, names or slogans used by it in its operation under or in any way connected with this concession. Concessionaire agrees to save and hold the City, its officers, employees, agents, and representatives free and harmless from any loss, liability, expense, or claim for damages in connection with any actual or alleged infringement of any patent, trademark, or copyright or unfair competition arising out of the operations of this concession or in any way connected to this concession.

#### XII. SUSPENSION OF OPERATIONS

If either or both of the Facilities are closed for a period in excess of three (3) days due to no fault of the Concessionaire for reasons such as fire or natural disaster, the monthly rent payments to the City shall be suspended on the third day of closure but shall recommence when reopened. In the event of a closure more than fourteen (14) consecutive days, the City may require that Concessionaire will operate out of a temporary facility and provide minimum food and beverage service as directed by the City. Operation of such temporary facility(ies) shall be at the Concessionaire's sole expense. The Concessionaire shall be responsible for the cost and availability of utility services for such temporary facility(ies). The Concessionaire may choose not to install the utilities and may terminate the Agreement if the cost of installation is, in the Concessionaire's sole discretion and determination, prohibitive.

#### XIII. COMPENSATION TO CITY

A. In consideration of the lease of the Premises to the Concessionaire, the Concessionaire shall pay the City according to the following schedule:

01/01 to 12/31            \$1,000.00 per month for golf services at Tiara Rado.  
Payments due by the seventh day of each month beginning 05/07/18.

04/01 to 10/31            \$800 per year for Tiara Rado beverage cart lease. Payment due no later than 07/07/18.

Compensation due the City under any extension of this Agreement shall be negotiated to the



mutual satisfaction of the parties at that time. Compensation for the first year of this agreement will begin April 15, 2018. Compensation for annual extensions beyond 2018 will begin January 1<sup>st</sup>.

B. For the purpose of this Agreement, gross sales shall be defined as the total amount of money or the equivalent thereof in kind received by the Concessionaire in exchange for the goods or services rendered by Concessionaire at the Premises. Gross receipts shall also include any and all monies received from the operation of any vending machines owned by Concessionaire or leased by Concessionaire from third parties. Concessionaire agrees that it shall keep a true and accurate account of all monies received pursuant to this Agreement and deliver the required monthly financial report to the City Financial Operations Manager.

C. At the conclusion of the term of this Agreement the parties may, conditioned on full and faithful performance of and under this Agreement by the Concessionaire, renew the agreement on then mutually acceptable terms. Renewal, if exercised, shall be annually for up to two years. If Concessionaire opts to renew, any subsequent extension or renewal of this Agreement if any shall be subject to the approval of the Parks Director.

#### XV. BANKRUPTCY, REORGANIZATION

This Agreement and all rights of Concessionaire hereunder, shall terminate if:

A. Concessionaire, while in possession of the Premises, files a petition in bankruptcy, or insolvency, or for reorganization under the Bankruptcy Code, or voluntarily takes advantage of any such filing by answer or otherwise, or makes an assignment for the benefit of creditors; or

B. Involuntary proceedings under any bankruptcy law or insolvency act are instituted against Concessionaire, or if a receiver or trustee is appointed of all, or substantially all, of the property of Concessionaire, and such proceedings are not dismissed or the receivership or trusteeship vacated within thirty (30) days after the institution or appointment.

#### XVI. EQUAL OPPORTUNITY

The Concessionaire agrees not to exclude anyone from participation in or deny anyone any benefits of Concessionaire's services, or otherwise subject anyone to discrimination because of the person's race, sex, color, religion, national origin or physical handicap. Concessionaire warrants that it will comply with all applicable local, state and federal laws relating to employment practices.

#### XVII. ATTACHMENTS

Attached and incorporated herein:

Appendix A

Cleanliness Guidelines

#### XIX. OTHER

A. In the event of any dispute arising hereunder, either the City or the Concessionaire may request in writing that the matter be heard by the Grand Junction Parks and Recreation advisory Board (Parks Board). Upon receipt of such request, the Parks Board shall schedule a public meeting at which time the parties shall be entitled to present such information and testimony as they desire. The Parks Board shall thereafter render a decision by majority vote resolving the matter. The Parks Board shall hold such meeting and render its decision within 90 days of the

XIX. OTHER

A. In the event of any dispute arising hereunder, either the City or the Concessionaire may request in writing that the matter be heard by the Grand Junction Parks and Recreation advisory Board (Parks Board). Upon receipt of such request, the Parks Board shall schedule a public meeting at which time the parties shall be entitled to present such information and testimony as they desire. The Parks Board shall thereafter render a decision by majority vote resolving the matter. The Parks Board shall hold such meeting and render its decision within 90 days of the initial request letter. If either party is dissatisfied with the decision of the Parks Board, or if the Parks Board does not act within the 90-day period, they may take such other legal action as is available to them, including filing a complaint in court. However, neither party may file any court proceeding without first seeking a resolution of the dispute by the Parks Board.

IN WITNESS WHEREOF, the parties have hereunto placed their hands and seals the day and year first above written.

CITY OF GRAND JUNCTION, COLORADO  
a municipal corporation

by



\_\_\_\_\_  
Jay Valentine, Deputy Director of Finance

CONCESSIONAIRE: Clubhouse 25, LLC

by



\_\_\_\_\_  
Butch Miller, Clubhouse 25, LLC

## Appendix A

### Cleanliness Guidelines

The Concessionaire shall maintain the Facilities, including, but not limited to the kitchen, food preparation, dining, service and banquet areas and all equipment, fixtures, materials, utensils, accessories and other items therein in a clean and sanitary manner. Volunteer(s) chosen by mutual consent of the City and the Concessionaire shall clean and maintain restrooms at Tiara Rado. The Tiara Rado Golf Shop will directly supervise volunteer(s). Concessionaire shall comply with all applicable health and sanitation laws and regulations in effect for the food/beverage preparation and service areas. The Concessionaire shall permit and facilitate inspection of the food/beverage preparation and service areas by the City and its representatives and by any and all authorized public health, sanitation, building and fire authorities.

The following shall establish the minimum sanitation guidelines for the Concessionaire:

1. The sanitation code of the U.S. Food Service Industry as published by the National Restaurant Association.
2. All State of Colorado Laws, Acts, Statutes and Regulations governing food and beverage service operations.
3. All applicable City of Grand Junction and Mesa County public health/sanitation regulations, rules and codes.
4. All applicable Federal Government Laws, Acts, Rules and Regulations.
5. Any and all applicable statutes, codes, regulations or requirements enacted by the City, County, State or Federal government or which become effective during the pendency of the Agreement.

### Sanitation Regulation and Job Inspection

1. Informal inspections of the Facilities are to be conducted weekly by the Concessionaire. An inspection checklist is to be prepared and completed by the Concessionaire for each inspection, and said checklists are to be made available to the City upon its request. A complete report of corrective measures taken or to be taken for any deficiencies noted should accompany the inspection report.
2. Informal inspections of the Facilities are to be conducted daily by the concessionaire with immediate corrective measures taken for any deficiencies noted.
3. Formal inspections of the Facilities are to be conducted a minimum of four (4) times per year, on a quarterly basis, by the City's designated representative, accompanied by the Concessionaire.