

AGREEMENT FOR THE OPERATION OF  
THE BAR AND BEVERAGE SERVICES CONCESSION

Between

THE CITY OF LOS ANGELES  
DEPARTMENT OF RECREATION AND PARKS

And

MONTEREY CONCESSIONS GROUP DBA L.A. BAR SERVICES

THIS AGREEMENT is made and entered into on this \_\_\_\_\_ day of \_\_\_\_\_ 201\_\_, by and between the CITY OF LOS ANGELES, a municipal corporation (hereinafter referred to as CITY), acting by and through its Board of Recreation and Park Commissioners (hereinafter referred to as "BOARD"), and MONTEREY CONCESSIONS GROUP (DBA L.A. BAR SERVICES), A PARTNERSHIP (hereinafter referred to as "CONCESSIONAIRE").

WHEREAS, CITY advertised for proposals for the Bar and Beverage Services Concession (hereinafter referred to as "CONCESSION"); and

WHEREAS, BOARD in its capacity as the contract awarding authority for the Department, finds, pursuant to Charter Section 371 (e) (10), that the use of competitive bidding would be undesirable, impractical or otherwise excused by the common law and the Charter because, unlike the purchase of a specified product, there is no single criterion, such as price comparison, that will determine which proposer can best provide the services required by the Department for the improvement, operation and maintenance of the Department's concession. To select the best proposer for this concession, the Board finds it is necessary to utilize a standard request for proposals process and to evaluate proposals received based upon the criteria included in this Request for Proposals (RFP). The Board specifically finds that the narrower and more specialized competitive sealed proposal process authorized but not required by Charter Section 371, subsection (b), would not meet the Department's needs and therefore opts to utilize the standard request for proposals process; and

WHEREAS, the staff of the CITY's Department of Recreation and Parks (hereinafter "DEPARTMENT"), received and analyzed the proposals which were received on November 30, 2010; and

WHEREAS, the Board of Recreation and Park Commissioners (hereinafter "BOARD"), determined that CONCESSIONAIRE was one of the two responsible proposers, and selected said proposer to operate the CONCESSION in accordance with the terms and conditions of this Concession Agreement (hereinafter "AGREEMENT"); and

WHEREAS, CONCESSIONAIRE desires to secure and enter into an AGREEMENT in accordance with the foregoing and undertakes to provide services of the type and character required therein by CITY to meet the needs of the public at the various banquet hall facilities; and

WHEREAS, the principal purpose of CITY entering into this AGREEMENT is to serve the public by providing bar and beverage services (alcoholic and non-alcoholic);

NOW THEREFORE, in consideration of the premises and of the terms, covenants and conditions hereinafter contained to be kept and performed by the respective parties, it is agreed as follows:

SECTION I. DEFINITIONS

For the purpose of this AGREEMENT, the following words and phrases are defined and shall be construed as hereinafter set forth:

- AGREEMENT: This Concession Agreement consisting of thirty five (35) pages and seven (7) exhibits (A-G) attached hereto.
- BOARD: Board of Recreation and Park Commissioners.
- CITY: The City of Los Angeles, Acting by and through its Board of Recreation and Park Commissioners.
- CONCESSION: The permitted operation granted by this AGREEMENT.
- CONCESSIONAIRE: MONTEREY CONCESSIONS GROUP DBA L.A. BAR SERVICES, A PARTNERSHIP.
- DEPARTMENT: The Department of Recreation and Parks, acting through the BOARD.
- FACILITIES: The Recreation and Parks Department facilities at which the CONCESSION is permitted to operate.
- GENERAL MANAGER: General Manager of the DEPARTMENT, or that person's authorized representative, acting on behalf of the CITY. All actions of the General Manager are subject to review at the discretion of the BOARD.
- LAAC: The Los Angeles Administrative Code.
- LAMC: The Los Angeles Municipal Code.
- PREMISES: The banquet hall rental facilities, as defined in Section 3, in which the CONCESSION may be operated.

## SECTION 2. PERMISSION GRANTED

For and in consideration of the payment of the fees and charges as hereinafter provided, and subject to all of the terms, covenants, and conditions of this AGREEMENT, CITY hereby grants to CONCESSIONAIRE, subject to all of the terms and conditions of this AGREEMENT, the exclusive (for purposes of this AGREEMENT, the term "exclusive" means only CONCESSIONAIRES under contract with the DEPARTMENT are authorized to provide Bar and Beverage services at the PREMISES, and patrons using the PREMISES may only choose from among the authorized CONCESSIONAIRES) right to provide liquor at Alcoholic Events, and in connection thereto, other beverage services, to patrons renting PREMISES for group events; and, not for any other purpose without the prior written consent of GENERAL MANAGER.

At Alcoholic plus Non-Alcoholic Events, patrons must use one of the Department approved concessionaires; specialized non-alcoholic beverages may be brought in by patrons but must be served by CONCESSIONAIRE. At Non-Alcoholic Events patrons have the option to use CONCESSIONAIRE but usage is not mandatory.

The concession rights herein granted shall be carried on at the FACILITIES solely within the limits and confines of said areas designated as PREMISES (Section 3) to be serviced by the CONCESSIONAIRE in this AGREEMENT. CONCESSIONAIRE, by accepting the AGREEMENT, agrees for itself its successors and assigns, that it will not make use of the PREMISES in any manner which might interfere with the recreational uses of the FACILITY.

In the event of a conflict between CONCESSIONAIRE and any other concessionaire or any lessee at the FACILITIES regarding the services to be offered or products to be sold by respective concessionaires or lessees, GENERAL MANAGER, or designee, shall meet and confer with all necessary parties to determine the services to be offered or products to be sold by each, and CONCESSIONAIRE hereunder agrees thereafter to be bound by said determination.

CONCESSIONAIRE shall: provide bar and beverage (alcoholic and non-alcoholic) services; schedule and coordinate events with the patrons and the DEPARTMENT; employ, train and supervise personnel with appropriate qualifications and experience to provide such functions; perform or supervisor employees in the performance of all other tasks related to the operation of bar and beverage services; and pay for and obtain all licenses and permits necessary for the operation of the CONCESSION granted.

Any breach of condition related to permission granted shall be a material breach of this Concession Agreement.

## SECTION 3. PREMISES

The PREMISES is the area in which the Facility Director designates for the purpose of bar and beverage services for the scheduled event. The facilities subject to this agreement are:

- a. Friendship Auditorium  
3201 River Drive  
Los Angeles, CA 90027

- b. Grace E. Simons Lodge  
1025 Elysian Park Drive  
Los Angeles, CA 90012
- c. Ramona Hall  
4580 Figueroa Street  
Los Angeles, CA 90042
- d. Orcutt Ranch  
23600 Roscoe Blvd.  
West Hills, CA 91304
- e. Cabrillo Beach Bath House  
3800 Stephen M. White Drive  
San Pedro, CA 90731
- f. Griffith Park Visitor Center Auditorium  
4730 Crystal Springs Drive  
Los Angeles, CA 90027
- g. Wattles Mansion  
1824 N. Curson Ave.  
Los Angeles, CA 90046

The DEPARTMENT reserves the right to include and remove facilities to be serviced by the CONCESSIONAIRE depending on the needs of the public and the needs of the Department. At the written instruction of the GENERAL MANAGER, the CONCESSIONAIRE shall provide or discontinue the necessary service at the subject facilities.

CONCESSIONAIRE shall not use or allow the PREMISES to be used, in whole or in part, during the term of the AGREEMENT, for any use in violation of any present or future laws, ordinances, rules, and regulations at any time applicable thereto of any public or governmental authority or agencies, departments or officers thereof, including CITY. These ordinances, rules, and regulations include those which relate to sanitation, public health, and safety.

#### SECTION 4. TERM OF AGREEMENT

The term of the AGREEMENT shall be five (5) years, effective on the date of execution, with two (2) five-year options to renew exercisable at the sole discretion of the GENERAL MANAGER.

Neither CITY, nor any BOARD member, officer, or employee thereof shall be liable in any manner to CONCESSIONAIRE because of any action taken to revoke, decline to exercise an option or disapprove a renewal of the AGREEMENT.

#### SECTION 5. TIME OF EXECUTION

Unless otherwise provided, the AGREEMENT shall be considered executed when:

- A. The Office of the City Attorney has indicated in writing of its approval of the AGREEMENT as to form; and
- B. Said AGREEMENT has been approved by the CITY's Council, BOARD, officer, or employee authorized to give such approval; and
- C. Said AGREEMENT has been signed on behalf of the CONCESSIONAIRE by the person or persons authorized to bind the CONCESSIONAIRE hereto; and
- D. Said AGREEMENT has been signed on behalf of the CITY by the person or persons authorized and designated to so sign by the CITY's Council, Board, officer, or employee authorized to enter into the AGREEMENT.

**SECTION 6. REVENUE SHARING FEE AND PAYMENT**

Use of the premises for purposes not expressly permitted herein, whether approved in writing by GENERAL MANAGER or not, may result in additional charges; however, any such use without the prior written approval of the GENERAL MANAGER shall also constitute a material breach of this agreement and is prohibited.

- A. As part of the consideration for CITY'S granting the concession rights herein above set forth, CONCESSIONAIRE shall pay the DEPARTMENT a monthly share of CONCESSION gross receipts as follows:

Twenty Percent (20%) of gross receipts produced from bar and beverage (alcoholic and non-alcoholic) sales.

- B. Payment Due:  
Said payment shall be due and payable by the fifteenth (15th) day of each calendar month based on the gross receipts received in each of previous month. The payment and monthly revenue report (Section 6D – Monthly Remittance Advice Form) shall be addressed to:

DEPARTMENT OF RECREATION AND PARKS  
ATTENTION: Concessions Unit  
P.O. Box 86610  
Los Angeles, CA 90086

- C. Gross Receipts Defined:  
The term "gross receipts" is defined as the total amount charged for the sale of any goods or services (whether or not such services are performed as a part of or in connection with the sale of goods) provided in connection with this CONCESSION, but not including any of the following:
  - 1. Gratuity to employees; gratuity provided directly to employees by patrons either by cash or debit or credit card, which must be expressly identified as gratuity.
  - 2. Cash discounts allowed or taken on sales;

3. Any sales taxes, use taxes, or excise taxes required by law to be included in or added to the purchase price and collected from the consumer or purchaser and paid by CONCESSIONAIRE;
4. California Redemption Value (CRV);
5. Receipts from the sale of waste or scrap materials resulting from the CONCESSION operation;
6. Receipts from the sale of or the trade-in value of any furniture, fixtures, or equipment used in connection with the CONCESSION, and owned by CONCESSIONAIRE;
7. The value of any merchandise, supplies, or equipment exchanged or transferred from or to other business locations of CONCESSIONAIRE where such exchanges or transfers are not made for the purpose of avoiding a sale by CONCESSIONAIRE which would otherwise be made from or at the PREMISES;
8. Refunds from, or the value of, merchandise, supplies, or equipment returned to shippers, suppliers, or manufacturers;
9. Receipts from the sale at cost of uniforms, clothing, or supplies to CONCESSIONAIRE'S employees where such uniforms, clothing, or supplies are required to be worn or used by said employees;
10. Receipts from any sale where the subject of such sale, or some part thereof, is thereafter returned by the purchaser to and accepted by CONCESSIONAIRE, to the extent of any refund actually granted or adjustment actually made, either in the form of cash or credit;
11. Fair market trade-in allowance, in the event merchandise is taken in trade;
12. The amount of any cash or quantity discounts received from sellers, suppliers, or manufacturers;
13. Discounts or surcharges applied to receipts for services or merchandise, with the concurrence of both CONCESSIONAIRE and GENERAL MANAGER, including discounts to employees, if concurred by GENERAL MANAGER.

CONCESSIONAIRE shall not reduce or increase the amount of gross receipts, as herein defined, as a result of any of the following:

14. Any error in cash handling by CONCESSIONAIRE or CONCESSIONAIRE's employees or agents;
15. Any losses resulting from bad checks received from the consumers or purchasers; or from dishonored credit, charge, or debit card payments; or any other dishonored payment to CONCESSIONAIRE by customer or purchaser;
16. Any arrangement for a rebate, kickback, or hidden credit given or allowed to customer;

D. Monthly Revenue Reports:

CONCESSIONAIRE shall transmit with each revenue payment a Monthly Gross Receipts and Revenue Report, also referred to as a Monthly Remittance Advice Form (Exhibit C), for the month for which revenue is submitted.

E. Late Payment Fee:

1. Failure of CONCESSIONAIRE to pay any of the revenue payments or any other fees, changes, or payments required herein on time is a breach of the

AGREEMENT for which CITY may terminate same or take such other legal action as it deems necessary.

2. Without waiving any rights available at law, in equity or under the AGREEMENT, in the event of late or delinquent payments by CONCESSIONAIRE, the latter recognizes that CITY will incur certain expenses as a result thereof, the amount of which is difficult to ascertain. Therefore, in addition to monies owing, CONCESSIONAIRE agrees to pay the CITY a late fee set forth below to compensate CITY for all expenses and/or damages and loss resulting from said late or delinquent payments.
3. The charges for late or delinquent payments shall be \$50.00 for each month late plus interest calculated at the rate of eighteen percent (18%) per annum or one and one-half percent (1.5%) each month, assessed daily, on the balance of the unpaid amount. Payments shall be considered past due if postmarked after the fifteenth (15th) day of the month in which payment is due.
4. The acceptance of a late revenue payment by CITY shall not be deemed as a waiver of any other breach by CONCESSIONAIRE of any term or condition of this AGREEMENT other than the failure of CONCESSIONAIRE to timely make the particular revenue payment so accepted.

F. Annual Accounting Adjustment:

At the end of each twelve (12) month period during the term hereof, CONCESSIONAIRE shall prepare and submit to CITY a statement showing the total gross receipts for the said twelve (12) month period and the revenue paid to CITY for the said twelve (12) months. If the sums paid by CONCESSIONAIRE during said period exceed the minimum annual fees as well as the annual percentage charges computed as set forth in this Section, whichever is greater, such overpayment shall be credited to the revenue payment thereafter due from CONCESSIONAIRE.

Any breach of this condition for rental fee and payment shall be a material breach of this Concession Agreement.

SECTION 7. ADDITIONAL FEES AND CHARGES

- A. If CITY pays any sum or incurs any obligations or expense which CONCESSIONAIRE has agreed to pay or reimburse CITY for, or if CITY is required or elects to pay any sum or to incur any obligations or expense by reason of the failure, neglect, or refusal of CONCESSIONAIRE to perform or fulfill any one or more of the conditions, covenants, or agreements contained in the AGREEMENT, or as a result of an act or omission of CONCESSIONAIRE contrary to said conditions, covenants, and agreements, CONCESSIONAIRE agrees to pay to CITY the sum so paid or the expense so incurred, including all interest, costs (including CITY'S 15% administrative overhead cost), damages, and penalties. This amount shall be added to the revenue payment thereafter due hereunder, and each and every part of the same shall be and become additional revenue payment, recoverable by CITY in the same manner and with like remedies as if it were originally a part of the basic revenue payment set forth in Section 6 hereof.

- B. The charges for any late or delinquent payments shall be \$50.00 for each month late plus interest calculated at the rate of eighteen percent (18%) per annum or one and one-half percent (1.5%) each month, on the balance of the unpaid amount. Payments shall be considered past due if postmarked after the fifteenth (15th) day of the month in which payment is due.
- C. For all purposes under this Section, and in any suit, action, or proceeding of any kind between the parties hereto, any receipt showing the payment of any sum by CITY for any work done or material furnished shall be prima facie evidence against CONCESSIONAIRE that the amount of such payment was necessary and reasonable. Should CITY elect to use its own personnel in making any repairs, replacements, and/or alterations, and to charge CONCESSIONAIRE with the cost of same, receipts and timesheets will be used to establish the charges, which shall be presumed to be reasonable in absence of contrary proof submitted by CONCESSIONAIRE.

#### SECTION 8. HOURS / DAYS OF OPERATION

- A. CONCESSIONAIRE shall offer bar and beverage services to the public only during the hours that the premises are reserved by the patrons from the DEPARTMENT for pre-arranged group events;
- B. CONCESSIONAIRE must provide a minimum of three (3) hours of service (not exceeding the contracted rental hours of the hall);
- C. CONCESSIONAIRE must cease alcoholic service one (1) hour prior to the end of the event; and
- D. CONCESSIONAIRE shall be allowed to enter premises one (1) hour prior to event start time to set up and will be allowed to remain on premises one (1) hour after events for clean up. Additional time to enter the premises and set up for the event must be arranged through the DEPARTMENT's Park Services Office.

#### SECTION 9. OPERATING RESPONSIBILITIES

CONCESSIONAIRE shall, at all times during the term of the AGREEMENT, comply with the following conditions:

- A. Cleanliness:  
CONCESSIONAIRE shall, at its own expense, keep the PREMISES and the surrounding area clean and sanitary during the times service is provided. No offensive or refuse matter, nor any substance constituting an unnecessary, unreasonable, or unlawful fire hazard, or material detrimental to the public health, shall be permitted to remain thereon, and CONCESSIONAIRE shall prevent any such matter or material from being or accumulating upon said PREMISES. If, as determined by the GENERAL MANAGER, the CONCESSION is deemed unclean, unsanitary, or does not meet the standards of the CITY or County Public Health Department, and after giving ten (10) days written notice to correct such deficiencies, CONCESSIONAIRE fails to correct such deficiencies by the end of the ten (10) days, then the GENERAL MANAGER may, in its sole discretion, terminate the AGREEMENT and all terms and conditions



contained herein.

B. Correction of Damaged Conditions:

If CONCESSIONAIRE fails, after written notice, to correct such conditions which damaged the CITY property, the GENERAL MANAGER may at its option, and in addition to all other remedies which may be available to it, repair, replace, rebuild, redecorate or paint any such PREMISES included in said notice, with the cost thereof, plus fifteen percent (15%) for administrative overhead, to be paid by CONCESSIONAIRE to CITY on demand. If, for any reasons, payment of such fees becomes delinquent, GENERAL MANAGER may, in its sole discretion, after giving ten (10) days written notice, terminate the AGREEMENT and all terms and conditions contained therein.

C. Conduct:

CONCESSIONAIRE shall at all times conduct its business in a professional, quiet, and orderly manner to the satisfaction of the GENERAL MANAGER.

D. Disorderly Persons:

CONCESSIONAIRE shall use its best efforts to permit no intoxicated person(s), profane or indecent language, or boisterous or loud conduct in or about the PREMISES and shall not knowingly allow the use or possession of illegal drugs, narcotics, or controlled substances on the PREMISES. CONCESSIONAIRE will call upon peace officers to assist in maintaining peaceful conditions.

E. Non-Discrimination/ Equal Employment Practices/ Affirmative Action:

1. CONCESSIONAIRE, in its CONCESSION operations at the FACILITY, for itself, its personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree that: (1) no person on the grounds of race, color, national origin, religion, ancestry, sex, age, physical disability, or sexual orientation shall be excluded from participation, denied the benefits of or be otherwise subjected to unjust discrimination in access to or in the use of the facilities covered by the AGREEMENT; (2) that in the construction of any improvements on, over or under the PREMISES authorized to be utilized herein and the furnishing of services thereon, no person on the grounds of race, color, national origin, religion, ancestry, sex, age, physical disability, or sexual orientation shall be excluded from participation in, denied the benefits of or otherwise be subjected to unjust discrimination.
2. CONCESSIONAIRE agrees that in the event of breach of any of the above nondiscrimination covenants, with proper notification as per Section 31, CITY shall have the right to terminate the AGREEMENT and to reenter and repossess said land and the facilities thereon and hold the same as if said AGREEMENT had never been executed.
3. In addition, CONCESSIONAIRE, during the term of the AGREEMENT, agrees not to unjustly discriminate in its employment practices against any employee or applicant for employment because of the employee's or applicant's race, color, religion, national origin, ancestry, sex, age, physical disability, or sexual

orientation. All subcontracts entered into by CONCESSIONAIRE shall be approved in advance by CITY and shall contain a like provision.

F. Personnel:

1. Freedom from Tuberculosis:  
For employees preparing food, and others as required by statute (reference Section 5163 of the California Public Resources Code) or directive of the GENERAL MANAGER, CONCESSIONAIRE shall provide the GENERAL MANAGER with certificates on applicable employees indicating freedom from communicable tuberculosis.
2. Qualified Personnel:  
CONCESSIONAIRE will, in the operation of the CONCESSION, employ or permit the employment of only such personnel as will assure a high standard of service to the public and cooperation with the CITY. All such personnel, while on or about the PREMISES, shall be neat in appearance and courteous at all times and shall be appropriately attired, with badges or other suitable means of identification. No person employed by CONCESSIONAIRE, while on or about the PREMISES, shall be under the influence of illegal drugs, narcotics, other controlled substances or alcohol, or use inappropriate language, or engage in otherwise inappropriate conduct for a work environment. In the event an employee is not satisfactory, the GENERAL MANAGER may direct CONCESSIONAIRE to remove that person from the PREMISES.
3. Concession Manager:  
CONCESSIONAIRE shall appoint, subject to written approval by GENERAL MANAGER, a Concession Manager of CONCESSIONAIRE'S operations at the FACILITY. If CONCESSIONAIRE elects to subcontract the management of any or all of the CONCESSION operations to a managing entity or entities, the provisions of this section shall also apply to any such entity.

Such person must be a qualified and experienced manager or supervisor of operations, vested with full power and authority to accept service of all notices provided for herein and regarding operation of the CONCESSION, including the quality and prices of CONCESSION goods and services, and the appearance, conduct, and demeanor of CONCESSIONAIRE'S agents, servants, and employees. The Concession Manager shall be available during regular business hours and, at all times during that person's absence, a responsible subordinate shall be in charge and available. The authority of the Concession Manager is to include, but is not limited to, the ability to: hire, fire, and schedule personnel; order merchandise and materials; oversee inventory control and tracking; implement a marketing plan; maintain accounting records; book parties and events; oversee operations; train employees (to include such areas as customer service); and have ultimate on site decision-making responsibility.

The Concession Manager shall devote the greater part of his or her working time and attention to the operation of the CONCESSION and shall promote, increase and develop the business. During the days and hours established for the

operation of the subject concession, the Concession Manager's personal attention shall not be directed toward the operation of any other business activity.

If, for reasons of ill health, incapacitation, or death, the Concession Manager becomes incapable of performing each and all terms and provisions of the AGREEMENT, GENERAL MANAGER may, in its sole discretion, suspend the AGREEMENT and all terms and conditions contained therein.

4. **Approval of Employees, Volunteers and Subcontractors:**  
The DEPARTMENT shall have the right to approve or disapprove all employees, volunteers and subcontractors (including all employees and volunteers for any subcontractor) of CONCESSIONAIRE. Failure of CONCESSIONAIRE to obtain DEPARTMENT'S written approval of all persons operating under the authority of this AGREEMENT on the PREMISES shall be a material breach of this AGREEMENT. CONCESSIONAIRE shall submit a list of all persons employed by, or volunteering or subcontracting for CONCESSIONAIRE at the PREMISES to the GENERAL MANAGER prior to commencing operations pursuant to this AGREEMENT. All changes to the approved list of employees, volunteers and subcontractors shall be submitted to the GENERAL MANAGER for written approval prior to any employee, volunteer or subcontractor commencing work at the PREMISES. CONCESSIONAIRE shall not hire as an employee or volunteer, or subcontract with, any person whom the DEPARTMENT would be prohibited from hiring as an employee or volunteer pursuant to California Public Resources Code Section 5164 to perform work at the PREMISES. Each employee, volunteer or subcontractor (including all employees or volunteers of any subcontractor) shall be required to fill out a form requesting the information required by Section 5164, and the DEPARTMENT reserves the right to fingerprint and conduct a Department of Justice criminal background check on any such person prior to approving their employment, volunteer service or subcontract. Failure to comply with this hiring standard shall be a material breach of this AGREEMENT and CONCESSIONAIRE shall immediately remove any employee, volunteer or subcontractor from the PREMISES at DEPARTMENT'S instruction.

G. **Price Schedules and Merchandise:**

1. CITY agrees that CONCESSIONAIRE'S merchandise, including its prices for same, shall be within CONCESSIONAIRE'S discretion; subject, however, to disapproval by GENERAL MANAGER if the selection of items offered is inadequate, of inferior quality, or if any of said prices are excessively high or low in the sole opinion of GENERAL MANAGER. Such determination shall not be unreasonable and shall take into account the business considerations presented by CONCESSIONAIRE. All prices charged for alcoholic and non-alcoholic beverages shall be prominently posted and shall be comparable to prices charged in similar establishments in the City of Los Angeles. CONCESSIONAIRE shall, upon execution of AGREEMENT, provide the GENERAL MANAGER with a list of prices for all merchandise and services. This list shall be updated whenever prices are changed.

2. All menu items and service, offered for sale and/or sold by CONCESSIONAIRE in said PREMISES, shall be of high quality and must be related to the ordinary business of the CONCESSION. No adulterated, misbranded, or impure articles shall be sold or kept for sale by CONCESSIONAIRE. All merchandise kept for sale or rented by the CONCESSIONAIRE shall be kept subject to the approval or rejection of the GENERAL MANAGER and CONCESSIONAIRE shall remove from the PREMISES any article which may be rejected and shall not again offer it for sale without the written approval of the GENERAL MANAGER. The GENERAL MANAGER may order the improvement of the quality of any merchandise kept or offered for sale or rental.
3. CONCESSIONAIRE shall be prohibited from selling merchandise in non-recyclable containers or glass bottles.
4. All merchandise sold, kept for sale, or rented by CONCESSIONAIRE shall be of a quality acceptable to industry standards and conform to all federal, state and municipal laws, ordinances, and regulations in every respect. No imitation, adulterated, misbranded, or impure articles shall be sold or kept for sale by CONCESSIONAIRE and all edible merchandise kept on hand shall be stored and handled with due regard for sanitation. In addition, no substitutes, fillers, dilutants, nor reduction in size of standard manufactured products will be permitted. All merchandise kept for sale or rented by the CONCESSIONAIRE shall be kept subject to the approval or rejection of the GENERAL MANAGER, and CONCESSIONAIRE shall remove from the PREMISES any article which may be rejected and shall not offer it for sale or rent without the consent of GENERAL MANAGER. The GENERAL MANAGER may order the improvement of the quality of any merchandise kept or offered for sale.
5. CONCESSIONAIRE shall minimize the paper items (straw covers, serving cartons, etc.) distributed with take-out CONCESSION products. CONCESSIONAIRE shall be prohibited from selling merchandise in non-returnable bottles, and shall not dispense take-out food or beverage items in glass or Styrofoam containers. CONCESSIONAIRE shall not sell or give away or otherwise dispose of any commodity which in the opinion of GENERAL MANAGER will cause undue litter. CONCESSIONAIRE expressly agrees to comply with all CITY and DEPARTMENT recycling programs.
6. CONCESSIONAIRE shall not sell any tobacco products, food products, lottery tickets or similar type merchandise.
7. CONCESSIONAIRE shall offer receipts to the customers for every transaction. Concessionaire shall at all times place a sign within twelve (12) inches of cash register, in clear view to the public, and in minimum one-inch lettering, which states: "If you are not provided a receipt for any transactions, the purchase is free. Please contact the Department of Recreation and Parks – Concessions Unit at (213) 202-3280 if a receipt for this transaction is not provided." Said free purchase for failure to provide a receipt will be at the sole expense of the Concessionaire.

H. Diversion of Business:  
CONCESSIONAIRE shall not divert, cause, allow, or permit to be diverted any business from the PREMISES and shall take all reasonable measures, in every proper manner, to develop, maintain, and increase the business conducted by it under the AGREEMENT.

I. Service Response and Responsibilities:

Prior to the event, the CONCESSIONAIRE shall:

1. Provide and maintain a reservation phone service during normal business hours for answering inquiries and taking reservations from prospective patrons. In cases where voicemail service is in use, patrons' telephone call must be returned within twenty-four (24) hours from the time the messages from prospective patrons are received;
2. Collect reservation deposit fees from patrons after confirmation of scheduled bar service;
3. Coordinate, schedule and confirm each reserved event, and the type of bar service requested; with the patrons and with the Department no less than fourteen (14) days prior to day of event;
4. Have printed brochures detailing service plans and cost options to be made available at each of the rental halls;
5. Include information about deposit, cancellation and/or refund policy in brochures and provide the brochures to patron(s) after completing the necessary service agreements (Exhibit D) with the patrons;
6. Provide for all bar service staffing, including all hiring, training, and supervision;
7. Set-up or prepare venue within one (1) hour before the start of the event;

During event, the CONCESSIONAIRE shall:

8. Provide an Events Manager and/or Events Coordinator onsite during hours of the events to respond to clients' needs;
9. Provide alcoholic and non-alcoholic beverage service to patrons renting the premises for group events;
10. Provide all necessary supplies and equipment, including portable bar;
11. Keep the service area of the premises clean and uncluttered during the event;

12. Provide for all bar service staffing, including all hiring, training, and supervision;
13. Discontinue the dispensing of alcoholic beverages to persons deemed disorderly or intoxicated;
14. Inform patrons at the beginning of the event, at two hours before the end of the event, and at ninety minutes before the end of the event that alcohol will not be served during the last hour of the event;
15. Take reasonable steps to exercise due diligence in assisting patrons deemed intoxicated by providing the necessary assistance in order to prevent injury to themselves and to others and report all incidences promptly to the Department's Facility Manager or Supervisor;
16. Be responsible for the conduct of activities during the event, and ensure compliance with the established local, state and federal policies and regulations;
17. Be present during any activity at premises where liquor is sold or dispensed, including champagne toast only events;
18. Ensure the service area of the premises is kept clean and uncluttered;

After the event, the CONCESSIONAIRE shall:

19. Remove all products and operator equipment from premises within an hour after each event and ensure the event area authorized for the bar and beverage service is in as good as order and condition as prior to the event;
20. Dispose of all trash;

Other

21. Implement a Customer Satisfaction and Improvement Program to incorporate suggested improvements from patrons using a Customer Service Survey / Questionnaire (Exhibit E); and
  22. Collect the full balance of fees from patrons and remit revenue payment to the Department.
- J. Equipment, Furnishings, and Expendables:  
All equipment, furnishings (utensils, appliances, stemware, beverage serving ware and other equipment necessary for alcohol and beverage service), and expendables required for said CONCESSION shall be purchased by CONCESSIONAIRE at its sole expense and shall remain its personal property.
- K. Maintenance of Equipment:  
CONCESSIONAIRE shall, at all times and at its expense, provide all maintenance,

repair, and service required on equipment, furnishings (utensils, appliances, stemware, beverage serving ware and other equipment necessary for alcohol and beverage service, including any beverage service carts and/or portable bar used in the PREMISES) and keep and maintain such equipment in good repair and in a clean, sanitary, and orderly condition and appearance.

L. Claims for Labor and Materials:

The CONCESSIONAIRE shall promptly pay when due all amounts payable for labor and materials furnished in the performance of the AGREEMENT so as to prevent any lien or other claim under any provision of law from arising against any CITY property (including reports, documents, and other tangible matter produced by the CONCESSIONAIRE hereunder), against the CONCESSIONAIRE'S rights hereunder, or against the CITY, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.

M. Signs and Advertisements:

1. CONCESSIONAIRE shall not erect, construct, or place any signs, banners, ads, or displays of any kind whatsoever upon any portion of CITY property without the prior written approval from the GENERAL MANAGER, who may require the removal or refurbishment of any sign previously approved. Certain signs and advertisements may also require the prior written approval of the Cultural Affairs Department or other appropriate agencies.
2. CONCESSIONAIRE shall not permit vendors to display wares inside or outside the building or on said property unless written permission is secured from the GENERAL MANAGER in advance of installation, and such permission shall be subject to revocation at any time.
3. Upon the completion of the event, CONCESSIONAIRE shall, at its own expense, remove or paint out, as GENERAL MANAGER may direct, any and all of its signs and displays on the PREMISES and in connection therewith, and shall restore said PREMISES and improvements thereto to the same condition as prior to the placement of any such signs or displays.
4. CONCESSIONAIRE's address and phone number shall be prominently displayed along with the notation that all complaints regarding change, service, or merchandise, should be referred directly to the company. However, reports in writing shall be directed to the City of Los Angeles Department of Recreation and Parks, Park Services Division at (323) 644-6252.
5. CONCESSIONAIRE shall place a portable sign at the FACILITY, placed before each event and removed after each event, in a prominent place, stating that the CONCESSION is operated under a Concession AGREEMENT issued by CITY through the Department of Recreation and Parks.

N. Utilities:

CONCESSIONAIRE shall pay a monthly utility charge equal to 1.5% of gross receipts

as payment for utilities. CONCESSIONAIRE shall remit said monthly payment in conjunction with the monthly revenue payments.

1. Water shall be utilized by CONCESSIONAIRE in the most efficient manner possible, and CONCESSIONAIRE expressly agrees to comply with all CITY water conservation programs.
2. CONCESSIONAIRE hereby expressly waives all claims for compensation, or for any diminution or abatement of the rental payment provided for herein, for any and all loss or damage sustained by reason of any defect, deficiency, or impairment of the water, heating, or air conditioning systems, electrical apparatus, or wires furnished to the PREMISES which may occur from time to time and from any cause or from any loss resulting from water, earthquake, wind, civil commotion, or riot; and CONCESSIONAIRE hereby expressly releases and discharges CITY and its officers, employees, and agents from any and all demands, claims, actions, and causes of action arising from any of the aforesaid causes.
3. In all instances where damage to any utility service line is caused by CONCESSIONAIRE; its employees, contractors, sub-contractors, suppliers, agents, or invitees, CONCESSIONAIRE shall be responsible for the cost of repairs and any and all damages occasioned thereby.

O. Safety:

CONCESSIONAIRE shall correct safety deficiencies, and violations of safety practices, immediately after the condition becomes known or GENERAL MANAGER notifies CONCESSIONAIRE of said condition. CONCESSIONAIRE shall cooperate fully with CITY in the investigation of accidents occurring on the PREMISES. In the event of injury to a patron or customer, CONCESSIONAIRE shall reasonably ensure that the injured person receives prompt and qualified medical attention, and as soon as possible thereafter, CONCESSIONAIRE shall submit a CITY Form General No. 87 "Non-Employee Accident or Illness Report." (Exhibit F). If CONCESSIONAIRE fails to correct hazardous conditions specified by the GENERAL MANAGER in a written notice, which have led, or in the opinion of CITY could lead, to injury, the GENERAL MANAGER may, in addition to all other remedies which may be available to CITY, may correct the specified hazardous conditions, with the cost thereof, plus fifteen percent (15%) for administrative overhead, to be paid by CONCESSIONAIRE to CITY on demand.

P. Environmental Sensitivity:

The CONCESSIONAIRE must operate the CONCESSION in an environmentally sensitive manner and all operations must comply with CITY policies regarding protection of the environment. CONCESSIONAIRE shall not use or allow the use on the PREMISES of environmentally unsafe products.

Q. Fund Raising Activities:

CONCESSIONAIRE will be expected to cooperate with Department personnel on all matters relative to the conduct of fund-raising and/or special events. Prices shall remain the same for fund raising events as for all other events.



- R. Community Outreach:  
CONCESSIONAIRE shall coordinate and cooperate with DEPARTMENT to develop strategies to outreach to make affordable and available services to all members of the community, particularly those living in low-to-moderate income areas, fixed-income households, the disabled, etc., to provide its services to these members of the community who may not otherwise have the opportunity to partake in the services provided by CONCESSIONAIRE.
- S. Resources Supplied by CONCESSIONAIRE:  
CONCESSIONAIRE shall supply resource items that are specifically listed in this section in order to ensure business operations are run effectively and efficiently.
- T. Quiet Enjoyment:  
CITY agrees that CONCESSIONAIRE, upon payment of the fees and charges specified herein, and all other charges and payments to be paid by CONCESSIONAIRE under the terms of this AGREEMENT, and upon observing and keeping the required terms, conditions and covenants of this AGREEMENT, shall lawfully and quietly hold, use and enjoy the concession PREMISES during the term of this AGREEMENT. In the case of disputes, during the life of the AGREEMENT, over any conditions which may impede upon the CONCESSIONAIRE's quiet enjoyment of the concession PREMISES, the GENERAL MANAGER shall have final determination of any solution to such dispute; the GENERAL MANAGER's final determination shall be binding upon all parties in such dispute.

#### SECTION 10. LIABILITY

- A. Indemnification: Except for the active negligence or willful misconduct of City, CONCESSIONAIRE undertakes and agrees to defend, indemnify and hold harmless City and any and all of City's Officers, Agents, and Employees from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees and cost of litigation, damage or liability of any nature whatsoever, for death or injury to any person, including CONCESSIONAIRE'S employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of, or incident to, the performance of this agreement on the part of CONCESSIONAIRE, its officers, agents, employees, or sub-contractor of any tier.
- B. Insurance:
1. General Conditions:  
CONCESSIONAIRE shall obtain and keep in force an insurance policy which covers all operations conducted pursuant to this AGREEMENT. Such insurance policy must also insure the City of Los Angeles and comply with the Office of the City Administrative Officer's insurance requirements. See Exhibit G for insurance requirements. The DEPARTMENT, based upon advice of the CITY'S Risk Managers, may increase or decrease the amounts of insurance coverage required herein by giving thirty (30) days' written notice to CONCESSIONAIRE.

Without limiting CONCESSIONAIRE'S indemnification of CITY, CONCESSIONAIRE shall provide and maintain at its own expense during the entire term of the AGREEMENT insurance having the limits customarily carried and actually arranged by CONCESSIONAIRE but not less than the amounts and types listed in the AGREEMENT covering its operations hereunder subject to the following conditions:

- a. Additional Insured:  
CITY, its Officers, Agents and Employees shall be included as additional insureds in all liability insurance policies except: Workers' Compensation/Employer's Liability, Professional Errors and Omissions and second-party Legal Liability coverages (such as Fire Legal). CITY shall be named Loss Payee As Its Interest May Appear in all required property, fidelity or surety coverages.
- b. Insurance Requirements:  
All insurance required hereunder shall conform to CITY requirements established by Charter, ordinance or policy and shall be filed with the Office of the City Attorney for its review in accordance with Los Angeles City Administrative Code Sections 11.47 through 11.56.
- c. Primary Insurance:  
Such insurance shall be primary with respect to any insurance maintained by CITY and shall not call on CITY's insurance program for contributions.
- d. Admitted Carrier/Licensed California Broker:  
Such insurance shall be obtained from brokers or carriers authorized to transact insurance business in California.
- e. 30-Day Notice:  
With respect to the interest of CITY, such insurance shall not be canceled, materially reduced in coverage or limits or non-renewed except after thirty (30) days written notice by receipted delivery (e.g. certified mail-return receipt, courier) has been given to the Office of the City Administrative Officer.
- f. Prior Approval:  
Evidence of insurance shall be submitted to and approved by the Office of the City Administrative Officer prior to commencement of any work or tenancy under this agreement.
- g. Severability of Interest:  
Except with respect to the insurance company's limits of liability, each liability insurance policy shall apply separately to each insured against whom claim or suit is brought. The inclusion of any person or organization as an insured shall not affect any right which such person or organization would have as a claimant if not so included.

- h. **Acceptable Evidence:**  
Concessionaire shall submit acceptable evidence and approval of insurance in accordance with the "Instructions and Information on Complying with City Insurance Requirements" (Exhibit G).
  - i. **Renewal:**  
Once the insurance has been approved by CITY, evidence of renewal of an expiring policy may be submitted on a manually signed renewal endorsement form. If the policy or the carrier has changed, however, new evidence as specified in paragraphs a. through h. above must be submitted.
  - j. **Aggregate Limits/Blanket Coverage:**  
If any of the required insurance coverages contain aggregate limits, or apply to other operations or tenancy of CONCESSIONAIRE outside this agreement, CONCESSIONAIRE shall give CITY prompt, written notice of any incident, occurrence, claim, settlement or judgment against such insurance which in CONCESSIONAIRE'S best judgment will diminish the protection such insurance affords CITY.
- 2. **Self-Insurance and Self-Insured Retentions:**  
Self-insurance programs and self-insured retentions in insurance policies are subject to separate approval by CITY upon review of evidence of CONCESSIONAIRE'S financial capacity to respond. Additionally, such programs or retentions must provide CITY with at least the same protections from liability and defense of suits as would be afforded by first-dollar insurance.
- 3. **Modification of Coverage:**  
CITY reserves the right at any time during the term of this agreement to change the amounts and types of insurance required hereunder by giving CONCESSIONAIRE ninety (90) days advance written notice of such change. If such change should result in substantial additional cost to CONCESSIONAIRE, CITY agrees to negotiate additional compensation proportional to the increased benefit to CITY.
- 4. **Availability/Failure to Procure Insurance:**  
The required coverages and limits are subject to availability on the open market at reasonable cost as determined by CITY. Nonavailability or nonaffordability must be documented by a letter from CONCESSIONAIRE'S insurance broker or agent indicating a good faith insurance and showing as minimum the names of the insurance carriers and the declinations or quotations received from each.

Within the foregoing constraints, CONCESSIONAIRE'S failure to procure or maintain required insurance or a self-insurance program shall constitute a material breach of contract under which GENERAL MANAGER may immediately terminate or suspend this agreement or, at its discretion, procure or renew such

insurance to protect CITY's interests and pay any and all premiums in connection therewith, and recover all monies so paid from CONCESSIONAIRE.

5. Underlying Insurance:  
CONCESSIONAIRE shall be responsible for requiring indemnification and insurance as it deems appropriate from its employees receiving mileage allowance, consultants, agents and subcontractor, if any, to protect CONCESSIONAIRE'S and CITY's interest, and for ensuring that such persons comply with applicable insurance statutes. CONCESSIONAIRE is encouraged to seek professional advice in this regard.
  
6. Workers' Compensation:  
CONCESSIONAIRE hereby certifies that it is aware of the provisions of Section 3700 et seq., of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all such times as they may apply during the performance of the work of this AGREEMENT.

Any breach of this condition for insurance requirements shall be a material breach of this Concession Agreement.

#### SECTION 11. PROHIBITED ACTS

CONCESSIONAIRE shall not, during the time of the event:

- A. Do or allow to be done anything which may interfere with the effectiveness or accessibility of utility, heating, ventilating, or air conditioning systems or portions thereof on the PREMISES or elsewhere on the FACILITY, nor do or permit to be done anything which may interfere with free access and passage in the PREMISES or the public areas adjacent thereto, or in the streets or sidewalks adjoining the PREMISES, or hinder police, fire fighting or other emergency personnel in the discharge of their duties;
- B. Interfere with the public's enjoyment and use of the FACILITY or use the PREMISES for any purpose which is not essential to the CONCESSION operations;
- C. Rent, sell, lease or offer any space for storing of any articles whatsoever within or on the PREMISES other than specified herein, without the prior written approval of the GENERAL MANAGER;
- D. Overload any floor in the PREMISES;
- E. Place any additional lock of any kind upon any window or interior or exterior door in the PREMISES, or make any change in any existing door or window lock or the mechanism thereof, unless a key therefore is maintained on the PREMISES, nor refuse, upon the expiration or sooner termination of the AGREEMENT, to surrender to GENERAL MANAGER any and all keys to the interior or exterior doors on the PREMISES, whether said keys were furnished to or otherwise procured by CONCESSIONAIRE, and in the event of the loss of any keys furnished by GENERAL MANAGER, CONCESSIONAIRE

shall pay CITY, on demand, the cost for replacement thereof;

- F. Do or permit to be done any act or thing upon the PREMISES which will invalidate, suspend or increase the rate of any insurance policy required under the AGREEMENT, or carried by CITY, covering the PREMISES, or the buildings in which the same are located or which, in the opinion of GENERAL MANAGER, may constitute a hazardous condition that will increase the risks normally attendant upon the operations contemplated under the AGREEMENT, provided, however, that nothing contained herein shall preclude CONCESSIONAIRE from bringing, keeping or using on or about the PREMISES such materials, supplies, equipment and machinery as are appropriate or customary in carrying on its business, or from carrying on said business in all respects as is customary;
- G. Use, create, store or allow any hazardous materials as defined in Title 26, Division 19.1, Section 19-2510 of the California Code of Regulations, or those which meet the criteria of the above Code, as well as any other substance which poses a hazard to health and environment, provided, however, that nothing contained herein shall preclude CONCESSIONAIRE from bringing, keeping or using on or about the PREMISES such materials, supplies, equipment and machinery as are appropriate or customary in carrying on its business, or from carrying on said business in all respects as is customary except that all hazardous materials must be stored and used in compliance with all City, State and Federal rules, regulations, ordinances and laws;
- H. Allow any sale by auction upon the PREMISES;
- I. Permit undue loitering on or about the PREMISES;
- J. Use the PREMISES in any manner that will constitute waste;
- K. Use or allow the PREMISES to be used for, in the opinion of General Manager, any improper, immoral, or unlawful purposes.

#### SECTION 12. PERFORMANCE DEPOSIT

- A. CONCESSIONAIRE shall provide the DEPARTMENT a sum equal to Five-Thousand Dollars (\$5,000) to guarantee payment of fees and as a damage deposit to be used in accordance with the default provisions of this AGREEMENT.
- B. Form of Deposit  
CONCESSIONAIRE'S Performance Deposit shall be in any one of the following forms but may not be a combination of two or more types:
  - 1. A cash deposit made at the Cashier's window of the DEPARTMENT.
  - 2. A cashier's check drawn on any bank that is a member of the Los Angeles Clearing House Association, which cashier's check is payable to the order of the City of Los Angeles.
  - 3. A check drawn on and certified by any bank that is a member of the Los Angeles Clearing House Association, payable to the order of the City of Los Angeles.

C. Agreement of Deposit and Indemnity:

The above instruments must be accompanied by an agreement of deposit and indemnity, approved as to form and legality by the City Attorney, wherein CONCESSIONAIRE unconditionally agrees that in the event of any default, CITY shall have full power and authority to use the deposit in whole or in part to indemnify CITY. Every deposit of securities or certificates of time deposit must be accompanied by express authority for the GENERAL MANAGER to convert same into cash and to deposit said cash in the City Treasury in the manner governing deposit of cash in the City Treasury by the Charter of the City of Los Angeles. All deposits of cash or checks must be immediately so deposited by the DEPARTMENT.

The BOARD shall authorize and request the Treasurer of the City of Los Angeles to receive said United States Government negotiable securities, together with the properly executed agreement of indemnity and deposit, for safekeeping. In the event said securities are to be converted to cash because of default, the BOARD may authorize and request the Treasurer to sell said securities on its behalf.

D. Maintenance of Deposit:

Said deposit shall be held by CITY during the entire term of the AGREEMENT. United States Government negotiable securities shall at all times have both a par value and a market value of not less than the amount specified in the AGREEMENT and, in the event the market value of said securities declines, CONCESSIONAIRE shall, upon written demand of the GENERAL MANAGER, within ten days of the mailing by the DEPARTMENT of such demand, pledge and furnish such additional United States Government negotiable securities with appropriate agreement of indemnity and deposit approved as to form and legality by the City Attorney, as may be necessary to maintain both a par and market value of securities on deposit of not less than the amount specified in the AGREEMENT. If such additional securities are not received by the DEPARTMENT within ten days after the mailing of written notice as stated above, all default provisions may be exercised at the discretion of CITY.

In the event of maturity of the securities prior to termination of the AGREEMENT for which they were deposited, the BOARD shall authorize and request the Treasurer to redeem the securities. The BOARD shall then use the proceeds of the redeemed securities to purchase a sufficient amount of United States Government negotiable securities to be at least equal as to both par and market value to the original amount of the deposit, and place them with Treasurer on receipt.

If the redemption proceeds are not sufficient, CONCESSIONAIRE shall deposit cash with the DEPARTMENT in an amount sufficient to make up the difference within ten days of mailing of notice of deficiency by the DEPARTMENT.

If said deposit is in the form of a certificate of deposit, a current certificate shall be provided to the DEPARTMENT at the sole expense of the CONCESSIONAIRE, on an annual basis, no later than April 30<sup>th</sup> of each calendar year.

E. Return of Performance Deposit to CONCESSIONAIRE:

Said Performance Deposit shall be returned to CONCESSIONAIRE and any rights assigned to Performance Deposit shall be surrendered by CITY in writing, after the

expiration or earlier termination of the AGREEMENT and any exit audits performed in conjunction with the AGREEMENT. The CITY reserves the right to deduct from the Performance Deposit, any amounts up to and including the full amount of the Performance Deposit as stated herein, owed to the CITY by CONCESSIONAIRE as shown by any exit audits performed by CITY, or as compensation to CITY for failure to adhere to the terms and conditions of the AGREEMENT.

#### SECTION 13. NUMBER OF ORIGINALS

The number of original texts of this AGREEMENT shall be equal to the number of parties hereto, one text being retained by each party.

#### SECTION 14. INDEPENDENT CONTRACTORS / CONSULTANTS

The CONCESSIONAIRE is acting hereunder as an independent contractor and not as an agent or employee of the CITY. The CONCESSIONAIRE shall not represent or otherwise hold itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the CITY.

#### SECTION 15. TAXES, PERMITS, AND LICENSES

- A. CONCESSIONAIRE shall obtain and maintain at its sole expense any and all approvals, permits, or licenses that may be required in connection with the operation of the CONCESSION including, but not limited to, tax permits, business licenses, health permits, building permits, police and fire permits, etc.
- B. CONCESSIONAIRE shall pay all taxes of whatever character that may be levied or charged upon the rights of CONCESSIONAIRE to use the PREMISES, or upon CONCESSIONAIRE'S improvements, fixtures, equipment, or other property thereon or upon CONCESSIONAIRE'S operations hereunder. In addition, by executing the AGREEMENT and accepting the benefits thereof, a property interest may be created known as "Possessory Interest" and such property interest will be subject to property taxation. CONCESSIONAIRE, as the party to whom the Possessory Interest is vested, may be subject to the payment of the property taxes levied by the State and County upon such interest.
- C. During the entire term of the AGREEMENT, the CONCESSIONAIRE must hold a current Los Angeles Business Tax Registration Certificate (BTRC) as required by the CITY'S Business Tax Ordinance (LAMC Article 1, Chapter 2, Sections 21.00 et. seq.).
- D. Pursuant to Section 21.3.3 of Article 1.3 of the LAMC Commercial Tenants Occupancy Tax, CONCESSIONAIRE must pay to the City of Los Angeles for the privilege of occupancy, a tax at the rate of \$1.48 per calendar quarter or fractional part thereof for the first \$1,000 or less of charges (rent) attributable to said calendar quarter, plus \$1.48 per calendar quarter for each additional \$1,000 of charges or fractional part thereof in excess of \$1,000. Said tax shall be paid quarterly to the DEPARTMENT, on or before the fifteenth (15<sup>th</sup>) of April, July, October, and January of each calendar year, for the preceding three (3) months.

The charges for late or delinquent payments shall be \$50.00 for each month late plus

interest calculated at the rate of eighteen percent (18%) per annum or one and one-half percent (1.5%) each month, assessed daily, on the balance of the unpaid amount. Payments shall be considered past due if postmarked after the fifteenth (15th) day of the month in which payment is due.

#### SECTION 16. ASSIGNMENT, SUBLEASE, BANKRUPTCY

CONCESSIONAIRE shall not under-let or sub-let the subject PREMISES or any part thereof or allow the same to be used or occupied by any other person or for other use than that herein specified, nor assign the AGREEMENT nor transfer, assign or in any manner convey any of the rights or privileges herein granted without the prior written consent of CITY. Neither the AGREEMENT nor the rights herein granted shall be assignable or transferable by any process or proceedings in any court, or by attachment, execution, proceeding in insolvency or bankruptcy either voluntary or involuntary, or receivership proceedings. Any attempted assignment, mortgaging, hypothecation, or encumbering of the CONCESSION rights or other violation of the provisions of this Section shall be void and shall confer no right, title or interest in or to the AGREEMENT or right of use of the whole or any portion of the PREMISES upon any such purported assignee, mortgagee, encumbrancer, pledgee or other lien holder, successor or purchaser.

The CONCESSIONAIRE may not, without prior written permission of the City:

- A. Assign or otherwise alienate any of its rights hereunder, including the right to payment; or
- B. Delegate, subcontract, or otherwise transfer any of its duties hereunder.

#### SECTION 17. BUSINESS RECORDS

CONCESSIONAIRE shall maintain during the term of the AGREEMENT and for three (3) years thereafter, all of its books, ledgers, journals, and accounts wherein are kept all entries reflecting the gross receipts received or billed by it from the business transacted pursuant to the AGREEMENT. Such books, ledgers, journals, accounts, and records shall be available for inspection and examination by GENERAL MANAGER, or a duly authorized representative, during ordinary business hours at any time during the term of this agreement and for at least three (3) years thereafter.

- A. Employee Fidelity Bonds:  
At the GENERAL MANAGER'S discretion, adequate employee fidelity bonds may be required to be maintained by CONCESSIONAIRE covering all its employees who handle money.
- B. Cash And Record Handling Requirements:  
If requested by GENERAL MANAGER, CONCESSIONAIRE shall prepare a description of its cash handling and sales recording systems and equipment to be used for operation of the CONCESSION which shall be submitted to GENERAL MANAGER for approval.

CONCESSIONAIRE shall be required to maintain a method of accounting of the CONCESSION which shall correctly and accurately reflect the gross receipts and disbursements received or made by CONCESSIONAIRE from the operation of the



CONCESSION. The method of accounting, including bank accounts, established for the CONCESSION shall be separate from the accounting systems used for any other business operated by CONCESSIONAIRE or for recording CONCESSIONAIRE'S personal financial affairs. Such method shall include the keeping of the following documents:

1. Regular books of accounting such as general ledgers.
2. Journals, including supporting and underlying documents such as vouchers, checks, tickets, bank statements, etc.
3. State and Federal income tax returns and sales tax returns and checks and other documents proving payment of sums shown.
4. Cash register tapes shall be retained so that day to day sales can be identified. A cash register must be used in public view which prints a dated double tape, indicating each sale and the daily total.
5. Any other accounting records that CITY, in its sole discretion, deems necessary for proper reporting of receipts.
6. Provide details of all adjustments to gross revenue. CONCESSIONAIRE agrees to pay the CITY a late fee of \$50.00 per month for failure to provide said details of all adjustments to gross revenue.

C. Method of Recording Gross Receipts:

Unless otherwise specified in the AGREEMENT, CONCESSIONAIRE shall obtain and utilize a cash register(s) dedicated for the duration of each event at each facility on which it shall record all gross sales, including hosted bar sales. The cash register shall be non-resettable and sufficient to supply an accurate recording of all sales on tape.

CONCESSIONAIRE shall not purchase or use the cash register before obtaining the GENERAL MANAGER'S written approval of the specific register to be purchased. All cash registers shall have a price display which is and shall remain at all times visible to the public. Printed receipts shall be provided to the patron for all transactions.

D. Annual Statement of Gross Receipts and Expenses:

CONCESSIONAIRE shall transmit a Statement of Gross Receipts and Expenses (Profit and Loss Statement) for the CONCESSION operations as specified in the AGREEMENT, in a form acceptable to the GENERAL MANAGER, on or before April 30th after the close of each calendar year during the term of the AGREEMENT. Such Statement must be prepared by a Certified Public Accountant (CPA) and shall not include statements of omission or non-disclosure. The charges for late or delinquent Statements shall be \$50.00 per month.

In addition, CITY may from time to time conduct an audit and re-audit of the books and businesses conducted by CONCESSIONAIRE and observe the operation of the business so that accuracy of the above records can be confirmed. If the report of gross sales made by CONCESSIONAIRE to CITY shall be found to be less than the amount of gross sales disclosed by such audit and observation, CONCESSIONAIRE shall pay CITY within 30 days after billing any additional rentals disclosed by such audit. If discrepancy exceeds 2% and no reasonable explanation is given for such discrepancy, CONCESSIONAIRE shall also pay the cost of the audit.

## SECTION 18. REGULATIONS, INSPECTION, AND DIRECTIVES

A. The operations conducted by CONCESSIONAIRE pursuant to the AGREEMENT shall be subject to:

1. Any and all applicable rules, regulations, orders, and restrictions which are now in force or which may be hereafter adopted by CITY with respect to the operation of the CONCESSION;
2. Any and all orders, directions or conditions issued, given, or imposed by GENERAL MANAGER with respect to the use of the roadways, driveways, curbs, sidewalks, parking areas, or public areas adjacent to the PREMISES;
3. Any and all applicable laws, ordinances, statutes, rules, regulations or orders, including the LAMC, LAAC, the Charter of the City of Los Angeles, and of any governmental authority, federal, state or municipal, lawfully exercising authority over the CONCESSIONAIRE'S operations; and,
4. Any and all applicable local, state and federal laws and regulations relative to the design and installation of facilities to accommodate disabled persons.

B. Permissions:

Any permission required by the AGREEMENT shall be secured in writing by CONCESSIONAIRE from CITY or the GENERAL MANAGER and any errors or omissions therefrom shall not relieve CONCESSIONAIRE of its obligations to faithfully perform the conditions therein. CONCESSIONAIRE shall immediately comply with any written request or order submitted to it by CITY or the GENERAL MANAGER.

C. Right of Inspection:

CITY and the GENERAL MANAGER, their authorized representatives, agents and employees shall have the right to enter upon the PREMISES at any and all reasonable times for the purpose of inspection, evaluation, and observation of CONCESSIONAIRE'S operation. During these inspections, they shall have the right to photograph, film, or otherwise record conditions and events taking place upon the PREMISES. The inspections may be made by persons identified to CONCESSIONAIRE as CITY Employees, or may be made by independent contractors engaged by CITY. Inspections may be made for the purposes set forth below, and for any other lawful purpose for which the CITY or another governmental entity with jurisdiction is authorized to perform inspections of the PREMISES:

1. To determine if the terms and conditions of the AGREEMENT are being complied with.
2. To observe transactions between the CONCESSIONAIRE and patrons in order to evaluate the quality and quantities of services provided or items sold or dispensed.

- D. Control of Premises:  
CITY shall have absolute and full access to the PREMISES and all its appurtenances during the term of the AGREEMENT and may make such changes and alterations therein, and in the grounds surrounding same, as may be determined by said CITY. Such determination shall not be unreasonable and shall take into account the business considerations presented by CONCESSIONAIRE.
- E. Americans with Disabilities Act:  
The CONCESSIONAIRE shall comply with the Americans with Disabilities Act 42 U.S.C. Section 12101 et seq., and with the provisions of the Certification Regarding Compliance with the Americans with Disabilities Act which is attached to AGREEMENT and incorporated herein by this reference.
- F. Child Support Ordinance:  
The AGREEMENT is subject to Section 10.10, Article 1, Chapter 1, Division 10 of the LAAC, Child Support Assignment Orders Ordinance. CONCESSIONAIRE is required to complete a Certification of Compliance with Child Support obligations which is attached to the AGREEMENT and incorporated herein by this reference. Pursuant to this ordinance, CONCESSIONAIRE shall (1) fully comply with all State and Federal employment reporting requirements applicable to Child Support Assignment Orders; (2) certify that the principal owner(s) of CONCESSIONAIRE are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (3) fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with California Family Code section 5230 et seq.; and (4) maintain such compliance throughout the term of this AGREEMENT.
- G. Minority, Women, and Other Business Enterprise Outreach Program:  
CONCESSIONAIRE agrees and obligates itself to utilize the services of Minority, Women, and Other Business Enterprise firms on a level so designated in its proposal, if any. CONCESSIONAIRE certifies that it has complied with Mayoral Directive 2001-26 regarding the Outreach Program for Contracts greater than \$100,000, if applicable. CONCESSIONAIRE shall not change any of these designated subconsultants and subcontractors, nor shall CONCESSIONAIRE reduce their level of effort, without prior written approval of the CITY, provided that such approval shall not be unreasonably withheld.

- H. Living Wage Ordinance/Service Contract Worker Retention Ordinance:  
The CONCESSIONAIRE must comply with City Ordinance 172336 (Living Wage Ordinance) unless exempted in accordance with said ordinance. The Living Wage Ordinance requires in part that nothing less than a prescribed minimum level of compensation (a "living wage") be paid to employees of service contractors of the CITY and its financial assistance recipients and to employees of such recipients. Under Section 10.37.2 of the Ordinance, CONCESSIONAIRE shall pay service employees who spend any of their time on CITY contracts a wage of no less than the hourly rates set under the authority of the Living Wage Ordinance (LWO). Such rates shall be adjusted annually to correspond with adjustments, if any, to retirement benefits paid to members of the Los Angeles City Employees' Retirement System.

CONCESSIONAIRE must also comply with the Service Contract Worker Retention Ordinance (SCWRO), adopted through Ordinance 171004. This Ordinance requires CONCESSIONAIRE to retain all employees from the previous contractor/CONCESSIONAIRE for a period of 90 days, and must continue to retain those satisfactorily performing employees.

- I. Contractor Responsibility Ordinance:  
Every Request for Proposal, Request for Bid, Request for Proposals, or other procurement process is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 et seq. of Article 14, Chapter 1 of Division 10 of the LAAC, unless exempt pursuant to the provisions of the Ordinance.
- J. Equal Benefits Ordinance:  
Section 10.8.2.1 (c) of the LAAC (Equal Benefits Ordinance) requires that every contract with or on behalf of the City of Los Angeles for which the consideration is in excess of the \$5,000.00 must incorporate the Equal Benefits Provisions.
- K. Contractor Evaluation Ordinance:  
At the end of the AGREEMENT, the CITY will conduct an evaluation of the CONCESSIONAIRE's performance. The CITY may also conduct evaluations of the CONCESSIONAIRE's performance during the term of the AGREEMENT. As required by Section 10.39.2 of the Los Angeles Administrative Code, evaluations will be based on a number of criteria, including the quality of the work product or service performed, the timeliness of performance, financial issues, and the expertise of personnel that the CONCESSIONAIRE assigns to the AGREEMENT. A CONCESSIONAIRE who receives a "Marginal" or "Unsatisfactory" rating will be provided with a copy of the final CITY evaluation and allowed 14 calendar days to respond. The CITY will use the final CITY evaluation, and any response from the CONCESSIONAIRE, to evaluate proposals and to conduct reference checks when awarding other service contracts.
- L. Slavery Disclosure Ordinance:  
Unless otherwise exempt in accordance with the provisions of this Ordinance, the AGREEMENT is subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code, as may be amended from time to time. CONCESSIONAIRE certifies that it has complied with the applicable provisions of this Ordinance. Failure to fully and accurately complete the affidavit may result in termination of the AGREEMENT.

## SECTION 19. TERMINATION

### A. By CITY:

CITY shall have the right to immediately terminate the AGREEMENT in its entirety and all rights ensuing therefrom as provided by applicable law if any one or more of the following events occur:

1. CONCESSIONAIRE fails to keep, perform and observe any promise, covenant and condition set forth in the AGREEMENT on its part to be kept, performed or observed after receipt of written notice of default from GENERAL MANAGER, except where fulfillment of CONCESSIONAIRE'S obligation requires activity over a period of time and CONCESSIONAIRE has commenced to perform whatever may be required within ten (10) days after receipt of such notice and continues such performance diligently and without interruption except for causes beyond its control;
2. The interest of CONCESSIONAIRE under the AGREEMENT is assigned, transferred, passes to or devolves upon, by operation of law or otherwise, any other person, firm or corporation without the written consent of GENERAL MANAGER;
3. CONCESSIONAIRE becomes, without the prior, written approval of GENERAL MANAGER a successor or merged corporation in a merger, a constituent corporation in a consolidation or a corporation in dissolution;
4. The levy of any attachment or execution, or the appointment of any receiver, or the execution of any other process of any court of competent jurisdiction which is not vacated, dismissed or set aside within a period of ten (10) days and which does, or as a direct consequence of such process will, interfere with CONCESSIONAIRE'S use of the PREMISES or with its operations under the AGREEMENT;
5. CONCESSIONAIRE becomes insolvent, or takes the benefit of any present or future insolvency statute, or makes a general assignment for the benefit of creditors, or files a voluntary petition in bankruptcy, or a petition or answer seeking an arrangement for its reorganization, or the arrangement for its reorganization, or the readjustment of its indebtedness under the federal bankruptcy laws or under any other law or statute of the United States, or of any state law, or consents to the appointment of a receiver, trustee or liquidator of all or substantially all of its property or its property located within the CONCESSION areas;
6. By order or decree of court, CONCESSIONAIRE is adjudged bankrupt, or an order is made approving a petition filed by any of the creditors or stockholders of CONCESSIONAIRE seeking its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws, or under any law or statute of the United States, or any state thereof;
7. A petition under any part of the federal bankruptcy laws, or an action under any present or future solvency law or statute is filed against CONCESSIONAIRE and is not dismissed within one hundred twenty (120) days;
8. By or pursuant to, or under authority of, any legislative act, resolution or rule, order or decree of any court, governmental board, agency or officer having jurisdiction, a receiver, trustee or liquidator takes possession or control of all or

- substantially all of the property of CONCESSIONAIRE;
9. Cessation or deterioration of service for any period which, in the opinion of GENERAL MANAGER, materially and adversely affects the operation or service required to be performed by CONCESSIONAIRE under the AGREEMENT;
  10. Any lien is filed against the PREMISES because of any act or omission of CONCESSIONAIRE and such lien is not removed, enjoined or a bond for satisfaction of such lien is not posted within ten (10) days; or
  11. CONCESSIONAIRE voluntarily abandons, deserts, vacates or discontinues its operation of the business herein authorized.

No acceptance by CITY of the rental payment or other payments specified herein, in whole or in part, and for any period, after a default of any of the terms, covenants and conditions to be performed, kept or observed by CONCESSIONAIRE, other than the default in the payment thereof, shall be deemed a waiver of any right on the part of CITY including the right to terminate the AGREEMENT on account of such default.

**B. Survival of CONCESSIONAIRE'S Obligations:**

In the event the AGREEMENT is terminated by CITY, or in the event CITY reenters, regains, or resumes possession of the PREMISES, all of the obligations of CONCESSIONAIRE hereunder shall survive and shall remain in full force and effect for the full term of the AGREEMENT. Subject to CITY'S obligation to mitigate damages, the amount of the rental payment shall become due and payable to CITY to the same extent, at the same time and in the same manner as if no termination, reentry, regaining or resumption of possession had taken place. CITY may maintain separate actions to recover any monies then due, or at its option and at any time, may sue to recover the full deficiency.

The amount of damages for the period of time subsequent to termination, reentry, regaining or resumption of possession, subject to an offset for any rental payment received by CITY from a succeeding CONCESSIONAIRE, shall be the amount of rental otherwise due until the end of the term of the AGREEMENT. The damages specified above shall not affect or be construed to affect CITY'S right to such damages in the event of termination, reentry, regaining or resumption of possession where CONCESSIONAIRE has not received any actual gross receipts under the AGREEMENT.

**C. Waiver of Redemption and Damages:**

CONCESSIONAIRE hereby waives any and all rights of redemption granted by or under any present or future law or statute in the event it is dispossessed for any cause, or in the event CITY obtains or retains possession of the PREMISES in any lawful manner. CONCESSIONAIRE further agrees that in the event the manner or method employed by CITY in reentering or regaining possession of the PREMISES gives rise to a cause of action in CONCESSIONAIRE in forcible entry and detailed under the laws of the State of California, the total amount of damages to which CONCESSIONAIRE shall be entitled in any such action shall be the sum of One Dollar (\$1), and CONCESSIONAIRE agrees that this provision may be filed in any such action as its stipulation fixing the amount of damages to which it is entitled.

D. By CONCESSIONAIRE:

The AGREEMENT may be terminated by CONCESSIONAIRE upon the happening of one or more of the following events:

1. The permanent abandonment by the DEPARTMENT of the FACILITY or the permanent removal of all DEPARTMENT services from the FACILITY;
2. The lawful assumption by the United States Government, or any authorized agency thereof, of the operation, control or use of the FACILITY or any substantial part thereof, in such manner as to materially restrict CONCESSIONAIRE from operating thereon;
3. The complete destruction of all or a substantial portion of the PREMISES from a cause other than the negligence or omission to act of CONCESSIONAIRE, its agents, officers, or employees, and the failure of CITY to repair or reconstruct said PREMISES;
4. Any exercise of authority under the AGREEMENT which so interferes with CONCESSIONAIRE'S use and enjoyment of the PREMISES as to constitute a termination, in whole or in part, of the AGREEMENT by operation of law in accordance with the laws of the State of California; or
5. The default by CITY in the performance of any covenant or agreement herein required to be performed by CITY and the failure of CITY to remedy such default for a period of thirty (30) days after receipt from CONCESSIONAIRE of written notice to do so.

SECTION 20. ABANDONMENT OF EQUIPMENT

CONCESSIONAIRE shall have the right to remove its equipment, supplies, furnishings, inventories, removable fixtures and personal property from PREMISES within thirty (30) days of expiration or earlier termination of AGREEMENT. If CONCESSIONAIRE fails to remove said property within that thirty (30) days, said property shall be considered abandoned and CITY may dispose of same as it seems fit.

SECTION 21. WAIVER

A waiver of a default of any part, term, or provision of the AGREEMENT shall not be construed as a waiver of any succeeding default or as a waiver of the part, term, or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

SECTION 22. CONDITIONS AND COVENANTS

Each covenant herein is a condition, and each condition herein is as well a covenant by the parties bound thereby, unless waived in writing by the parties hereto.

SECTION 23. FORCE MAJEURE

Neither party hereto shall be liable to the other for any failure, delay, or interruption in the performance of any of the terms, covenants or conditions of the AGREEMENT due to causes beyond the control of that party including, without limitation, strikes, boycotts, labor disputes, embargoes, shortage of material, acts of God, landslides, acts of the public enemy, acts of superior governmental authority, floods, riots, rebellion, sabotage, or any other circumstance for which such party is not responsible and which is not in its power to control.

SECTION 24. REMEDIES ARE NON-EXCLUSIVE

No right, power, remedy, or privilege of CITY shall be construed as being exhausted or discharged by the exercise thereof in one or more instances. It is agreed that each and all of said rights, powers, remedies, or privileges shall be deemed cumulative and additional and not in lieu or exclusive of each other or of any other remedy available to CITY at law or in equity.

SECTION 25. AGREEMENT BINDING UPON SUCCESSORS

The AGREEMENT shall be binding upon and shall inure to the benefit of the successors, heirs, executors, administrators, and assigns of the parties hereto. The term "CONCESSIONAIRE" shall include any assignee of CONCESSIONAIRE under any assignment permitted and approved by GENERAL MANAGER.

SECTION 26. LAW OF CALIFORNIA APPLIES

The AGREEMENT shall be enforced and interpreted under the laws of the State of California.

SECTION 27. AGENT FOR SERVICE OF PROCESS

It is expressly agreed and understood that if CONCESSIONAIRE is not a resident of the State of California, or is a partnership or joint venture without a partner or member resident in said State, or is a foreign corporation, then in any such event CONCESSIONAIRE does designate the Secretary of State, State of California, its agent for the purpose of service of process in any court action between it and CITY arising out of or based upon the AGREEMENT, and the service shall be made as provided by the laws of the State of California for service upon a non-resident. It is further expressly agreed, covenanted and stipulated that if, for any reason, service of such process is not possible, as an alternative method of service of process, CONCESSIONAIRE may be personally served with such process out of this State by mailing, by registered or certified mail, the complaint and process to CONCESSIONAIRE at the address set out hereafter in the AGREEMENT, and that such service shall constitute valid service upon CONCESSIONAIRE as of the date of mailing, and CONCESSIONAIRE shall have thirty (30) days from the date of mailing to respond thereto. It is further expressly agreed that CONCESSIONAIRE is amenable, and hereby agrees, to the process so served, submits to the jurisdiction and waives any and all objection and protest thereto, any laws to the contrary notwithstanding.

SECTION 28. VENUE

Venue of any action brought under the AGREEMENT shall lie in Los Angeles County.

SECTION 29. WAIVER OF CLAIMS

CONCESSIONAIRE hereby waives any claim against CITY, its officers, agents, or employees, for loss of anticipated profits caused by any suit or proceeding directly or indirectly attacking the validity of the AGREEMENT or any part hereof, or by any judgment or award in any suit or proceeding declaring the AGREEMENT null, void or voidable, or delaying the same, or any part hereof, from being carried out.

SECTION 30. NOTICES

A. To CITY:

Unless otherwise stated in the AGREEMENT, written notices to CITY hereunder shall, until CONCESSIONAIRE'S receipt of written notice otherwise from these parties, be addressed to said parties at Department of Recreation and Parks, Finance Division,



Concessions Unit, 221 N. Figueroa Street 15<sup>th</sup> Floor, Suite 1520, Mail Stop 625-26, Los Angeles, CA 90012.

All such notices may either be delivered personally or may be deposited in the United States mail, properly addressed as aforesaid with postage fully prepaid for delivery by registered or certified mail. Service in such manner by registered or certified mail shall be effective upon receipt.

CITY shall provide CONCESSIONAIRE with written notice of any address change within thirty (30) days of the occurrence of said address change.

**B. To CONCESSIONAIRE:**

The execution of any notice to CONCESSIONAIRE by GENERAL MANAGER shall be as effective for CONCESSIONAIRE as if it were executed by BOARD, or by Resolution or Order of said BOARD.

All such notices may either be delivered personally to the CONCESSIONAIRE or to any officer or responsible employee of CONCESSIONAIRE or may be deposited in the United States mail, properly addressed as aforesaid with postage fully prepaid for delivery by registered or certified mail. Service in such manner by registered or certified mail shall be effective upon receipt.

Written notices to CONCESSIONAIRE shall be addressed to CONCESSIONAIRE as follows:

MONTEREY CONCESSIONS GROUP DBA L.A. BAR SERVICES  
16821 BURBANK BLVD.  
ENCINO, CA 91436

CONCESSIONAIRE shall provide CITY with written notice of any address change within thirty (30) days of the occurrence of said address change.

**SECTION 31. INTERPRETATION**

The language of the AGREEMENT shall be construed according to its fair meaning and not strictly for or against either CITY or CONCESSIONAIRE. The section headings appearing herein are for the convenience of CITY and CONCESSIONAIRE, and shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning or intent of the provisions of the AGREEMENT. The use of any gender herein shall include all genders and the use of any number shall be construed as the singular or the plural, all as the context may require.

If any provision of the AGREEMENT is determined to be void by any court of competent jurisdiction, then such determination shall not affect any other provision of the AGREEMENT, and all such other provisions shall remain in full force and effect; and it is the intention of the parties hereto that if any provision of the AGREEMENT is capable of two constructions, one of which render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

**SECTION 32. AGREEMENT CONTAINS ENTIRE AGREEMENT**

The provisions of the AGREEMENT contain the entire Agreement between the parties hereto

and said AGREEMENT may not be changed or modified in any manner except by formal, written amendment fully executed by both CITY and CONCESSIONAIRE.

SECTION 33. TIME OF THE ESSENCE

Time is of the essence for all provisions of the AGREEMENT.

SECTION 34. INCORPORATION OF DOCUMENTS

This AGREEMENT and incorporated documents represent the entire integrated agreement of the parties and supersedes all prior written or oral representations, discussions, and agreements. The following Exhibits are attached to and made part of this AGREEMENT by reference:

- A. Bar and Beverage Services Concession Request for Proposals –released August 18, 2010
- B. Concessionaire's Proposal in Response to Exhibit A
- C. Monthly Remittance Advice Form
- D. Work Order Service Sheet
- E. Customer Service Survey / Questionnaire
- F. Form General No. 87 "Non-Employee Accident or Illness Report"
- G. Insurance Requirements

In the event of any inconsistency between any of the provisions of this Agreement and/or appendix attached hereto, the inconsistency shall be resolved by giving precedence in the following order: 1) This Agreement exclusive of attachments, 2) Exhibit A, 3) Exhibit B, 4) Exhibit G, 5) Exhibit C, 6) Exhibit D, 7) Exhibit E, and 8) Exhibit F.

*(Signature Page to Follow)*

IN WITNESS WHEREOF, THE CITY OF LOS ANGELES has caused this AGREEMENT to be executed on its behalf by its duly authorized Board of Recreation and Park Commissioners, and CONCESSIONAIRE has executed the same as of the day and year herein below written.

THE CITY OF LOS ANGELES, a municipal corporation, acting by and through its Board of Recreation and Park Commissioners

BY: \_\_\_\_\_  
President

DATE: \_\_\_\_\_

BY: \_\_\_\_\_  
Secretary

DATE: \_\_\_\_\_

MONTEREY CONCESSIONS GROUP DBA L.A. BAR SERVICES

BY: \_\_\_\_\_  
KYLE KOESTNER, Partner

DATE: \_\_\_\_\_

BY: \_\_\_\_\_  
MIKE BEGAKIS, Partner

DATE: \_\_\_\_\_

BTRC: \_\_\_\_\_

APPROVED AS TO FORM:  
CARMEN A. TRUTANICH, City Attorney

BY: \_\_\_\_\_  
Deputy City Attorney

DATE: \_\_\_\_\_

Concession Agreement Number: \_\_\_\_\_

BOARD OF RECREATION AND  
PARK COMMISSIONERS

BARRY A. SANDERS  
PRESIDENT

LYNN ALVAREZ  
VICE PRESIDENT

W. JEROME STANLEY  
JILL T. WERNER  
JOHNATHAN WILLIAMS

CITY OF LOS ANGELES  
CALIFORNIA



ANTONIO R. VILLARAIGOSA  
MAYOR

DEPARTMENT OF  
RECREATION AND PARKS

221 N. FIGUEROA STREET  
SUITE 1510  
LOS ANGELES, CA 90012

(213) 202-2640  
FAX: (213) 202-2610  
RAP.Commissioners@LACity.org

JON KIRK MUKRI  
GENERAL MANAGER

January 3, 2013

Hon. Antonio R. Villaraigosa, Mayor  
City of Los Angeles  
Room 303, City Hall

~~Attention: Ms. Mandy Morales~~

Dear Mayor Villaraigosa:

In accordance with Executive Directive No. 3, there are attached herewith three copies of a proposed agreement with SRC Event Group, LLC for the operation of a Bar and Beverage Services Concession.

Also attached for the assistance of your Office in reviewing this proposed agreement is Report No. 13-006, adopted by the Board of Recreation and Park Commissioners at its meeting of January 2, 2013. After review and recommendation by you, the proposed agreement will be submitted to the Board for final action.

If you have any questions with regard to the Proposed Agreement, please contact Felice Chen at (213) 202-3298.

Very truly yours,

BOARD OF RECREATION AND  
PARK COMMISSIONERS

LATONYA D. DEAN  
Commission Executive  
Assistant

Attachments

cc: Felice Chen, Concessions



**APPROVED**

REPORT OF GENERAL MANAGER

NO. 13-006

DATE January 2, 2013

JAN 02 2013

BOARD OF RECREATION  
AND PARK COMMISSIONERS

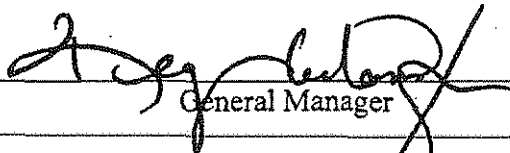
C.D. Various

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: BAR AND BEVERAGE SERVICES - AWARD OF CONCESSION  
AGREEMENT TO SRC EVENT GROUP, LLC

R. Adams \_\_\_\_\_  
H. Fujita \_\_\_\_\_  
V. Israel \_\_\_\_\_

K. Regan \_\_\_\_\_  
M. Shull \_\_\_\_\_  
\*N. Williams NDW

  
\_\_\_\_\_  
General Manager

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Approve a proposed Concession Agreement, between the City of Los Angeles Department of Recreation and Parks and SRC Event Group, LLC for the operation of a Bar and Beverage Services Concession for a term of five (5) years with two (2) five-year renewal options exercisable at the sole discretion of the General Manager, substantially in the form on file in the Board Office, subject to the approval of the Mayor, City Council, and of the City Attorney as to form;
2. Find, in accordance with Charter Section 1022, that the Department does not have personnel available in its employ with sufficient time and expertise to undertake these specialized tasks and that it is more feasible and economical to secure these services by contract;
3. Find, in accordance with Charter Section 371(e)(10) and Los Angeles Administrative Code Section 10.15(a)(10), that the use of competitive bidding would be undesirable, impractical or otherwise excused by the common law and the Charter because, unlike the purchase of a specified product, there is no single criterion, such as price comparison, that will determine which proposer can best provide the services required by the Department for the improvement, operation and maintenance of the Department's concession. In order to select the best proposer for this concession, the Board finds it is necessary to utilize a standard request for proposals process and to evaluate proposals received based upon the criteria included in the Request for Proposals (RFP). The Board also finds that the narrower and more specialized competitive sealed proposal process

REPORT OF GENERAL MANAGER

PG. 2

NO. 13-006

authorized but not required by Charter Section 371, subsection (b), would not meet the Department's needs and therefore opts to utilize the standard request for proposals process;

4. Waive the late submittal of the proposed revenue sharing payment as an informality, in accordance with Charter Section 371(c) and Los Angeles Administrative Code Section 10.15(c), for the proposal submitted by SRC Event Group, LLC;
5. Approve the revision of the performance deposit to be provided by the operator prior to the execution of the Concession Agreement from ten-thousand dollars (\$10,000), as stipulated in the RFP, to five-thousand dollars (\$5,000);
6. Direct the Board Secretary to transmit the proposed Concession Agreement to the Mayor in accordance with Executive Directive No. 3 and, concurrently, to the City Attorney for approval as to form; and,
7. Authorize the Board President and Secretary to execute the Concession Agreement upon receipt of the necessary approvals.

SUMMARY:

The Bar and Beverage Services Concession provides alcoholic and non-alcoholic beverage services to patrons renting the following Department of Recreation and Parks (Department) facilities: Friendship Auditorium, Grace E. Simons Lodge, Ramona Hall, Orcutt Ranch, Cabrillo Beach Bath House, Griffith Park Visitor Center Auditorium, and Wattles Mansion. Additional facilities may be included at the request of the Department. Numerous events are held in these facilities, such as weddings, receptions, birthdays, corporate gatherings, business trainings and meetings and other private parties and events.

Since January 1, 2005, the Bar and Beverage Services Concession has been operating by Monterey Concessions Group on a month-to-month basis. The concessionaire currently pays 20% of gross revenue as rent to the Department.

On May 20, 2009, the Board approved the release of a Request for Proposals (RFP) for a Bar and Beverage Services Concession (Board Report No. 09-130) in order to enter into multi-year agreements with up to five (5) qualified and experienced proposers. The intent of the RFP was to provide patrons with a selection of operators to choose from for events.

On October 27, 2009, the RFP was released. Two proposals were received. Only one proposer, Sunseri's, was found responsive in all eight compliance documents and all seven submittal documents in response to the RFP.

## REPORT OF GENERAL MANAGER

PG. 3

NO. 13-006

On July 14, 2010, the Board awarded Sunseri's a Concession Agreement for the operation of a Bar and Beverage Services Concession. The Board also directed staff to release a new RFP for the Bar and Beverage Services Concession in order to award additional multi-year Bar and Beverage Services Concession Agreements (Board Report Number 10-175).

A new RFP was released on August 18, 2010 and advertised in L.A. Daily Journal, and The Korean Journal; made available on the Department's website and posted on the Los Angeles Business Assistance Virtual Network (BAVN). In addition, a letter inviting bids was mailed to over thirty (30) organizations and individuals from a mailing list maintained by the Concessions Unit.

---

On October 5, 2010, a Pre-Proposal Conference was held at the Department's Central Service Yard and was attended by three companies.

Two addendums to the second RFP were released to provide staff time to respond to questions asked by potential proposers and allow adequate time for potential proposers to prepare the necessary documents. On November 30, 2010, two proposals were received:

- SRC Event Group, LLC (SRCLLC)
- Monterey Concessions Group dba L.A. Bar Services

As stipulated in the RFP, evaluation of the bid proposals was to occur in two levels. Level I would be a check and review for required compliance and submittal documents and Level II would be a comprehensive evaluation of the proposal. Proposers must successfully pass the first level to proceed to the next level.

### Level I Evaluation

Staff performed a Level I review of the following required documents:

#### Compliance Documents:

- 1) Proposers Signed Declaration and Affidavit of Non-Collusion
- 2) Disposition of Proposals
- 3) Affirmative Action Plan
- 4) Contractor Responsibility Ordinance Statement
- 5) Equal Benefits Ordinance Statement
- 6) Living Wage Ordinance/Service Contractor Worker Retention Ordinance
- 7) Good Faith Effort Subcontractor Outreach
- 8) Bidder Certification - CEC Form 50

#### Submittal Documents:

## REPORT OF GENERAL MANAGER

PG. 4

NO. 13-006

- 1) Cover Letter
- 2) Proposal Deposit
- 3) Ability to Finance
- 4) Experience and Qualifications
- 5) Proposed Business Plan
- 6) Proposed Revenue Sharing Payment
- 7) Proposed Services and Products with Price List

Level I Proposals are found either Responsive (pass) or Non-Responsive (fail).

SRC Event Group, LLC (SRCLLC) was found responsive in all eight compliance documents, responsive in six submittal documents and non-responsive in one submittal document (Proposed Revenue Sharing Payment) (Attachment A).

This project is subject to the Minority Business Enterprise, Women Business Enterprise, and Other Business Enterprise (MBE/WBE/OBE) Subcontractor Outreach Program. In order to comply with the good faith outreach effort (GFE) requirements of the Subcontractor Outreach Program, bidders must submit GFE documentation sufficient to achieve a minimum of 75 out of 100 GFE evaluation points as outlined on the Board's Outreach Program. SRCLLC satisfied 95 out of the 100-point requirements outlined by the Board's Outreach Program. The outreach document package is on file in the Board Office, and a synopsis of said package is attached to this report (Attachment B).

On February 2, 2011, staff contacted SRCLLC to provide the missing information (required proposed 20% revenue sharing payment and pro-forma on CD format). On February 7, 2011, SRCLLC submitted the requested documents. Staff evaluated the additional documents and found the supplemental documents to be responsive to the RFP. The Board may elect to consider the proposal, waive informalities and award a contract.

Staff reviewed the proposal submitted by SRCLLC and found that SRCLLC has the experience, background, and financial capability to successfully operate the concession.

SRCLLC is located at 8191 East Kaiser Blvd., Anaheim, CA 92808 and has 53 years of restaurant business experience, including bar and beverage service. SRCLLC operates 23 restaurants with combined annual sales of \$91 million. SRCLLC bar and beverage services operation provides services at Specialty Restaurants Corporation (SRC) owned restaurants and at client owned restaurants such as: The Reef in Long Beach; The Rusty Pelican in Florida (Miami and Tampa); Florida; and the Castaway in Burbank. SRCLLC has also provided bar and beverage service to individual clients such as: Porsche of North America; NBC Universal - Jay Leno Wrap Party; and, Congressman Adam Schiff Birthday.



REPORT OF GENERAL MANAGER

PG. 5

NO. 13-006

SRCLLC proposes to pay 20% of all bar and beverage service revenues as revenue sharing payment and will pay one and a half percent (1.5%) of gross receipts as a monthly payment for utilities.

Staff recommends that a Bar and Beverage Services Concession Agreement be awarded to SRCLLC for a term of five (5) years, with two (2) five-year options to renew, exercisable at the sole discretion of the General Manager.

The RFP stipulated that the selected operator would be required to provide a ten-thousand dollar (\$10,000) performance deposit. Staff reviewed the requirement and found that the amount of the performance deposit was inconsistent with the previously awarded contract for bar and beverage service. ~~The operator will provide intermittent services to patrons renting Department facilities and will not occupy space for extended periods of time; also, the operator is not guaranteed any amount of work.~~ The purpose of the performance deposit is to ensure rent is paid and damage to a facility caused by the operator is reimbursed to the Department. Board Report Number 10-175 awarded Sunseri's a Bar and Beverage Services Concession Agreement, and approved that the operator be required to provide a performance deposit in the amount of five-thousand dollars (\$5,000) prior to the execution of the Concession Agreement. Staff recommends the approval of the revision of the performance deposit to be provided by SRCLLC prior to the execution of the Concession Agreement from ten-thousand dollars (\$10,000), as stipulated in the RFP, to five-thousand dollars (\$5,000).

Charter Section 1022

Los Angeles City Charter Section 1022 prohibits contracting out work that could be done by City employees unless the Board determines it is more economical and/or feasible to contract out the service.

On May 23, 2008, the Personnel Department completed a Charter Section 1022 review (Attachment C) and determined that there are no City classifications that could provide Bar and Beverage Services. It is therefore more feasible to secure these services through an independent contractor.

FISCAL IMPACT STATEMENT:

During the first five-year term of the Concession Agreement, it is estimated that approximately \$35,618 will be paid in rent to the Department. Of that amount, \$32,056 will be deposited into the Department's General Fund and \$3,562 will be deposited into the Concession Improvement Account (Fund 302, Department 89, Account 070K).

Report prepared by Felice Chen, Management Analyst II, Concessions Unit, Finance Division.

**DEPARTMENT OF RECREATION AND PARKS  
BAR & BEVERAGE SERVICES CONCESSION RFP  
SRC EVENT GROUP, LLC  
LEVEL I EVALUATION SUMMARY (ARS-M10-175)**

<b>I. Compliance Documents</b>		<b>Submitted</b>	<b>In Compliance</b>	<b>Comments</b>
	Proposers Signed Declaration and Affidavit of Non-Collusion	Yes	Yes	
	Disposition of Proposals	Yes	Yes	
	Affirmative Action Plan	Yes	Yes	
	Contractor Responsibility Ordinance Statement	Yes	Yes	
	Equal Benefits Ordinance Statement	Yes	Yes	
	Living Wage Ordinance / Service Contractor Worker Retention Ordinance	N/A	N/A	
	Good Faith Effort Subcontractor Outreach (Minority, Women, Other Business Enterprises Schedule)	Yes	Yes	
	Bidder Certification - CEC Form 50	Yes	Yes	
<b>II. Submittal Documents</b>		<b>Submitted</b>	<b>In Compliance</b>	<b>Comments</b>
	Cover Letter	Yes	Yes	
	Proposals Deposit	Yes	Yes	
	Ability to Finance	Yes	Yes	
	Experience and Qualifications	Yes	Yes	
	Proposal Business Plan	Yes	Yes	
	Proposed Revenue Sharing Payment	No	Yes	Proposer did not submit the required proposed 20% rental percentage and Pro-forma on CD format with the submitted proposal. The required documents were submitted to the Department upon request.
	Proposed Services and Products with Price List	Yes	Yes	

**DEPARTMENT OF RECREATION AND PARKS  
GOOD FAITH EFFORT OUTREACH SCORING  
BAR AND BEVERAGE SERVICES CONCESSION RFP (ARS M10-175)  
MONTEREY CONCESSIONS GROUP DBA L.A. BAR SERVICES**

Indicator		Possible Points	Awarded Points	Comment (Reason for Failing)
1.	Level of Anticipated MBE/WBE/OBE Participation	0	0	
2.	Attended Pre-Bid Meeting	10	10	
3.	Sufficient Work Identified for Subconsultant	10	10	
4.	Advertisement	9	9	
5.	Written Notices to Subconsultant	15	15	
6.	Follow-Up on Initial Solicitation	10	10	
7.	Plans, Specifications, and Requirements	5	5	
8.	Contacted Recruitment / Placement Organizations	10	10	
9.	Negotiated in Good Faith	26	26	
10.	Bond, Lines of Credit, and Insurance	5	5	
<b>TOTAL SCORE:</b>		<b>100</b>	<b>100</b>	<b>75 points required to pass</b>

## PERSONNEL DEPARTMENT CONTRACT REVIEW REPORT

1. Requesting Department: Department of Recreation and Parks

2. Contacts

Department: Karen Freire Phone No. 818-243-6421 Fax No. 818-243-6451  
 CAO: Veronica Salumbides Phone No. 473-7661 Fax No. 473-7514

3. Work to be performed:

The Department of Recreation and Parks is seeking to have up to five (5) pre-qualified concessionaries to provide bar and beverage services at the following banquet halls: Friendship Auditorium, Grace E Simons Lodge, Ramona Hall, and Orcutt Ranch. Under the guidance of the Department and the patron requesting services, each contractor will be responsible for catering, management, and operation of the bar and beverage services. This work includes meeting and scheduling the events with the patrons and Department; providing a price quote to the patron prior to each event; serving and providing the beverages during the event; policing and monitoring patron alcoholic intake; clean up, disposal, and removal of items; and collecting fees from the patrons. The concessionaires are also responsible for adhering to the provisions of the State of California, Department of Alcoholic Beverage Control liquor license.

4. Is this a contract renewal? Yes  No

5. Proposed length of contract: 3 years  
 Proposed Start Date: Upon contract execution

6. Proposed cost of contract (if known): \$300,000.00

7. Name of proposed contractor: Unknown

8. Unique or special qualifications required to perform the work:

A State of California, Department of Alcoholic Beverage Control Type 68 license and general liquor liability insurance are required. Must have knowledge and expertise in providing catering, management, and operation of bar and beverage services, particularly with serving 200 or more patrons per event.

9. Are there City employees that can perform the work being proposed for contracting?  
 Yes  No

If yes,

a. Which class(es) and Department(s):

b. Is there sufficient Department staff available to perform the work? Yes  No

c. Is there a current eligible list for the class(es)? Yes  No  Expiration Date \_\_\_\_\_

d. Estimated time to fill position(s) through CSC process?

e. Can the requesting department continue to employ staff hired for the project after project completion? Yes  No

f. Are there City employees currently performing the work? Yes  No

10. Findings

City employees DO NOT have the expertise to perform the work

City employees DO have the expertise to perform the work

Check if applicable (explanation attached) and send to CAO for further analysis

- Project of limited duration would have to layoff staff at end of project
- Time constraints require immediate staffing of project
- Work assignment exceeds staffing availability

**SUMMARY:** The Department of Recreation and Parks is seeking to contract for Bar and Beverage Services at five banquet facilities. There is currently no City classification that requires a State of California, Department of Alcoholic Beverage Control Type 68 License. Nor is there a City Classification that would prepare employees to perform the above work.


Submitted by:

  
Stephanie Holloman

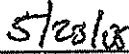
Reviewed by:

  
Shelly Del Rosario

Approved by:

  
Shannon C. Pascual

Date:

  
5/23/18

AGREEMENT FOR THE OPERATION OF  
THE BAR AND BEVERAGE SERVICES CONCESSION

Between

THE CITY OF LOS ANGELES  
DEPARTMENT OF RECREATION AND PARKS

And

SRC EVENT GROUP, LLC

THIS AGREEMENT is made and entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 201\_, by and between the CITY OF LOS ANGELES, a municipal corporation (hereinafter referred to as CITY), acting by and through its Board of Recreation and Park Commissioners (hereinafter referred to as "BOARD"), and SRC EVENT GROUP, LLC, a limited liability company (hereinafter referred to as "CONCESSIONAIRE").

WHEREAS, CITY advertised for proposals for the Bar and Beverage Services Concession (hereinafter referred to as "CONCESSION"); and

WHEREAS, BOARD in its capacity as the contract awarding authority for the Department, finds, pursuant to Charter Section 371 (e) (10), that the use of competitive bidding would be undesirable, impractical or otherwise excused by the common law and the Charter because, unlike the purchase of a specified product, there is no single criterion, such as price comparison, that will determine which proposer can best provide the services required by the Department for the improvement, operation and maintenance of the Department's concession. To select the best proposer for this concession, the Board finds it is necessary to utilize a standard request for proposals process and to evaluate proposals received based upon the criteria included in this Request for Proposals (RFP). The Board specifically finds that the narrower and more specialized competitive sealed proposal process authorized but not required by Charter Section 371, subsection (b), would not meet the Department's needs and therefore opts to utilize the standard request for proposals process; and

WHEREAS, the staff of the CITY's Department of Recreation and Parks (hereinafter "DEPARTMENT"), received and analyzed the proposals which were received on November 30, 2010; and

WHEREAS, the Board of Recreation and Park Commissioners (hereinafter "BOARD"), determined that CONCESSIONAIRE was one of the two responsible proposers, and selected said proposer to operate the CONCESSION in accordance with the terms and conditions of this Concession Agreement (hereinafter "AGREEMENT"); and

WHEREAS, CONCESSIONAIRE desires to secure and enter into an AGREEMENT in accordance with the foregoing and undertakes to provide services of the type and character required therein by CITY to meet the needs of the public at the various banquet hall facilities; and

WHEREAS, the principal purpose of CITY entering into this AGREEMENT is to serve the public by providing bar and beverage services (alcoholic and non-alcoholic);

NOW THEREFORE, in consideration of the premises and of the terms, covenants and conditions hereinafter contained to be kept and performed by the respective parties, it is agreed as follows:

SECTION I. DEFINITIONS

For the purpose of this AGREEMENT, the following words and phrases are defined and shall be construed as hereinafter set forth:

- AGREEMENT: This Concession Agreement consisting of thirty five (35) pages and seven (7) exhibits (A-G) attached hereto.
- BOARD: Board of Recreation and Park Commissioners.
- CITY: The City of Los Angeles, Acting by and through its Board of Recreation and Park Commissioners.
- CONCESSION: The permitted operation granted by this AGREEMENT.
- CONCESSIONAIRE: SRC EVENT GROUP, LLC.
- DEPARTMENT: The Department of Recreation and Parks, acting through the BOARD.
- FACILITIES: The Recreation and Parks Department facilities at which the CONCESSION is permitted to operate.
- GENERAL MANAGER: General Manager of the DEPARTMENT, or that person's authorized representative, acting on behalf of the CITY. All actions of the General Manager are subject to review at the discretion of the BOARD.
- LAAC: The Los Angeles Administrative Code.
- LAMC: The Los Angeles Municipal Code.
- PREMISES: The banquet hall rental facilities, as defined in Section 3, in which the CONCESSION may be operated.

## SECTION 2. PERMISSION GRANTED

For and in consideration of the payment of the fees and charges as hereinafter provided, and subject to all of the terms, covenants, and conditions of this AGREEMENT, CITY hereby grants to CONCESSIONAIRE, subject to all of the terms and conditions of this AGREEMENT, the exclusive (for purposes of this AGREEMENT, the term "exclusive" means only CONCESSIONAIRES under contract with the DEPARTMENT are authorized to provide Bar and Beverage services at the PREMISES, and patrons using the PREMISES may only choose from among the authorized CONCESSIONAIRES) right to provide liquor at Alcoholic Events, and in connection thereto, other beverage services, to patrons renting PREMISES for group events; and, not for any other purpose without the prior written consent of GENERAL MANAGER.

At Alcoholic plus Non-Alcoholic Events patrons must use one of the Department approved concessionaires; specialized non-alcoholic beverages may be brought in by patrons but must be served by CONCESSIONAIRE. At Non-Alcoholic Events patrons have the option to use CONCESSIONAIRE but usage is not mandatory.

The concession rights herein granted shall be carried on at the FACILITIES solely within the limits and confines of said areas designated as PREMISES (Section 3) to be serviced by the CONCESSIONAIRE in this AGREEMENT. CONCESSIONAIRE, by accepting the AGREEMENT, agrees for itself its successors and assigns, that it will not make use of the PREMISES in any manner which might interfere with the recreational uses of the FACILITY.

In the event of a conflict between CONCESSIONAIRE and any other concessionaire or any lessee at the FACILITIES regarding the services to be offered or products to be sold by respective concessionaires or lessees, GENERAL MANAGER, or designee, shall meet and confer with all necessary parties to determine the services to be offered or products to be sold by each, and CONCESSIONAIRE hereunder agrees thereafter to be bound by said determination.

CONCESSIONAIRE shall: provide bar and beverage (alcoholic and non-alcoholic) services; schedule and coordinate events with the patrons and the DEPARTMENT; employ, train and supervise personnel with appropriate qualifications and experience to provide such functions; perform or supervisor employees in the performance of all other tasks related to the operation of bar and beverage services; and pay for and obtain all licenses and permits necessary for the operation of the CONCESSION granted.

Any breach of condition related to permission granted shall be a material breach of this Concession Agreement.

## SECTION 3. PREMISES

The PREMISES is the area in which the Facility Director designates for the purpose of bar and beverage services for the scheduled event. The facilities subject to this agreement are:

- a. Friendship Auditorium  
3201 River Drive  
Los Angeles, CA 90027



- b. Grace E. Simons Lodge  
1025 Elysian Park Drive  
Los Angeles, CA 90012
- c. Ramona Hall  
4580 Figueroa Street  
Los Angeles, CA 90042
- d. Orcutt Ranch  
23600 Roscoe Blvd.  
West Hills, CA 91304
- e. Cabrillo Beach Bath House  
3800 Stephen M. White Drive  
San Pedro, CA 90731
- f. Griffith Park Visitor Center Auditorium  
4730 Crystal Springs Drive  
Los Angeles, CA 90027
- g. Wattles Mansion  
1824 N. Curson Ave.  
Los Angeles, CA 90046

The DEPARTMENT reserves the right to include and remove facilities to be serviced by the CONCESSIONAIRE depending on the needs of the public and the needs of the Department. At the written instruction of the GENERAL MANAGER, the CONCESSIONAIRE shall provide or discontinue the necessary service at the subject facilities.

CONCESSIONAIRE shall not use or allow the PREMISES to be used, in whole or in part, during the term of the AGREEMENT, for any use in violation of any present or future laws, ordinances, rules, and regulations at any time applicable thereto of any public or governmental authority or agencies, departments or officers thereof, including CITY. These ordinances, rules, and regulations include those which relate to sanitation, public health, and safety.

**SECTION 4. TERM OF AGREEMENT**

The term of the AGREEMENT shall be five (5) years, effective on the date of execution, with two (2) five-year options to renew exercisable at the sole discretion of the General Manager.

Neither CITY, nor any BOARD member, officer, or employee thereof shall be liable in any manner to CONCESSIONAIRE because of any action taken to revoke, decline to exercise an option or disapprove a renewal of the AGREEMENT.

**SECTION 5. TIME OF EXECUTION**

Unless otherwise provided, the AGREEMENT shall be considered executed when:

- A. The Office of the City Attorney has indicated in writing of its approval of the

- AGREEMENT as to form; and
- B. Said AGREEMENT has been approved by the CITY's Council, BOARD, officer, or employee authorized to give such approval; and
  - C. Said AGREEMENT has been signed on behalf of the CONCESSIONAIRE by the person or persons authorized to bind the CONCESSIONAIRE hereto; and
  - D. Said AGREEMENT has been signed on behalf of the CITY by the person or persons authorized and designated to so sign by the CITY's Council, Board, officer, or employee authorized to enter into the AGREEMENT.

#### SECTION 6. REVENUE SHARING FEE AND PAYMENT

Use of the premises for purposes not expressly permitted herein, whether approved in writing by GENERAL MANAGER or not, may result in additional charges; however, any such use without the prior written approval of the GENERAL MANAGER shall also constitute a material breach of this agreement and is prohibited.

- A. As part of the consideration for CITY'S granting the concession rights herein above set forth, CONCESSIONAIRE shall pay the DEPARTMENT a monthly share of CONCESSION gross receipts as follows:

Twenty Percent (20%) of gross receipts produced from bar and beverage (alcoholic and non-alcoholic) sales.

- B. Payment Due:  
Said payment shall be due and payable by the fifteenth (15th) day of each calendar month based on the gross receipts received in each of previous month. The payment and monthly revenue report (Section 6D – Monthly Remittance Advice Form) shall be addressed to:

DEPARTMENT OF RECREATION AND PARKS  
ATTENTION: Concessions Unit  
P.O. Box 86610  
Los Angeles, CA 90086

- C. Gross Receipts Defined:  
The term "gross receipts" is defined as the total amount charged for the sale of any goods or services (whether or not such services are performed as a part of or in connection with the sale of goods) provided in connection with this CONCESSION, but not including any of the following:
  1. Gratuity to employees; gratuity provided directly to employees by patrons either by cash or debit or credit card, which must be expressly identified as gratuity.
  2. Cash discounts allowed or taken on sales;
  3. Any sales taxes, use taxes, or excise taxes required by law to be included in or added to the purchase price and collected from the consumer or purchaser and paid by CONCESSIONAIRE;
  4. California Redemption Value (CRV);

5. Receipts from the sale of waste or scrap materials resulting from the CONCESSION operation;
6. Receipts from the sale of or the trade-in value of any furniture, fixtures, or equipment used in connection with the CONCESSION, and owned by CONCESSIONAIRE;
7. The value of any merchandise, supplies, or equipment exchanged or transferred from or to other business locations of CONCESSIONAIRE where such exchanges or transfers are not made for the purpose of avoiding a sale by CONCESSIONAIRE which would otherwise be made from or at the PREMISES;
8. Refunds from, or the value of, merchandise, supplies, or equipment returned to shippers, suppliers, or manufacturers;
9. Receipts from the sale at cost of uniforms, clothing, or supplies to CONCESSIONAIRE'S employees where such uniforms, clothing, or supplies are required to be worn or used by said employees;
10. Receipts from any sale where the subject of such sale, or some part thereof, is thereafter returned by the purchaser to and accepted by CONCESSIONAIRE, to the extent of any refund actually granted or adjustment actually made, either in the form of cash or credit;
11. Fair market trade-in allowance, in the event merchandise is taken in trade;
12. The amount of any cash or quantity discounts received from sellers, suppliers, or manufacturers;
13. Discounts or surcharges applied to receipts for services or merchandise, with the concurrence of both CONCESSIONAIRE and GENERAL MANAGER, including discounts to employees, if concurred by GENERAL MANAGER.

CONCESSIONAIRE shall not reduce or increase the amount of gross receipts, as herein defined, as a result of any of the following:

14. Any error in cash handling by CONCESSIONAIRE or CONCESSIONAIRE'S employees or agents;
15. Any losses resulting from bad checks received from the consumers or purchasers; or from dishonored credit, charge, or debit card payments; or any other dishonored payment to CONCESSIONAIRE by customer or purchaser;
16. Any arrangement for a rebate, kickback, or hidden credit given or allowed to customer;

D. Monthly Revenue Reports:

CONCESSIONAIRE shall transmit with each revenue payment a Monthly Gross Receipts and Revenue Report, also referred to as a Monthly Remittance Advice Form (Exhibit C), for the month for which revenue is submitted.

E. Late Payment Fee:

1. Failure of CONCESSIONAIRE to pay any of the revenue payments or any other fees, changes, or payments required herein on time is a breach of the AGREEMENT for which CITY may terminate same or take such other legal action as it deems necessary.
2. Without waiving any rights available at law, in equity or under the AGREEMENT,

in the event of late or delinquent payments by CONCESSIONAIRE, the latter recognizes that CITY will incur certain expenses as a result thereof, the amount of which is difficult to ascertain. Therefore, in addition to monies owing, CONCESSIONAIRE agrees to pay the CITY a late fee set forth below to compensate CITY for all expenses and/or damages and loss resulting from said late or delinquent payments.

3. The charges for late or delinquent payments shall be \$50.00 for each month late plus interest calculated at the rate of eighteen percent (18%) per annum or one and one-half percent (1.5%) each month, assessed daily, on the balance of the unpaid amount. Payments shall be considered past due if postmarked after the fifteenth (15th) day of the month in which payment is due.
4. The acceptance of a late revenue payment by CITY shall not be deemed as a waiver of any other breach by CONCESSIONAIRE of any term or condition of this AGREEMENT other than the failure of CONCESSIONAIRE to timely make the particular revenue payment so accepted.

F. Annual Accounting Adjustment:

At the end of each twelve (12) month period during the term hereof, CONCESSIONAIRE shall prepare and submit to CITY a statement showing the total gross receipts for the said twelve (12) month period and the revenue paid to CITY for the said twelve (12) months. If the sums paid by CONCESSIONAIRE during said period exceed the minimum annual fees as well as the annual percentage charges computed as set forth in this Section, whichever is greater, such overpayment shall be credited to the revenue payment thereafter due from CONCESSIONAIRE.

Any breach of this condition for rental fee and payment shall be a material breach of this Concession Agreement.

## SECTION 7. ADDITIONAL FEES AND CHARGES

- A. If CITY pays any sum or incurs any obligations or expense which CONCESSIONAIRE has agreed to pay or reimburse CITY for, or if CITY is required or elects to pay any sum or to incur any obligations or expense by reason of the failure, neglect, or refusal of CONCESSIONAIRE to perform or fulfill any one or more of the conditions, covenants, or agreements contained in the AGREEMENT, or as a result of an act or omission of CONCESSIONAIRE contrary to said conditions, covenants, and agreements, CONCESSIONAIRE agrees to pay to CITY the sum so paid or the expense so incurred, including all interest, costs (including CITY'S 15% administrative overhead cost), damages, and penalties. This amount shall be added to the revenue payment thereafter due hereunder, and each and every part of the same shall be and become additional revenue payment, recoverable by CITY in the same manner and with like remedies as if it were originally a part of the basic revenue payment set forth in Section 6 hereof.
- B. The charges for any late or delinquent payments shall be \$50.00 for each month late plus interest calculated at the rate of eighteen percent (18%) per annum or one and one-half percent (1.5%) each month, on the balance of the unpaid amount. Payments shall be considered past due if postmarked after the fifteenth (15th) day of the month in

which payment is due.

- C. For all purposes under this Section, and in any suit, action, or proceeding of any kind between the parties hereto, any receipt showing the payment of any sum by CITY for any work done or material furnished shall be prima facie evidence against CONCESSIONAIRE that the amount of such payment was necessary and reasonable. Should CITY elect to use its own personnel in making any repairs, replacements, and/or alterations, and to charge CONCESSIONAIRE with the cost of same, receipts and timesheets will be used to establish the charges, which shall be presumed to be reasonable in absence of contrary proof submitted by CONCESSIONAIRE.

#### SECTION 8. HOURS / DAYS OF OPERATION

- A. CONCESSIONAIRE shall offer bar and beverage services to the public only during the hours that the premises are reserved by the patrons from the DEPARTMENT for pre-arranged group events;
- B. CONCESSIONAIRE must provide a minimum of three (3) hours of service (not exceeding the contracted rental hours of the hall);
- C. CONCESSIONAIRE must cease alcoholic service one (1) hour prior to the end of the event; and
- D. CONCESSIONAIRE shall be allowed to enter premises one (1) hour prior to event start time to set up and will be allowed to remain on premises one (1) hour after events for clean up. Additional time to enter the premises and set up for the event must be arranged through the DEPARTMENT's Park Services Office.

#### SECTION 9. OPERATING RESPONSIBILITIES

CONCESSIONAIRE shall, at all times during the term of the AGREEMENT, comply with the following conditions:

- A. Cleanliness:  
CONCESSIONAIRE shall, at its own expense, keep the PREMISES and the surrounding area clean and sanitary during the times service is provided. No offensive or refuse matter, nor any substance constituting an unnecessary, unreasonable, or unlawful fire hazard, or material detrimental to the public health, shall be permitted to remain thereon, and CONCESSIONAIRE shall prevent any such matter or material from being or accumulating upon said PREMISES. If, as determined by the GENERAL MANAGER, the CONCESSION is deemed unclean, unsanitary, or does not meet the standards of the CITY or County Public Health Department, and after giving ten (10) days written notice to correct such deficiencies, CONCESSIONAIRE fails to correct such deficiencies by the end of the ten (10) days, then the GENERAL MANAGER may, in its sole discretion, terminate the AGREEMENT and all terms and conditions contained herein.
- B. Correction of Damaged Conditions:  
If CONCESSIONAIRE fails, after written notice, to correct such conditions which

damaged the CITY property, the GENERAL MANAGER may at its option, and in addition to all other remedies which may be available to it, repair, replace, rebuild, redecorate or paint any such PREMISES included in said notice, with the cost thereof, plus fifteen percent (15%) for administrative overhead, to be paid by CONCESSIONAIRE to CITY on demand. If, for any reasons, payment of such fees becomes delinquent, GENERAL MANAGER may, in its sole discretion, after giving ten (10) days written notice, terminate the AGREEMENT and all terms and conditions contained therein.

C. Conduct:

CONCESSIONAIRE shall at all times conduct its business in a professional, quiet, and orderly manner to the satisfaction of the GENERAL MANAGER.

D. Disorderly Persons:

CONCESSIONAIRE shall use its best efforts to permit no intoxicated person(s), profane or indecent language, or boisterous or loud conduct in or about the PREMISES and shall not knowingly allow the use or possession of illegal drugs, narcotics, or controlled substances on the PREMISES. CONCESSIONAIRE will call upon peace officers to assist in maintaining peaceful conditions.

E. Non-Discrimination/ Equal Employment Practices/ Affirmative Action:

1. CONCESSIONAIRE, in its CONCESSION operations at the FACILITY, for itself, its personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree that: (1) no person on the grounds of race, color, national origin, religion, ancestry, sex, age, physical disability, or sexual orientation shall be excluded from participation, denied the benefits of or be otherwise subjected to unjust discrimination in access to or in the use of the facilities covered by the AGREEMENT; (2) that in the construction of any improvements on, over or under the PREMISES authorized to be utilized herein and the furnishing of services thereon, no person on the grounds of race, color, national origin, religion, ancestry, sex, age, physical disability, or sexual orientation shall be excluded from participation in, denied the benefits of or otherwise be subjected to unjust discrimination.
2. CONCESSIONAIRE agrees that in the event of breach of any of the above nondiscrimination covenants, with proper notification as per Section 31, CITY shall have the right to terminate the AGREEMENT and to reenter and repossess said land and the facilities thereon and hold the same as if said AGREEMENT had never been executed.
3. In addition, CONCESSIONAIRE, during the term of the AGREEMENT, agrees not to unjustly discriminate in its employment practices against any employee or applicant for employment because of the employee's or applicant's race, color, religion, national origin, ancestry, sex, age, physical disability, or sexual orientation. All subcontracts entered into by CONCESSIONAIRE shall be approved in advance by CITY and shall contain a like provision.

F. Personnel:

1. Freedom from Tuberculosis:

For employees preparing food, and others as required by statute (reference Section 5163 of the California Public Resources Code) or directive of the GENERAL MANAGER, CONCESSIONAIRE shall provide the GENERAL MANAGER with certificates on applicable employees indicating freedom from communicable tuberculosis.

2. Qualified Personnel:

CONCESSIONAIRE will, in the operation of the CONCESSION, employ or permit the employment of only such personnel as will assure a high standard of service to the public and cooperation with the CITY. All such personnel, while on or about the PREMISES, shall be neat in appearance and courteous at all times and shall be appropriately attired, with badges or other suitable means of identification. No person employed by CONCESSIONAIRE, while on or about the PREMISES, shall be under the influence of illegal drugs, narcotics, other controlled substances or alcohol, or use inappropriate language, or engage in otherwise inappropriate conduct for a work environment. In the event an employee is not satisfactory, the GENERAL MANAGER may direct CONCESSIONAIRE to remove that person from the PREMISES.

3. Concession Manager:

CONCESSIONAIRE shall appoint, subject to written approval by GENERAL MANAGER, a Concession Manager of CONCESSIONAIRE'S operations at the FACILITY. If CONCESSIONAIRE elects to subcontract the management of any or all of the CONCESSION operations to a managing entity or entities, the provisions of this section shall also apply to any such entity.

Such person must be a qualified and experienced manager or supervisor of operations, vested with full power and authority to accept service of all notices provided for herein and regarding operation of the CONCESSION, including the quality and prices of CONCESSION goods and services, and the appearance, conduct, and demeanor of CONCESSIONAIRE'S agents, servants, and employees. The Concession Manager shall be available during regular business hours and, at all times during that person's absence, a responsible subordinate shall be in charge and available. The authority of the Concession Manager is to include, but is not limited to, the ability to: hire, fire, and schedule personnel; order merchandise and materials; oversee inventory control and tracking; implement a marketing plan; maintain accounting records; book parties and events; oversee operations; train employees (to include such areas as customer service); and have ultimate on site decision-making responsibility.

The Concession Manager shall devote the greater part of his or her working time and attention to the operation of the CONCESSION and shall promote, increase and develop the business. During the days and hours established for the operation of the subject concession, the Concession Manager's personal attention shall not be directed toward the operation of any other business

activity.

If, for reasons of ill health, incapacitation, or death, the Concession Manager becomes incapable of performing each and all terms and provisions of the AGREEMENT, GENERAL MANAGER may, in its sole discretion, suspend the AGREEMENT and all terms and conditions contained therein.

4. Approval of Employees, Volunteers and Subcontractors:  
The DEPARTMENT shall have the right to approve or disapprove all employees, volunteers and subcontractors (including all employees and volunteers for any subcontractor) of CONCESSIONAIRE. Failure of CONCESSIONAIRE to obtain DEPARTMENT'S written approval of all persons operating under the authority of this AGREEMENT on the PREMISES shall be a material breach of this AGREEMENT. CONCESSIONAIRE shall submit a list of all persons employed by, or volunteering or subcontracting for CONCESSIONAIRE at the PREMISES to the GENERAL MANAGER prior to commencing operations pursuant to this AGREEMENT. All changes to the approved list of employees, volunteers and subcontractors shall be submitted to the GENERAL MANAGER for written approval prior to any employee, volunteer or subcontractor commencing work at the PREMISES. CONCESSIONAIRE shall not hire as an employee or volunteer, or subcontract with, any person whom the DEPARTMENT would be prohibited from hiring as an employee or volunteer pursuant to California Public Resources Code Section 5164 to perform work at the PREMISES. Each employee, volunteer or subcontractor (including all employees or volunteers of any subcontractor) shall be required to fill out a form requesting the information required by Section 5164, and the DEPARTMENT reserves the right to fingerprint and conduct a Department of Justice criminal background check on any such person prior to approving their employment, volunteer service or subcontract. Failure to comply with this hiring standard shall be a material breach of this AGREEMENT and CONCESSIONAIRE shall immediately remove any employee, volunteer or subcontractor from the PREMISES at DEPARTMENT'S instruction.

G. Price Schedules and Merchandise:

1. CITY agrees that CONCESSIONAIRE'S merchandise, including its prices for same, shall be within CONCESSIONAIRE'S discretion; subject, however, to disapproval by GENERAL MANAGER if the selection of items offered is inadequate, of inferior quality, or if any of said prices are excessively high or low in the sole opinion of GENERAL MANAGER. Such determination shall not be unreasonable and shall take into account the business considerations presented by CONCESSIONAIRE. All prices charged for alcoholic and non-alcoholic beverages shall be prominently posted and shall be comparable to prices charged in similar establishments in the City of Los Angeles. CONCESSIONAIRE shall, upon execution of AGREEMENT, provide the GENERAL MANAGER with a list of prices for all merchandise and services. This list shall be updated whenever prices are changed.



2. All menu items and service, offered for sale and/or sold by CONCESSIONAIRE in said PREMISES, shall be of high quality and must be related to the ordinary business of the CONCESSION. No adulterated, misbranded, or impure articles shall be sold or kept for sale by CONCESSIONAIRE. All merchandise kept for sale or rented by the CONCESSIONAIRE shall be kept subject to the approval or rejection of the GENERAL MANAGER and CONCESSIONAIRE shall remove from the PREMISES any article which may be rejected and shall not again offer it for sale without the written approval of the GENERAL MANAGER. The GENERAL MANAGER may order the improvement of the quality of any merchandise kept or offered for sale or rental.
3. CONCESSIONAIRE shall be prohibited from selling merchandise in non-recyclable containers or glass bottles.
4. All merchandise sold, kept for sale, or rented by CONCESSIONAIRE shall be of a quality acceptable to industry standards and conform to all federal, state and municipal laws, ordinances, and regulations in every respect. No imitation, adulterated, misbranded, or impure articles shall be sold or kept for sale by CONCESSIONAIRE and all edible merchandise kept on hand shall be stored and handled with due regard for sanitation. In addition, no substitutes, fillers, dilutants, nor reduction in size of standard manufactured products will be permitted. All merchandise kept for sale or rented by the CONCESSIONAIRE shall be kept subject to the approval or rejection of the GENERAL MANAGER, and CONCESSIONAIRE shall remove from the PREMISES any article which may be rejected and shall not offer it for sale or rent without the consent of GENERAL MANAGER. The GENERAL MANAGER may order the improvement of the quality of any merchandise kept or offered for sale.
5. CONCESSIONAIRE shall minimize the paper items (straw covers, serving cartons, etc.) distributed with take-out CONCESSION products. CONCESSIONAIRE shall be prohibited from selling merchandise in non-returnable bottles, and shall not dispense take-out food or beverage items in glass or Styrofoam containers. CONCESSIONAIRE shall not sell or give away or otherwise dispose of any commodity which in the opinion of GENERAL MANAGER will cause undue litter. CONCESSIONAIRE expressly agrees to comply with all CITY and DEPARTMENT recycling programs.
6. CONCESSIONAIRE shall not sell any tobacco products, food products, lottery tickets or similar type merchandise.
7. CONCESSIONAIRE shall offer receipts to the customers for every transaction. Concessionaire shall at all times place a sign within twelve (12) inches of cash register, in clear view to the public, and in minimum one-inch lettering, which states: "If you are not provided a receipt for any transactions, the purchase is free. Please contact the Department of Recreation and Parks – Concessions Unit at (213) 202-3280 if a receipt for this transaction is not provided." Said free purchase for failure to provide a receipt will be at the sole expense of the Concessionaire.

H. Diversion of Business:  
CONCESSIONAIRE shall not divert, cause, allow, or permit to be diverted any business from the PREMISES and shall take all reasonable measures, in every proper manner, to develop, maintain, and increase the business conducted by it under the AGREEMENT.

I. Service Response and Responsibilities:

Prior to the event, the CONCESSIONAIRE shall:

1. Provide and maintain a reservation phone service during normal business hours for answering inquiries and taking reservations from prospective patrons. In cases where voicemail service is in use, patrons' telephone call must be returned within twenty-four (24) hours from the time the messages from prospective patrons are received;
2. Collect reservation deposit fees from patrons after confirmation of scheduled bar service;
3. Coordinate, schedule and confirm each reserved event, and the type of bar service requested; with the patrons and with the Department no less than fourteen (14) days prior to day of event;
4. Have printed brochures detailing service plans and cost options to be made available at each of the rental halls;
5. Include information about deposit, cancellation and/or refund policy in brochures and provide the brochures to patron(s) after completing the necessary service agreements (Exhibit D) with the patrons;
6. Provide for all bar service staffing, including all hiring, training, and supervision;
7. Set-up or prepare venue within one (1) hour before the start of the event;

During event, the CONCESSIONAIRE shall:

8. Provide an Events Manager and/or Events Coordinator onsite during hours of the events to respond to clients' needs;
9. Provide alcoholic and non-alcoholic beverage service to patrons renting the premises for group events;
10. Provide all necessary supplies and equipment, including portable bar;
11. Keep the service area of the premises clean and uncluttered during the event;

12. Provide for all bar service staffing, including all hiring, training, and supervision;
13. Discontinue the dispensing of alcoholic beverages to persons deemed disorderly or intoxicated;
14. Inform patrons at the beginning of the event, at two hours before the end of the event, and at ninety minutes before the end of the event that alcohol will not be served during the last hour of the event;
15. Take reasonable steps to exercise due diligence in assisting patrons deemed intoxicated by providing the necessary assistance in order to prevent injury to themselves and to others and report all incidences promptly to the Department's Facility Manager or Supervisor;
16. Be responsible for the conduct of activities during the event, and ensure compliance with the established local, state and federal policies and regulations;
17. Be present during any activity at premises where liquor is sold or dispensed, including champagne toast only events;
18. Ensure the service area of the premises is kept clean and uncluttered;

After the event, the CONCESSIONAIRE shall:

19. Remove all products and operator equipment from premises within an hour after each event and ensure the event area authorized for the bar and beverage service is in as good as order and condition as prior to the event;
20. Dispose of all trash;

Other

21. Implement a Customer Satisfaction and Improvement Program to incorporate suggested improvements from patrons using a Customer Service Survey / Questionnaire (Exhibit E); and
  22. Collect the full balance of fees from patrons and remit revenue payment to the Department.
- J. Equipment, Furnishings, and Expendables:  
All equipment, furnishings (utensils, appliances, stemware, beverage serving ware and other equipment necessary for alcohol and beverage service), and expendables required for said CONCESSION shall be purchased by CONCESSIONAIRE at its sole expense and shall remain its personal property.

- K. Maintenance of Equipment:  
CONCESSIONAIRE shall, at all times and at its expense, provide all maintenance, repair, and service required on equipment, furnishings (utensils, appliances, stemware, beverage serving ware and other equipment necessary for alcohol and beverage service, including any beverage service carts and/or portable bar used in the PREMISES) and keep and maintain such equipment in good repair and in a clean, sanitary, and orderly condition and appearance.
- L. Claims for Labor and Materials:  
The CONCESSIONAIRE shall promptly pay when due all amounts payable for labor and materials furnished in the performance of the AGREEMENT so as to prevent any lien or other claim under any provision of law from arising against any CITY property (including reports, documents, and other tangible matter produced by the CONCESSIONAIRE hereunder), against the CONCESSIONAIRE'S rights hereunder, or against the CITY, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.
- M. Signs and Advertisements:
1. CONCESSIONAIRE shall not erect, construct, or place any signs, banners, ads, or displays of any kind whatsoever upon any portion of CITY property without the prior written approval from the GENERAL MANAGER, who may require the removal or refurbishment of any sign previously approved. Certain signs and advertisements may also require the prior written approval of the Cultural Affairs Department or other appropriate agencies.
  2. CONCESSIONAIRE shall not permit vendors to display wares inside or outside the building or on said property unless written permission is secured from the GENERAL MANAGER in advance of installation, and such permission shall be subject to revocation at any time.
  3. Upon the completion of the event, CONCESSIONAIRE shall, at its own expense, remove or paint out, as GENERAL MANAGER may direct, any and all of its signs and displays on the PREMISES and in connection therewith, and shall restore said PREMISES and improvements thereto to the same condition as prior to the placement of any such signs or displays.
  4. CONCESSIONAIRE's address and phone number shall be prominently displayed along with the notation that all complaints regarding change, service, or merchandise, should be referred directly to the company. However, reports in writing shall be directed to the City of Los Angeles Department of Recreation and Parks, Park Services Division at (323) 644-6252.
  5. CONCESSIONAIRE shall place a portable sign at the FACILITY, placed before each event and removed after each event, in a prominent place, stating that the CONCESSION is operated under a Concession AGREEMENT issued by CITY through the Department of Recreation and Parks.

N. Utilities:

CONCESSIONAIRE shall pay a monthly utility charge equal to 1.5% of gross receipts as payment for utilities. CONCESSIONAIRE shall remit said monthly payment in conjunction with the monthly revenue payments.

1. Water shall be utilized by CONCESSIONAIRE in the most efficient manner possible, and CONCESSIONAIRE expressly agrees to comply with all CITY water conservation programs.
2. CONCESSIONAIRE hereby expressly waives all claims for compensation, or for any diminution or abatement of the rental payment provided for herein, for any and all loss or damage sustained by reason of any defect, deficiency, or impairment of the water, heating, or air conditioning systems, electrical apparatus, or wires furnished to the PREMISES which may occur from time to time and from any cause or from any loss resulting from water, earthquake, wind, civil commotion, or riot; and CONCESSIONAIRE hereby expressly releases and discharges CITY and its officers, employees, and agents from any and all demands, claims, actions, and causes of action arising from any of the aforesaid causes.
3. In all instances where damage to any utility service line is caused by CONCESSIONAIRE, its employees, contractors, sub-contractors, suppliers, agents, or invitees, CONCESSIONAIRE shall be responsible for the cost of repairs and any and all damages occasioned thereby.

O. Safety:

CONCESSIONAIRE shall correct safety deficiencies, and violations of safety practices, immediately after the condition becomes known or GENERAL MANAGER notifies CONCESSIONAIRE of said condition. CONCESSIONAIRE shall cooperate fully with CITY in the investigation of accidents occurring on the PREMISES. In the event of injury to a patron or customer, CONCESSIONAIRE shall reasonably ensure that the injured person receives prompt and qualified medical attention, and as soon as possible thereafter, CONCESSIONAIRE shall submit a CITY Form General No. 87 "Non-Employee Accident or Illness Report." (Exhibit F). If CONCESSIONAIRE fails to correct hazardous conditions specified by the GENERAL MANAGER in a written notice, which have led, or in the opinion of CITY could lead, to injury, the GENERAL MANAGER may, in addition to all other remedies which may be available to CITY, may correct the specified hazardous conditions, with the cost thereof, plus fifteen percent (15%) for administrative overhead, to be paid by CONCESSIONAIRE to CITY on demand.

P. Environmental Sensitivity:

The CONCESSIONAIRE must operate the CONCESSION in an environmentally sensitive manner and all operations must comply with CITY policies regarding protection of the environment. CONCESSIONAIRE shall not use or allow the use on the PREMISES of environmentally unsafe products.

- Q. Fund Raising Activities:  
CONCESSIONAIRE will be expected to cooperate with Department personnel on all matters relative to the conduct of fund-raising and/or special events. Prices shall remain the same for fund raising events as for all other events.
- R. Community Outreach:  
CONCESSIONAIRE shall coordinate and cooperate with DEPARTMENT to develop strategies to outreach to make affordable and available services to all members of the community, particularly those living in low-to-moderate income areas, fixed-income households, the disabled, etc., to provide its services to these members of the community who may not otherwise have the opportunity to partake in the services provided by CONCESSIONAIRE.
- S. Resources Supplied by CONCESSIONAIRE:  
CONCESSIONAIRE shall supply resource items that are specifically listed in this section in order to ensure business operations are run effectively and efficiently.
- T. Quiet Enjoyment:  
CITY agrees that CONCESSIONAIRE, upon payment of the fees and charges specified herein, and all other charges and payments to be paid by CONCESSIONAIRE under the terms of this AGREEMENT, and upon observing and keeping the required terms, conditions and covenants of this AGREEMENT, shall lawfully and quietly hold, use and enjoy the concession PREMISES during the term of this AGREEMENT. In the case of disputes, during the life of the AGREEMENT, over any conditions which may impede upon the CONCESSIONAIRE's quiet enjoyment of the concession PREMISES, the GENERAL MANAGER shall have final determination of any solution to such dispute; the GENERAL MANAGER's final determination shall be binding upon all parties in such dispute.

#### SECTION 10. LIABILITY

- A. Indemnification: Except for the active negligence or willful misconduct of City, CONCESSIONAIRE undertakes and agrees to defend, indemnify and hold harmless City and any and all of City's Officers, Agents, and Employees from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees and cost of litigation, damage or liability of any nature whatsoever, for death or injury to any person, including CONCESSIONAIRE'S employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of, or incident to, the performance of this agreement on the part of CONCESSIONAIRE, its officers, agents, employees, or sub-contractor of any tier.
- B. Insurance:
1. General Conditions:  
CONCESSIONAIRE shall obtain and keep in force an insurance policy which covers all operations conducted pursuant to this AGREEMENT. Such insurance policy must also insure the City of Los Angeles and comply with the Office of the City Administrative Officer's insurance requirements. See Exhibit G for

insurance requirements. The DEPARTMENT, based upon advice of the CITY'S Risk Managers, may increase or decrease the amounts of insurance coverage required herein by giving thirty (30) days' written notice to CONCESSIONAIRE.

Without limiting CONCESSIONAIRE'S indemnification of CITY, CONCESSIONAIRE shall provide and maintain at its own expense during the entire term of the AGREEMENT insurance having the limits customarily carried and actually arranged by CONCESSIONAIRE but not less than the amounts and types listed in the AGREEMENT covering its operations hereunder subject to the following conditions:

- a. Additional Insured:  
CITY, its Officers, Agents and Employees shall be included as additional insureds in all liability insurance policies except: Workers' Compensation/Employer's Liability, Professional Errors and Omissions and second-party Legal Liability coverages (such as Fire Legal). CITY shall be named Loss Payee As Its Interest May Appear in all required property, fidelity or surety coverages.
- b. Insurance Requirements:  
All insurance required hereunder shall conform to CITY requirements established by Charter, ordinance or policy and shall be filed with the Office of the City Attorney for its review in accordance with Los Angeles City Administrative Code Sections 11.47 through 11.56.
- c. Primary Insurance:  
Such insurance shall be primary with respect to any insurance maintained by CITY and shall not call on CITY's insurance program for contributions.
- d. Admitted Carrier/Licensed California Broker:  
Such insurance shall be obtained from brokers or carriers authorized to transact insurance business in California.
- e. 30-Day Notice:  
With respect to the interest of CITY, such insurance shall not be canceled, materially reduced in coverage or limits or non-renewed except after thirty (30) days written notice by receipted delivery (e.g. certified mail-return receipt, courier) has been given to the Office of the City Administrative Officer.
- f. Prior Approval:  
Evidence of insurance shall be submitted to and approved by the Office of the City Administrative Officer prior to commencement of any work or tenancy under this agreement.

- g. Severability of Interest:  
Except with respect to the insurance company's limits of liability, each liability insurance policy shall apply separately to each insured against whom claim or suit is brought. The inclusion of any person or organization as an insured shall not affect any right which such person or organization would have as a claimant if not so included.
  - h. Acceptable Evidence:  
Concessionaire shall submit acceptable evidence and approval of insurance in accordance with the "Instructions and Information on Complying with City Insurance Requirements" (Exhibit G).
  - i. Renewal:  
Once the insurance has been approved by CITY, evidence of renewal of an expiring policy may be submitted on a manually signed renewal endorsement form. If the policy or the carrier has changed, however, new evidence as specified in paragraphs a. through h. above must be submitted.
  - j. Aggregate Limits/Blanket Coverage:  
If any of the required insurance coverages contain aggregate limits, or apply to other operations or tenancy of CONCESSIONAIRE outside this agreement, CONCESSIONAIRE shall give CITY prompt, written notice of any incident, occurrence, claim, settlement or judgment against such insurance which in CONCESSIONAIRE'S best judgment will diminish the protection such insurance affords CITY.
2. Self-Insurance and Self-Insured Retentions:  
Self-insurance programs and self-insured retentions in insurance policies are subject to separate approval by CITY upon review of evidence of CONCESSIONAIRE'S financial capacity to respond. Additionally, such programs or retentions must provide CITY with at least the same protections from liability and defense of suits as would be afforded by first-dollar insurance.
3. Modification of Coverage:  
CITY reserves the right at any time during the term of this agreement to change the amounts and types of insurance required hereunder by giving CONCESSIONAIRE ninety (90) days advance written notice of such change. If such change should result in substantial additional cost to CONCESSIONAIRE, CITY agrees to negotiate additional compensation proportional to the increased benefit to CITY.
4. Availability/Failure to Procure Insurance:  
The required coverages and limits are subject to availability on the open market at reasonable cost as determined by CITY. Nonavailability or nonaffordability must be documented by a letter from CONCESSIONAIRE'S insurance broker or



agent indicating a good faith insurance and showing as minimum the names of the insurance carriers and the declinations or quotations received from each.

Within the foregoing constraints, CONCESSIONAIRE'S failure to procure or maintain required insurance or a self-insurance program shall constitute a material breach of contract under which GENERAL MANAGER may immediately terminate or suspend this agreement or, at its discretion, procure or renew such insurance to protect CITY's interests and pay any and all premiums in connection therewith, and recover all monies so paid from CONCESSIONAIRE.

5. Underlying Insurance:  
CONCESSIONAIRE shall be responsible for requiring indemnification and insurance as it deems appropriate from its employees receiving mileage allowance, consultants, agents and subcontractor, if any, to protect CONCESSIONAIRE'S and CITY's interest, and for ensuring that such persons comply with applicable insurance statutes. CONCESSIONAIRE is encouraged to seek professional advice in this regard.
6. Workers' Compensation:  
CONCESSIONAIRE hereby certifies that it is aware of the provisions of Section 3700 et seq., of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all such times as they may apply during the performance of the work of this AGREEMENT.

Any breach of this condition for insurance requirements shall be a material breach of this Concession Agreement.

#### SECTION 11. PROHIBITED ACTS

CONCESSIONAIRE shall not, during the time of the event:

- A. Do or allow to be done anything which may interfere with the effectiveness or accessibility of utility, heating, ventilating, or air conditioning systems or portions thereof on the PREMISES or elsewhere on the FACILITY, nor do or permit to be done anything which may interfere with free access and passage in the PREMISES or the public areas adjacent thereto, or in the streets or sidewalks adjoining the PREMISES, or hinder police, fire fighting or other emergency personnel in the discharge of their duties;
- B. Interfere with the public's enjoyment and use of the FACILITY or use the PREMISES for any purpose which is not essential to the CONCESSION operations;
- C. Rent, sell, lease or offer any space for storing of any articles whatsoever within or on the PREMISES other than specified herein, without the prior written approval of the GENERAL MANAGER;
- D. Overload any floor in the PREMISES;

- E. Place any additional lock of any kind upon any window or interior or exterior door in the PREMISES, or make any change in any existing door or window lock or the mechanism thereof, unless a key therefore is maintained on the PREMISES, nor refuse, upon the expiration or sooner termination of the AGREEMENT, to surrender to GENERAL MANAGER any and all keys to the interior or exterior doors on the PREMISES, whether said keys were furnished to or otherwise procured by CONCESSIONAIRE, and in the event of the loss of any keys furnished by GENERAL MANAGER, CONCESSIONAIRE shall pay CITY, on demand, the cost for replacement thereof;
- F. Do or permit to be done any act or thing upon the PREMISES which will invalidate, suspend or increase the rate of any insurance policy required under the AGREEMENT, or carried by CITY, covering the PREMISES, or the buildings in which the same are located or which, in the opinion of GENERAL MANAGER, may constitute a hazardous condition that will increase the risks normally attendant upon the operations contemplated under the AGREEMENT, provided, however, that nothing contained herein shall preclude CONCESSIONAIRE from bringing, keeping or using on or about the PREMISES such materials, supplies, equipment and machinery as are appropriate or customary in carrying on its business, or from carrying on said business in all respects as is customary;
- G. Use, create, store or allow any hazardous materials as defined in Title 26, Division 19.1, Section 19-2510 of the California Code of Regulations, or those which meet the criteria of the above Code, as well as any other substance which poses a hazard to health and environment, provided, however, that nothing contained herein shall preclude CONCESSIONAIRE from bringing, keeping or using on or about the PREMISES such materials, supplies, equipment and machinery as are appropriate or customary in carrying on its business, or from carrying on said business in all respects as is customary except that all hazardous materials must be stored and used in compliance with all City, State and Federal rules, regulations, ordinances and laws;
- H. Allow any sale by auction upon the PREMISES;
- I. Permit undue loitering on or about the PREMISES;
- J. Use the PREMISES in any manner that will constitute waste;
- K. Use or allow the PREMISES to be used for, in the opinion of General Manager, any improper, immoral, or unlawful purposes.

SECTION 12. PERFORMANCE DEPOSIT

- A. CONCESSIONAIRE shall provide the DEPARTMENT a sum equal to Five-Thousand Dollars (\$5,000) to guarantee payment of fees and as a damage deposit to be used in accordance with the default provisions of this AGREEMENT.
- B. Form of Deposit  
CONCESSIONAIRE'S Performance Deposit shall be in any one of the following forms but may not be a combination of two or more types:

1. A cash deposit made at the Cashier's window of the DEPARTMENT.
2. A cashier's check drawn on any bank that is a member of the Los Angeles Clearing House Association, which cashier's check is payable to the order of the City of Los Angeles.
3. A check drawn on and certified by any bank that is a member of the Los Angeles Clearing House Association, payable to the order of the City of Los Angeles.

C. Agreement of Deposit and Indemnity:

The above instruments must be accompanied by an agreement of deposit and indemnity, approved as to form and legality by the City Attorney, wherein CONCESSIONAIRE unconditionally agrees that in the event of any default, CITY shall have full power and authority to use the deposit in whole or in part to indemnify CITY. Every deposit of securities or certificates of time deposit must be accompanied by express authority for the GENERAL MANAGER to convert same into cash and to deposit said cash in the City Treasury in the manner governing deposit of cash in the City Treasury by the Charter of the City of Los Angeles. All deposits of cash or checks must be immediately so deposited by the DEPARTMENT.

The BOARD shall authorize and request the Treasurer of the City of Los Angeles to receive said United States Government negotiable securities, together with the properly executed agreement of indemnity and deposit, for safekeeping. In the event said securities are to be converted to cash because of default, the BOARD may authorize and request the Treasurer to sell said securities on its behalf.

D. Maintenance of Deposit:

Said deposit shall be held by CITY during the entire term of the AGREEMENT. United States Government negotiable securities shall at all times have both a par value and a market value of not less than the amount specified in the AGREEMENT and, in the event the market value of said securities declines, CONCESSIONAIRE shall, upon written demand of the GENERAL MANAGER, within ten days of the mailing by the DEPARTMENT of such demand, pledge and furnish such additional United States Government negotiable securities with appropriate agreement of indemnity and deposit approved as to form and legality by the City Attorney, as may be necessary to maintain both a par and market value of securities on deposit of not less than the amount specified in the AGREEMENT. If such additional securities are not received by the DEPARTMENT within ten days after the mailing of written notice as stated above, all default provisions may be exercised at the discretion of CITY.

In the event of maturity of the securities prior to termination of the AGREEMENT for which they were deposited, the BOARD shall authorize and request the Treasurer to redeem the securities. The BOARD shall then use the proceeds of the redeemed securities to purchase a sufficient amount of United States Government negotiable securities to be at least equal as to both par and market value to the original amount of the deposit, and place them with Treasurer on receipt.

If the redemption proceeds are not sufficient, CONCESSIONAIRE shall deposit cash with the DEPARTMENT in an amount sufficient to make up the difference within ten days of mailing of notice of deficiency by the DEPARTMENT.

If said deposit is in the form of a certificate of deposit, a current certificate shall be provided to the DEPARTMENT at the sole expense of the CONCESSIONAIRE, on an annual basis, no later than April 30<sup>th</sup> of each calendar year.

E. **Return of Performance Deposit to CONCESSIONAIRE:**

Said Performance Deposit shall be returned to CONCESSIONAIRE and any rights assigned to Performance Deposit shall be surrendered by CITY in writing, after the expiration or earlier termination of the AGREEMENT and any exit audits performed in conjunction with the AGREEMENT. The CITY reserves the right to deduct from the Performance Deposit, any amounts up to and including the full amount of the Performance Deposit as stated herein, owed to the CITY by CONCESSIONAIRE as shown by any exit audits performed by CITY, or as compensation to CITY for failure to adhere to the terms and conditions of the AGREEMENT.

**SECTION 13. NUMBER OF ORIGINALS**

The number of original texts of this AGREEMENT shall be equal to the number of parties hereto, one text being retained by each party.

**SECTION 14. INDEPENDENT CONTRACTORS / CONSULTANTS**

The CONCESSIONAIRE is acting hereunder as an independent contractor and not as an agent or employee of the CITY. The CONCESSIONAIRE shall not represent or otherwise hold itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the CITY.

**SECTION 15. TAXES, PERMITS, AND LICENSES**

- A. CONCESSIONAIRE shall obtain and maintain at its sole expense any and all approvals, permits, or licenses that may be required in connection with the operation of the CONCESSION including, but not limited to, tax permits, business licenses, health permits, building permits, police and fire permits, etc.
- B. CONCESSIONAIRE shall pay all taxes of whatever character that may be levied or charged upon the rights of CONCESSIONAIRE to use the PREMISES, or upon CONCESSIONAIRE'S improvements, fixtures, equipment, or other property thereon or upon CONCESSIONAIRE'S operations hereunder. In addition, by executing the AGREEMENT and accepting the benefits thereof, a property interest may be created known as "Possessory Interest" and such property interest will be subject to property taxation. CONCESSIONAIRE, as the party to whom the Possessory Interest is vested, may be subject to the payment of the property taxes levied by the State and County upon such interest.
- C. During the entire term of the AGREEMENT, the CONCESSIONAIRE must hold a current Los Angeles Business Tax Registration Certificate (BTRC) as required by the CITY'S Business Tax Ordinance (LAMC Article 1, Chapter 2, Sections 21.00 et. seq.).
- D. Pursuant to Section 21.3.3 of Article 1.3 of the LAMC Commercial Tenants Occupancy Tax, CONCESSIONAIRE must pay to the City of Los Angeles for the privilege of occupancy, a tax at the rate of \$1.48 per calendar quarter or fractional part thereof for

the first \$1,000 or less of charges (rent) attributable to said calendar quarter, plus \$1.48 per calendar quarter for each additional \$1,000 of charges or fractional part thereof in excess of \$1,000. Said tax shall be paid quarterly to the DEPARTMENT, on or before the fifteenth (15<sup>th</sup>) of April, July, October, and January of each calendar year, for the preceding three (3) months.

The charges for late or delinquent payments shall be \$50.00 for each month late plus interest calculated at the rate of eighteen percent (18%) per annum or one and one-half percent (1.5%) each month, assessed daily, on the balance of the unpaid amount. Payments shall be considered past due if postmarked after the fifteenth (15<sup>th</sup>) day of the month in which payment is due.

#### SECTION 16. ASSIGNMENT, SUBLEASE, BANKRUPTCY

CONCESSIONAIRE shall not under-let or sub-let the subject PREMISES or any part thereof or allow the same to be used or occupied by any other person or for other use than that herein specified, nor assign the AGREEMENT nor transfer, assign or in any manner convey any of the rights or privileges herein granted without the prior written consent of CITY. Neither the AGREEMENT nor the rights herein granted shall be assignable or transferable by any process or proceedings in any court, or by attachment, execution, proceeding in insolvency or bankruptcy either voluntary or involuntary, or receivership proceedings. Any attempted assignment, mortgaging, hypothecation, or encumbering of the CONCESSION rights or other violation of the provisions of this Section shall be void and shall confer no right, title or interest in or to the AGREEMENT or right of use of the whole or any portion of the PREMISES upon any such purported assignee, mortgagee, encumbrancer, pledgee or other lien holder, successor or purchaser.

The CONCESSIONAIRE may not, without prior written permission of the City:

- A. Assign or otherwise alienate any of its rights hereunder, including the right to payment;  
or
- B. Delegate, subcontract, or otherwise transfer any of its duties hereunder.

#### SECTION 17. BUSINESS RECORDS

CONCESSIONAIRE shall maintain during the term of the AGREEMENT and for three (3) years thereafter, all of its books, ledgers, journals, and accounts wherein are kept all entries reflecting the gross receipts received or billed by it from the business transacted pursuant to the AGREEMENT. Such books, ledgers, journals, accounts, and records shall be available for inspection and examination by GENERAL MANAGER, or a duly authorized representative, during ordinary business hours at any time during the term of this agreement and for at least three (3) years thereafter.

- A. Employee Fidelity Bonds:  
At the GENERAL MANAGER'S discretion, adequate employee fidelity bonds may be required to be maintained by CONCESSIONAIRE covering all its employees who handle money.
- B. Cash And Record Handling Requirements:  
If requested by GENERAL MANAGER, CONCESSIONAIRE shall prepare a description

of its cash handling and sales recording systems and equipment to be used for operation of the CONCESSION which shall be submitted to GENERAL MANAGER for approval.

CONCESSIONAIRE shall be required to maintain a method of accounting of the CONCESSION which shall correctly and accurately reflect the gross receipts and disbursements received or made by CONCESSIONAIRE from the operation of the CONCESSION. The method of accounting, including bank accounts, established for the CONCESSION shall be separate from the accounting systems used for any other business operated by CONCESSIONAIRE or for recording CONCESSIONAIRE'S personal financial affairs. Such method shall include the keeping of the following documents:

1. Regular books of accounting such as general ledgers.
2. Journals, including supporting and underlying documents such as vouchers, checks, tickets, bank statements, etc.
3. State and Federal income tax returns and sales tax returns and checks and other documents proving payment of sums shown.
4. Cash register tapes shall be retained so that day to day sales can be identified. A cash register must be used in public view which prints a dated double tape, indicating each sale and the daily total.
5. Any other accounting records that CITY, in its sole discretion, deems necessary for proper reporting of receipts.
6. Provide details of all adjustments to gross revenue. CONCESSIONAIRE agrees to pay the CITY a late fee of \$50.00 per month for failure to provide said details of all adjustments to gross revenue.

C. Method of Recording Gross Receipts:

Unless otherwise specified in the AGREEMENT, CONCESSIONAIRE shall obtain and utilize a cash register(s) dedicated for the duration of each event at each facility on which it shall record all gross sales, including hosted bar sales. The cash register shall be non-resettable and sufficient to supply an accurate recording of all sales on tape.

CONCESSIONAIRE shall not purchase or use the cash register before obtaining the GENERAL MANAGER'S written approval of the specific register to be purchased. All cash registers shall have a price display which is and shall remain at all times visible to the public. Printed receipts shall be provided to the patron for all transactions.

D. Annual Statement of Gross Receipts and Expenses:

CONCESSIONAIRE shall transmit a Statement of Gross Receipts and Expenses (Profit and Loss Statement) for the CONCESSION operations as specified in the AGREEMENT, in a form acceptable to the GENERAL MANAGER, on or before April 30th after the close of each calendar year during the term of the AGREEMENT. Such Statement must be prepared by a Certified Public Accountant (CPA) and shall not include statements of omission or non-disclosure. The charges for late or delinquent Statements shall be \$50.00 per month.

In addition, CITY may from time to time conduct an audit and re-audit of the books and businesses conducted by CONCESSIONAIRE and observe the operation of the

business so that accuracy of the above records can be confirmed. If the report of gross sales made by CONCESSIONAIRE to CITY shall be found to be less than the amount of gross sales disclosed by such audit and observation, CONCESSIONAIRE shall pay CITY within 30 days after billing any additional rentals disclosed by such audit. If discrepancy exceeds 2% and no reasonable explanation is given for such discrepancy, CONCESSIONAIRE shall also pay the cost of the audit.

## SECTION 18. REGULATIONS, INSPECTION, AND DIRECTIVES

A. The operations conducted by CONCESSIONAIRE pursuant to the AGREEMENT shall be subject to:

1. Any and all applicable rules, regulations, orders, and restrictions which are now in force or which may be hereafter adopted by CITY with respect to the operation of the CONCESSION;
2. Any and all orders, directions or conditions issued, given, or imposed by GENERAL MANAGER with respect to the use of the roadways, driveways, curbs, sidewalks, parking areas, or public areas adjacent to the PREMISES;
3. Any and all applicable laws, ordinances, statutes, rules, regulations or orders, including the LAMC, LAAC, the Charter of the City of Los Angeles, and of any governmental authority, federal, state or municipal, lawfully exercising authority over the CONCESSIONAIRE'S operations; and,
4. Any and all applicable local, state and federal laws and regulations relative to the design and installation of facilities to accommodate disabled persons.

B. Permissions:

Any permission required by the AGREEMENT shall be secured in writing by CONCESSIONAIRE from CITY or the GENERAL MANAGER and any errors or omissions therefrom shall not relieve CONCESSIONAIRE of its obligations to faithfully perform the conditions therein. CONCESSIONAIRE shall immediately comply with any written request or order submitted to it by CITY or the GENERAL MANAGER.

C. Right of Inspection:

CITY and the GENERAL MANAGER, their authorized representatives, agents and employees shall have the right to enter upon the PREMISES at any and all reasonable times for the purpose of inspection, evaluation, and observation of CONCESSIONAIRE'S operation. During these inspections, they shall have the right to photograph, film, or otherwise record conditions and events taking place upon the PREMISES. The inspections may be made by persons identified to CONCESSIONAIRE as CITY Employees, or may be made by independent contractors engaged by CITY. Inspections may be made for the purposes set forth below, and for any other lawful purpose for which the CITY or another governmental entity with jurisdiction is authorized to perform inspections of the PREMISES:

1. To determine if the terms and conditions of the AGREEMENT are being complied with.

2. To observe transactions between the CONCESSIONAIRE and patrons in order to evaluate the quality and quantities of services provided or items sold or dispensed.
- D. Control of Premises:  
CITY shall have absolute and full access to the PREMISES and all its appurtenances during the term of the AGREEMENT and may make such changes and alterations therein, and in the grounds surrounding same, as may be determined by said CITY. Such determination shall not be unreasonable and shall take into account the business considerations presented by CONCESSIONAIRE.
- E. Americans with Disabilities Act:  
The CONCESSIONAIRE shall comply with the Americans with Disabilities Act 42 U.S.C. Section 12101 et seq., and with the provisions of the Certification Regarding Compliance with the Americans with Disabilities Act which is attached to AGREEMENT and incorporated herein by this reference.
- F. Child Support Ordinance:  
The AGREEMENT is subject to Section 10.10, Article 1, Chapter 1, Division 10 of the LAAC, Child Support Assignment Orders Ordinance. CONCESSIONAIRE is required to complete a Certification of Compliance with Child Support obligations which is attached to the AGREEMENT and incorporated herein by this reference. Pursuant to this ordinance, CONCESSIONAIRE shall (1) fully comply with all State and Federal employment reporting requirements applicable to Child Support Assignment Orders; (2) certify that the principal owner(s) of CONCESSIONAIRE are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (3) fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with California Family Code section 5230 et seq.; and (4) maintain such compliance throughout the term of this AGREEMENT.
- G. Minority, Women, and Other Business Enterprise Outreach Program:  
CONCESSIONAIRE agrees and obligates itself to utilize the services of Minority, Women, and Other Business Enterprise firms on a level so designated in its proposal, if any. CONCESSIONAIRE certifies that it has complied with Mayoral Directive 2001-26 regarding the Outreach Program for Contracts greater than \$100,000, if applicable. CONCESSIONAIRE shall not change any of these designated subconsultants and subcontractors, nor shall CONCESSIONAIRE reduce their level of effort, without prior written approval of the CITY, provided that such approval shall not be unreasonably withheld.
- H. Living Wage Ordinance/Service Contract Worker Retention Ordinance:  
The CONCESSIONAIRE must comply with City Ordinance 172336 (Living Wage Ordinance) unless exempted in accordance with said ordinance. The Living Wage Ordinance requires in part that nothing less than a prescribed minimum level of compensation (a "living wage") be paid to employees of service contractors of the CITY and its financial assistance recipients and to employees of such recipients. Under Section 10.37.2 of the Ordinance, CONCESSIONAIRE shall pay service employees



who spend any of their time on CITY contracts a wage of no less than the hourly rates set under the authority of the Living Wage Ordinance (LWO). Such rates shall be adjusted annually to correspond with adjustments, if any, to retirement benefits paid to members of the Los Angeles City Employees' Retirement System.

CONCESSIONAIRE must also comply with the Service Contract Worker Retention Ordinance (SCWRO), adopted through Ordinance 171004. This Ordinance requires CONCESSIONAIRE to retain all employees from the previous contractor/CONCESSIONAIRE for a period of 90 days, and must continue to retain those satisfactorily performing employees.

- I. Contractor Responsibility Ordinance:  
Every Request for Proposal, Request for Bid, Request for Proposals, or other procurement process is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 et seq. of Article 14, Chapter 1 of Division 10 of the LAAC, unless exempt pursuant to the provisions of the Ordinance.
- J. Equal Benefits Ordinance:  
Section 10.8.2.1 (c) of the LAAC (Equal Benefits Ordinance) requires that every contract with or on behalf of the City of Los Angeles for which the consideration is in excess of the \$5,000.00 must incorporate the Equal Benefits Provisions.
- K. Contractor Evaluation Ordinance:  
At the end of the AGREEMENT, the CITY will conduct an evaluation of the CONCESSIONAIRE's performance. The CITY may also conduct evaluations of the CONCESSIONAIRE's performance during the term of the AGREEMENT. As required by Section 10.39.2 of the Los Angeles Administrative Code, evaluations will be based on a number of criteria, including the quality of the work product or service performed, the timeliness of performance, financial issues, and the expertise of personnel that the CONCESSIONAIRE assigns to the AGREEMENT. A CONCESSIONAIRE who receives a "Marginal" or "Unsatisfactory" rating will be provided with a copy of the final CITY evaluation and allowed 14 calendar days to respond. The CITY will use the final CITY evaluation, and any response from the CONCESSIONAIRE, to evaluate proposals and to conduct reference checks when awarding other service contracts.
- L. Slavery Disclosure Ordinance:  
Unless otherwise exempt in accordance with the provisions of this Ordinance, the AGREEMENT is subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code, as may be amended from time to time. CONCESSIONAIRE certifies that it has complied with the applicable provisions of this Ordinance. Failure to fully and accurately complete the affidavit may result in termination of the AGREEMENT.

## SECTION 19. TERMINATION

- A. By CITY:  
CITY shall have the right to immediately terminate the AGREEMENT in its entirety and all rights ensuing therefrom as provided by applicable law if any one or more of the following events occur:

1. CONCESSIONAIRE fails to keep, perform and observe any promise, covenant and condition set forth in the AGREEMENT on its part to be kept, performed or observed after receipt of written notice of default from GENERAL MANAGER, except where fulfillment of CONCESSIONAIRE'S obligation requires activity over a period of time and CONCESSIONAIRE has commenced to perform whatever may be required within ten (10) days after receipt of such notice and continues such performance diligently and without interruption except for causes beyond its control;
2. The interest of CONCESSIONAIRE under the AGREEMENT is assigned, transferred, passes to or devolves upon, by operation of law or otherwise, any other person, firm or corporation without the written consent of GENERAL MANAGER;
3. CONCESSIONAIRE becomes, without the prior, written approval of GENERAL MANAGER a successor or merged corporation in a merger, a constituent corporation in a consolidation or a corporation in dissolution;
4. The levy of any attachment or execution, or the appointment of any receiver, or the execution of any other process of any court of competent jurisdiction which is not vacated, dismissed or set aside within a period of ten (10) days and which does, or as a direct consequence of such process will, interfere with CONCESSIONAIRE'S use of the PREMISES or with its operations under the AGREEMENT;
5. CONCESSIONAIRE becomes insolvent, or takes the benefit of any present or future insolvency statute, or makes a general assignment for the benefit of creditors, or files a voluntary petition in bankruptcy, or a petition or answer seeking an arrangement for its reorganization, or the arrangement for its reorganization, or the readjustment of its indebtedness under the federal bankruptcy laws or under any other law or statute of the United States, or of any state law, or consents to the appointment of a receiver, trustee or liquidator of all or substantially all of its property or its property located within the CONCESSION areas;
6. By order or decree of court, CONCESSIONAIRE is adjudged bankrupt, or an order is made approving a petition filed by any of the creditors or stockholders of CONCESSIONAIRE seeking its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws, or under any law or statute of the United States, or any state thereof;
7. A petition under any part of the federal bankruptcy laws, or an action under any present or future solvency law or statute is filed against CONCESSIONAIRE and is not dismissed within one hundred twenty (120) days;
8. By or pursuant to, or under authority of, any legislative act, resolution or rule, order or decree of any court, governmental board, agency or officer having jurisdiction, a receiver, trustee or liquidator takes possession or control of all or substantially all of the property of CONCESSIONAIRE;
9. Cessation or deterioration of service for any period which, in the opinion of GENERAL MANAGER, materially and adversely affects the operation or service required to be performed by CONCESSIONAIRE under the AGREEMENT;
10. Any lien is filed against the PREMISES because of any act or omission of CONCESSIONAIRE and such lien is not removed, enjoined or a bond for satisfaction of such lien is not posted within ten (10) days; or

11. CONCESSIONAIRE voluntarily abandons, deserts, vacates or discontinues its operation of the business herein authorized.

No acceptance by CITY of the rental payment or other payments specified herein, in whole or in part, and for any period, after a default of any of the terms, covenants and conditions to be performed, kept or observed by CONCESSIONAIRE, other than the default in the payment thereof, shall be deemed a waiver of any right on the part of CITY including the right to terminate the AGREEMENT on account of such default.

**B. Survival of CONCESSIONAIRE'S Obligations:**

In the event the AGREEMENT is terminated by CITY, or in the event CITY reenters, regains, or resumes possession of the PREMISES, all of the obligations of CONCESSIONAIRE hereunder shall survive and shall remain in full force and effect for the full term of the AGREEMENT. Subject to CITY'S obligation to mitigate damages, the amount of the rental payment shall become due and payable to CITY to the same extent, at the same time and in the same manner as if no termination, reentry, regaining or resumption of possession had taken place. CITY may maintain separate actions to recover any monies then due, or at its option and at any time, may sue to recover the full deficiency.

The amount of damages for the period of time subsequent to termination, reentry, regaining or resumption of possession, subject to an offset for any rental payment received by CITY from a succeeding CONCESSIONAIRE, shall be the amount of rental otherwise due until the end of the term of the AGREEMENT. The damages specified above shall not affect or be construed to affect CITY'S right to such damages in the event of termination, reentry, regaining or resumption of possession where CONCESSIONAIRE has not received any actual gross receipts under the AGREEMENT.

**C. Waiver of Redemption and Damages:**

CONCESSIONAIRE hereby waives any and all rights of redemption granted by or under any present or future law or statute in the event it is dispossessed for any cause, or in the event CITY obtains or retains possession of the PREMISES in any lawful manner. CONCESSIONAIRE further agrees that in the event the manner or method employed by CITY in reentering or regaining possession of the PREMISES gives rise to a cause of action in CONCESSIONAIRE in forcible entry and detailed under the laws of the State of California, the total amount of damages to which CONCESSIONAIRE shall be entitled in any such action shall be the sum of One Dollar (\$1), and CONCESSIONAIRE agrees that this provision may be filed in any such action as its stipulation fixing the amount of damages to which it is entitled.

**D. By CONCESSIONAIRE:**

The AGREEMENT may be terminated by CONCESSIONAIRE upon the happening of one or more of the following events:

1. The permanent abandonment by the DEPARTMENT of the FACILITY or the permanent removal of all DEPARTMENT services from the FACILITY;
2. The lawful assumption by the United States Government, or any authorized agency thereof, of the operation, control or use of the FACILITY or any

- substantial part thereof, in such manner as to materially restrict CONCESSIONAIRE from operating thereon;
3. The complete destruction of all or a substantial portion of the PREMISES from a cause other than the negligence or omission to act of CONCESSIONAIRE, its agents, officers, or employees, and the failure of CITY to repair or reconstruct said PREMISES;
  4. Any exercise of authority under the AGREEMENT which so interferes with CONCESSIONAIRE'S use and enjoyment of the PREMISES as to constitute a termination, in whole or in part, of the AGREEMENT by operation of law in accordance with the laws of the State of California; or
  5. The default by CITY in the performance of any covenant or agreement herein required to be performed by CITY and the failure of CITY to remedy such default for a period of thirty (30) days after receipt from CONCESSIONAIRE of written notice to do so.

#### SECTION 20. ABANDONMENT OF EQUIPMENT

CONCESSIONAIRE shall have the right to remove its equipment, supplies, furnishings, inventories, removable fixtures and personal property from PREMISES within thirty (30) days of expiration or earlier termination of AGREEMENT. If CONCESSIONAIRE fails to remove said property within that thirty (30) days, said property shall be considered abandoned and CITY may dispose of same as it seems fit.

#### SECTION 21. WAIVER

A waiver of a default of any part, term, or provision of the AGREEMENT shall not be construed as a waiver of any succeeding default or as a waiver of the part, term, or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

#### SECTION 22. CONDITIONS AND COVENANTS

Each covenant herein is a condition, and each condition herein is as well a covenant by the parties bound thereby, unless waived in writing by the parties hereto.

#### SECTION 23. FORCE MAJEURE

Neither party hereto shall be liable to the other for any failure, delay, or interruption in the performance of any of the terms, covenants or conditions of the AGREEMENT due to causes beyond the control of that party including, without limitation, strikes, boycotts, labor disputes, embargoes, shortage of material, acts of God, landslides, acts of the public enemy, acts of superior governmental authority, floods, riots, rebellion, sabotage, or any other circumstance for which such party is not responsible and which is not in its power to control.

#### SECTION 24. REMEDIES ARE NON-EXCLUSIVE

No right, power, remedy, or privilege of CITY shall be construed as being exhausted or discharged by the exercise thereof in one or more instances. It is agreed that each and all of said rights, powers, remedies, or privileges shall be deemed cumulative and additional and not in lieu or exclusive of each other or of any other remedy available to CITY at law or in equity.

#### SECTION 25. AGREEMENT BINDING UPON SUCCESSORS

The AGREEMENT shall be binding upon and shall inure to the benefit of the successors, heirs, executors, administrators, and assigns of the parties hereto. The term "CONCESSIONAIRE"

shall include any assignee of CONCESSIONAIRE under any assignment permitted and approved by GENERAL MANAGER.

SECTION 26. LAW OF CALIFORNIA APPLIES

The AGREEMENT shall be enforced and interpreted under the laws of the State of California.

SECTION 27. AGENT FOR SERVICE OF PROCESS

It is expressly agreed and understood that if CONCESSIONAIRE is not a resident of the State of California, or is a partnership or joint venture without a partner or member resident in said State, or is a foreign corporation, then in any such event CONCESSIONAIRE does designate the Secretary of State, State of California, its agent for the purpose of service of process in any court action between it and CITY arising out of or based upon the AGREEMENT, and the service shall be made as provided by the laws of the State of California for service upon a non-resident. It is further expressly agreed, covenanted and stipulated that if, for any reason, service of such process is not possible, as an alternative method of service of process, CONCESSIONAIRE may be personally served with such process out of this State by mailing, by registered or certified mail, the complaint and process to CONCESSIONAIRE at the address set out hereafter in the AGREEMENT, and that such service shall constitute valid service upon CONCESSIONAIRE as of the date of mailing, and CONCESSIONAIRE shall have thirty (30) days from the date of mailing to respond thereto. It is further expressly agreed that CONCESSIONAIRE is amenable, and hereby agrees, to the process so served, submits to the jurisdiction and waives any and all objection and protest thereto, any laws to the contrary notwithstanding.

SECTION 28. VENUE

Venue of any action brought under the AGREEMENT shall lie in Los Angeles County.

SECTION 29. WAIVER OF CLAIMS

CONCESSIONAIRE hereby waives any claim against CITY, its officers, agents, or employees, for loss of anticipated profits caused by any suit or proceeding directly or indirectly attacking the validity of the AGREEMENT or any part hereof, or by any judgment or award in any suit or proceeding declaring the AGREEMENT null, void or voidable, or delaying the same, or any part hereof, from being carried out.

SECTION 30. NOTICES

A. To CITY:

Unless otherwise stated in the AGREEMENT, written notices to CITY hereunder shall, until CONCESSIONAIRE'S receipt of written notice otherwise from these parties, be addressed to said parties at Department of Recreation and Parks, Finance Division, Concessions Unit, 221N. Figueroa Street 15<sup>th</sup> Floor, Suite 1520, Mail Stop 625-26, Los Angeles, CA 90012.

All such notices may either be delivered personally or may be deposited in the United States mail, properly addressed as aforesaid with postage fully prepaid for delivery by registered or certified mail. Service in such manner by registered or certified mail shall be effective upon receipt.

CITY shall provide CONCESSIONAIRE with written notice of any address change within

thirty (30) days of the occurrence of said address change.

**B. To CONCESSIONAIRE:**

The execution of any notice to CONCESSIONAIRE by GENERAL MANAGER shall be as effective for CONCESSIONAIRE as if it were executed by BOARD, or by Resolution or Order of said BOARD.

All such notices may either be delivered personally to the CONCESSIONAIRE or to any officer or responsible employee of CONCESSIONAIRE or may be deposited in the United States mail, properly addressed as aforesaid with postage fully prepaid for delivery by registered or certified mail. Service in such manner by registered or certified mail shall be effective upon receipt.

Written notices to CONCESSIONAIRE shall be addressed to CONCESSIONAIRE as follows:

SRC EVENT GROUP, LLC  
8191 EAST KAISER BLVD.  
ANAHEIM, CA 92808

CONCESSIONAIRE shall provide CITY with written notice of any address change within thirty (30) days of the occurrence of said address change.

**SECTION 31. INTERPRETATION**

The language of the AGREEMENT shall be construed according to its fair meaning and not strictly for or against either CITY or CONCESSIONAIRE. The section headings appearing herein are for the convenience of CITY and CONCESSIONAIRE, and shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning or intent of the provisions of the AGREEMENT. The use of any gender herein shall include all genders and the use of any number shall be construed as the singular or the plural, all as the context may require.

If any provision of the AGREEMENT is determined to be void by any court of competent jurisdiction, then such determination shall not affect any other provision of the AGREEMENT, and all such other provisions shall remain in full force and effect; and it is the intention of the parties hereto that if any provision of the AGREEMENT is capable of two constructions, one of which render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

**SECTION 32. AGREEMENT CONTAINS ENTIRE AGREEMENT**

The provisions of the AGREEMENT contain the entire Agreement between the parties hereto and said AGREEMENT may not be changed or modified in any manner except by formal, written amendment fully executed by both CITY and CONCESSIONAIRE.

**SECTION 33. TIME OF THE ESSENCE**

Time is of the essence for all provisions of the AGREEMENT.

**SECTION 34. INCORPORATION OF DOCUMENTS**

This AGREEMENT and incorporated documents represent the entire integrated agreement of the parties and supersedes all prior written or oral representations, discussions, and

agreements. The following Exhibits are attached to and made part of this AGREEMENT by reference:

- A. Bar and Beverage Services Concession Request for Proposals –released August 18, 2010
- B. Concessionaire's Proposal in Response to Exhibit A
- C. Monthly Remittance Advice Form
- D. Work Order Service Sheet
- E. Customer Service Survey / Questionnaire
- F. Form General No. 87 "Non-Employee Accident or Illness Report"
- G. Insurance Requirements

In the event of any inconsistency between any of the provisions of this Agreement and/or appendix attached hereto, the inconsistency shall be resolved by giving precedence in the following order: 1) This Agreement exclusive of attachments, 2) Exhibit A, 3) Exhibit B, 4) Exhibit G, 5) Exhibit C, 6) Exhibit D, 7) Exhibit E, and 8) Exhibit F.

*(Signature Page to Follow)*

IN WITNESS WHEREOF, THE CITY OF LOS ANGELES has caused this AGREEMENT to be executed on its behalf by its duly authorized Board of Recreation and Park Commissioners, and CONCESSIONAIRE has executed the same as of the day and year herein below written.

THE CITY OF LOS ANGELES, a municipal corporation, acting by and through its Board of Recreation and Park Commissioners

BY: \_\_\_\_\_  
President

DATE: \_\_\_\_\_

BY: \_\_\_\_\_  
Secretary

DATE: \_\_\_\_\_

SRC EVENT GROUP, LLC

BY: \_\_\_\_\_  
JOHN TALLICHET, Manager

DATE: \_\_\_\_\_

BY: \_\_\_\_\_  
CECILIA TALLICHET, Manager

DATE: \_\_\_\_\_

BTRC: \_\_\_\_\_

APPROVED AS TO FORM:  
CARMEN A. TRUTANICH, City Attorney

BY: \_\_\_\_\_  
Deputy City Attorney

DATE: \_\_\_\_\_

Concession Agreement Number: \_\_\_\_\_



**BAR AND BEVERAGE SERVICES  
CONCESSION AGREEMENT**

**EXHIBIT A**

**BAR AND BEVERAGE SERVICES  
CONCESSION REQUEST FOR PROPOSALS –  
RELEASED AUGUST 18, 2010**



**City of Los Angeles**  
Department of Recreation and Parks

---

**REQUEST FOR PROPOSALS (ARS-M10-175)**

**For the Operation of the  
Bar and Beverage Services Concession**

<b>Release Date:</b>	<b>August 18, 2010</b>
<b>Pre-Proposal Conferences:</b>	<b>October 5, 2010 Central Service Yard Conference Room No. 1 3900 West Chevy Chase Drive Los Angeles, CA 90039</b>
<b>Proposal Due Date:</b>	<b>November 9, 2010 3:00 P.M. Department of Recreation and Parks Office of the Board of Commissioners 221 North Figueroa Street, Suite 1510 Los Angeles, CA 90012</b>

---

**CITY OF LOS ANGELES, DEPARTMENT OF RECREATION AND PARKS**  
3900 West Chevy Chase Drive, Mall Stop 628  
Los Angeles, California 90039  
**Contract Coordinator:** Orville Patino  
**Telephone:** (818) 243-6421, extension 202  
**Fax:** (818) 243-1459 or (818) 243-6451  
**URL:** [www.laparks.org/proposal.htm](http://www.laparks.org/proposal.htm)  
**E-mail:** [Orville.Patino@lacity.org](mailto:Orville.Patino@lacity.org)

**TABLE OF CONTENTS**  
**BAR AND BEVERAGE SERVICES CONCESSION**  
**REQUEST FOR PROPOSALS**

I.	Introduction.....	1
II.	Objective .....	1
III.	Description of Concession .....	2
IV.	Instructions to Proposers.....	3
	A. Submitting a Written Proposal.....	3
	B. Submitted Proposals .....	4
	C. Proposal Submittal Information.....	7
	D. Document Check.....	9
V.	Proposal Items, Required Operating Responsibilities, Contractual Provisions and Scope of Work .....	10
	A. Proposal Items.....	10
	B. Required Operating Responsibilities .....	17
	C. Contractual Provisions .....	19
	D. Scope of Work .....	21
VI.	Evaluation and Award.....	23
	A. Evaluation Process and Criteria .....	23
	B. Evaluation and Recommendation .....	26
	C. Award.....	26
	D. Contractual Arrangements .....	26
	E. Verification of Information .....	26
	F. Cost of Preparation .....	26
	G. City's Right to Reject Proposals and to Waive Informalities .....	27
VII.	Exhibits (Listing) .....	27
	A. Description of Concession Locations	
	B. Compliance Documents	
	C. Sample Concession Agreement	
	D. Pro Forma Financial Statement Submittal Form	
	E. Insurance Requirements	
	F. Sample Listing of Proposed Services and Products with Price List	

**REQUEST FOR PROPOSALS  
FOR THE  
BAR AND BEVERAGE SERVICES CONCESSION**

**I. INTRODUCTION**

The Department of Recreation and Parks (Department) is pleased to offer an exciting opportunity for well-qualified business entities to provide and operate bar and beverage services (alcoholic and non-alcoholic) at seven (7) banquet hall rental facilities (Exhibit A). The Department may add facilities to be served or remove facilities during the term of the concession agreement, depending on the needs of the public and of the Department.

The proposing individual or company shall demonstrate the ability to perform in this type of business, clearly articulate achievable plans for operation, and document compliance with appropriate laws and regulations.

The selected concessionaire(s) shall demonstrate the ability to implement a bar and beverage concession program that will meet or exceed the objectives of the City of Los Angeles, Department of Recreation and Parks, as well as incorporate innovative ideas that are appropriate for this concession.

The Department's goals are to (1) provide the public with the best and most satisfactory service from the concessions, and (2) ensure that the City receives adequate and appropriate compensation from private businesses allowed to operate on park property.

**II. OBJECTIVE**

The objective of this Request for Proposals ("RFP") is to award five-year Concession Agreements (hereinafter "Agreement"), with two (2) five (5) year renewal options, exercisable at the sole discretion of the General Manager of Department of Recreation and Parks (General Manager), to up to five (5) concessionaires who will accomplish the following:

- Offer a bar and beverage service to the public which will enhance the event experience;
- Offer and provide a full range of bar and beverage services at various cost options;
- Assist and coordinate planning activities to ensure all events are executed to the satisfaction of the customer;
- Provide high quality, friendly, and professional services at reasonable prices;
- Provide all necessary furnishings and equipment in order to create an attractive and inviting concession;
- Display awareness of the demographics and special needs of the community this concession serves;
- Reach out to the community to increase the current usage of the concession through the use of marketing and advertising;
- Conduct and manage the events accordingly so that clients are satisfied and are provided a memorable experience; and
- Work in unison with the Department of Recreation and Parks during the normal course of business and as unforeseeable problems arise.

The selected concessionaire will be placed on a pre-approved Departmental list of bar and beverage service providers. Concessionaires may be used for multiple projects or for none at all. Patrons that schedule events at the locations listed below and who desire to use a bar and beverage service will select the concessionaire from the pre-approved list which best meets the needs of the event. The Department, in entering into an Agreement with the selected proposer, guarantees no minimum amount of business or compensation. The concession agreement awarded through this RFP process shall be subject to early termination by the Department, in accordance with Section 19 of the Sample Concession Agreement (Exhibit C).

### III. DESCRIPTION OF CONCESSION

The Bar and Beverage Services Concession Agreement will require the Concessionaire(s) to provide alcoholic and non-alcoholic beverage services to patrons renting the following facilities: Friendship Auditorium, Grace E. Simons Lodge, Ramona Hall, Orcutt Ranch, Cabrillo Beach Bath House, Griffith Park Visitor Center Auditorium, and Wattles Mansion (Exhibit A). The Department reserves the right to include additional facilities to be served, or to remove facilities during the term of this concession agreement depending on the needs of the public and of the Department.

Numerous events are held in these facilities, such as: weddings, receptions, birthdays, corporate gatherings, business trainings and meetings, and other private parties and events.

The current concessionaire is required to pay 20% of gross receipts produced from bar and beverage (alcoholic and non-alcoholic) sales. In 2008, the operator serviced a total of 438 events, generated \$140,515 in gross receipts and paid \$28,103 in rent to the Department. The Department guides, regulates, and determines the services offered and the desired performance level. Each concessionaire will be responsible for the management and operation of the bar and beverage concession. These responsibilities include meeting with patrons to schedule events; providing price quotes to patrons prior to events; providing clean up, disposal, and removal of items after events; and collecting and accounting for fees from patrons. The operators must also comply with the provisions of the State of California, Department of Alcoholic Beverage Control.

Five Year Bar and Beverage Concession Gross Revenue

2004	2005	2006	2007	2008
\$113,549	\$175,270	\$162,999	\$228,762	\$140,515

#### IV. INSTRUCTIONS TO PROPOSERS

##### A. Submitting a Written Proposal

To be considered for award of this concession agreement, proposers must submit a sealed, written proposal as indicated herein. Proposals provide information about background, current business practices, applicable experience, and plans for this concession. Proposals are evaluated based on several evaluation criteria as indicated in this RFP. Proposers may wish to consider the following guidelines in preparing their proposals:

- Make sure your proposal is well-organized and easy to read.
- Verify that your proposal is complete and that you've completely responded to all proposal items and compliance documents in the RFP.
- Formulate your responses precisely and with detail; avoid vague, meaningless, or open-ended responses.
- Make sure your proposal demonstrates that your financial projections and cost estimates are realistic and sustainable.
- Clearly describe what your management team will bring to the concession.
- If there are significant risks in your business strategy, include plans to mitigate those risks, addressing any contingencies that may arise.

#### IMPORTANT:

##### Charter Section 371(e)(10)

In approving this RFP, the Board, in its capacity as the contract awarding authority for the Department, finds, pursuant to Charter Section 371 (e) (10), that the use of competitive bidding would be undesirable, impractical or otherwise excused by the common law and the Charter because, unlike the purchase of a specified product, there is no single criterion, such as price comparison, that will determine which proposer can best provide the services required by the Department for the improvement, operation and maintenance of the Department's concession. To select the best proposer for this concession, the Board finds it is necessary to utilize a standard request for proposals process and to evaluate proposals received based upon the criteria included in this RFP. The Board specifically finds that the narrower and more specialized competitive sealed proposal process authorized but not required by Charter Section 371, subsection (b), would not meet the Department's needs and therefore opts to utilize the standard request for proposals process.

Your written submittal in this RFP process will be the primary basis on which the City will consider its award for the Agreement; therefore, proposers should be as thorough and as detailed as possible when responding to each proposal item and assembling a proposal. In the written proposal, proposers must include responses to ALL proposal items requested herein below. Proposers will not be able to add to or modify their proposals after the proposal due date.

The City may deem a proposer non-responsive if the proposer fails to provide all required documentation and copies. Proposals accepted by the City in writing constitute a legally binding contract offer. It is requested that proposals be prepared simply and economically, avoiding the use of unnecessary promotional material.

**B. Submitted Proposals - Proposals must contain ALL of the following:**

**1. Cover Letter**

Proposers are to include a signed cover letter indicating the contact information for the entity proposing. Include at a minimum:

- a. Key names, including title and position;
- b. Complete mailing addresses;
- c. Telephone and fax numbers (including office and cell numbers as appropriate);
- d. E-mail addresses, and any other information needed by City staff to contact proposers;
- e. A statement that the proposing entity confirms its acknowledgement and acceptance of the terms and conditions set forth herein, without exceptions; and
- f. The cover letter must be signed by an individual authorized to bind the proposer.

**2. Proposal Deposit**

All proposals must include a Two Thousand Dollar (\$2,000.00) Proposal Deposit in the form of a cashier's check only, payable to the City of Los Angeles. This amount shall be payable as a guarantee that the selected proposer will enter into an Agreement for the concession.

The Proposal Deposit of the successful proposer(s) will be released upon receipt of the required Performance Deposit, evidence of insurance, and execution of the Agreement. In the event that an award is made and the successful proposer fails to execute the Agreement and to provide the required Performance Deposit and insurance policies, the Proposal Deposit of that proposer will be forfeited and retained by the Department.

The Proposal Deposits of unsuccessful proposer(s) will be returned upon execution of an Agreement with the proposer awarded the concession. Proposal Deposits are maintained for all proposers in the event the successful proposer fails to execute the Agreement and another proposer is considered for award. Please note that award and execution of contract could take up to twelve months to complete.

**3. Proposal Items**

Proposers are to submit complete and detailed responses to all of the Proposal Items in Section V of this RFP.

- a. Ability to Finance
- b. Experience and Qualifications
- c. Proposed Business Plan
- d. Proposed Revenue Sharing Payment
- e. Proposed Services and Products with Price List

4. **Compliance Documents**

This is a new RFP for a new Concession Agreement. Previous compliance document submittals and/or waivers do not apply. New forms must be completed and processed.

As part of the RFP process, all proposers are to review, complete, and submit the following compliance documents. Information, related forms, and instructions are located in Exhibit B of the RFP ("Compliance Documents").

Additional information regarding some compliance documents may be available at the Pre-Proposal Conference, on a City website, and/or by phone with the administering Department of a given ordinance or compliance document. Exemptions from certain ordinances may also apply. The Department reserves the right to request additional information and/or clarification regarding submitted compliance documents during the evaluation process.

The following compliance documents MUST be included with your proposal:

a. Proposer's Signed Declaration and Affidavit of Non-Collusion (Section I.A of Exhibit B)

The original notarized form must be submitted with the original proposal; copies of the notarized form must be submitted with the other proposal copies (see Section IV.C – "Number of Copies").

b. Disposition of Proposals (Section I.B of Exhibit B)

The document must be signed by an individual authorized to bind the proposer.

c. Affirmative Action Plan (Section I.C of Exhibit B)

Complete A1 and A2

Submit A1 through A7 with the proposal

OR: The proposer may submit their own Affirmative Action Plan that meets all the requirements of the City's Affirmative Action program.

d. Contractor Responsibility Ordinance Statement (Section I.D of Exhibit B)

Pages 1 through 6 of the document must be completed and submitted with the proposal. Pages 1 and 6 must be signed.

e. Equal Benefits Ordinance Statement (Section I.E of Exhibit B)

Please read the instructions in Exhibit B.

f. Living Wage Ordinance (LWO)/Service Contractor Worker Retention Ordinance (SCWRO) – *only if applying for an exemption* (Section I.F of Exhibit B)

Submittal of LWO/SCWRO documents is *only required if the proposer is applying for an exemption to the ordinance requirements.*



- g. Minority Business Enterprise (MBE) / Women Business Enterprise (WBE) / Other Business Enterprise (OBE) Subcontractor Outreach Program (Section I.G of Exhibit B)

Anticipated Participation Levels: 6% MBE, 3% WBE, 3% OBE

The outreach must attempt to provide a portion of the concession operation to MBE/WBE/OBE subcontractors.

Failure to meet anticipated MBE/WBE/OBE participation levels will not by itself be the basis for disqualification or determination of noncompliance with this policy. However, failure to include supporting documentation of a good faith effort and failure to achieve a minimum of 75 out of 100 Good Faith Effort evaluation points will render the bid non-responsive and will result in its rejection.

The following are areas that have been identified as possible subcontracting opportunities (Note: Proposers may include other outreach areas not listed in the following):

Entire Concession  
Payroll / Accounting / Bookkeeping  
Messenger Services  
Uniform (Purchase or Rental)  
Uniform Cleaning Service  
Suppliers  
Equipment Maintenance Service  
Cleaning Service  
Advertisement  
Printing & Binding

- h. Bidder Certification -- CEC Form 50 (Section I.H of Exhibit B)  
Please read the instructions in Exhibit B.

*Only the Concessionaire selected for award of the contract shall submit the following additional required items prior to execution of the agreement (within 30 working days of notification by Department):*

j.	Americans with Disabilities Act Certification
k.	Business Tax Registration Certificate
l.	Certification of Compliance with Child Support Obligations
m.	Contractor Responsibility Ordinance -- Pledge of Compliance
n.	City-approved Proof of Insurance
o.	City-approved Performance Deposit
p.	Los Angeles Residence Information (location of selected concessionaire's headquarters and percentage of workforce residing in Los Angeles)
q.	LAW/SCWRO -- additional related forms from Item 4.f above
r.	Slavery Disclosure Affidavit

Failure of the successful proposer to submit all the required documents (specified as Items "p" through "q" above) within 30 days of award (as notified by the Department) shall cause the proposal to be deemed non-responsive and will result in cancellation of the award and forfeiture of the proposal deposit.

C. Proposal Submission Information

**Deadline for Submission**

To be considered, proposals must be received in the Office of the Board of Commissioners on or before 3:00 p.m. Tuesday, November 9, 2010.

**Where to Submit your Proposal**

The complete proposal package shall be placed in a sealed envelope or box labeled "Proposal for the Bar and Beverage Services Concession -- ARS M09-08." Said envelope or box shall have the name and address of the Proposer on the outside and be delivered to:

Los Angeles Department of Recreation and Parks  
Office of the Board of Commissioners  
Attention: Board Secretary  
221 North Figueroa Street, Suite 1510  
Los Angeles, California 90012

**Number of Copies**

Please provide one (1) original proposal, six (6) copies of the proposal and one (1) non-bound reproducible copy. Plainly identify the respective documents. An original proposal is a proposal that has a wet signature on all documents requesting a signature from the proposer (e.g., cover letter, compliance documents, etc.). A reproducible copy is one which can readily be reproduced through a photocopier.

**Important Notices**

Candidates who mail their proposals should allow adequate mail delivery time to ensure timely receipt of the proposals. Late proposals will not be considered for review. The City reserves the right to determine the timeliness of all proposals submitted. At the day and time appointed, all timely submitted proposals will be opened and the name of the proposer(s) announced. No other information about the proposals will be made public until such time as a recommendation concerning proposals is made to the Board of Recreation and Park Commissioners.

The City reserves the right to extend the deadline for submission should such action be in the best interest of the City. In the event the deadline is extended, proposers will have the right to revise their proposal. Proposals may be withdrawn by written request, signed by an authorized representative of the company, and submitted to the Board Office prior to the scheduled closing time for receipt of proposals. Faxed withdrawals will be accepted by the Board at (213) 202-2610, Attn: Board Secretary. After withdrawing a previously submitted proposal, the proposer may submit another proposal at any time up to the specified due date and time.

A proposal will be returned only if the above described withdrawal request explicitly requests that it be returned. It will be returned either to a representative of the proposer who personally presents the withdrawal request with original signature to the Board Office or by USPS mail after the original signed request is received. The proposal will be sent by means of some other service only if the proposer pays for that service.

Submission of a proposal pursuant to this RFP shall constitute acknowledgement and acceptance of the terms and conditions set forth herein. All or portions of this RFP and the contents of the proposal submitted by the successful proposer may become contractual obligations if an Agreement is awarded. Failure of the successful proposer to accept these obligations may result in cancellation of the award and forfeiture of the Proposal Deposit. The City reserves the right to withdraw this RFP at any time without prior notice and return proposals and deposits.

All proposals submitted in response to this RFP and not withdrawn according to the procedure specified above in this RFP become the property of the City of Los Angeles, Department of Recreation and Parks.

#### Contact With City Personnel

All contact regarding this RFP or any matter relating thereto must be in writing and may be mailed, e-mailed or faxed as follows:

Name: Orville Patino, Contract Coordinator  
Address: 3900 W. Chevy Chase Dr., Mail Stop 628,  
Los Angeles, CA 90039  
E-mail: [Orville.Patino@lacity.org](mailto:Orville.Patino@lacity.org)  
Fax: (818) 243-6451

#### Non-Mandatory Pre-Proposal Conference

Date: October 5, 2010  
Time: 9:30 a.m.  
Location: Central Service Yard, Conference Room No. 1  
3900 West Chevy Chase Drive  
Los Angeles, California 90039

The purpose of the conference is to clarify the contents of this RFP and to discuss the Bar and Beverage Services Concession's needs. Although attendance is not mandatory, 10 points towards the Good Faith Effort Subcontractor Outreach program as described in Section IV.B.4.g of the RFP will be awarded to all proposals with a representative in attendance. It is highly recommended that prospective proposers read the complete RFP prior to the conference and begin preparation of their proposal in order to maximize the benefits of the conference.

To maximize the effectiveness of the conference, the Contract Coordinator requests that, to the extent possible, proposers provide questions in writing prior to the conference. This will enable the Contract Coordinator to prepare responses in advance. Specific questions concerning the RFP should be submitted in writing to the Contract Coordinator:

Department of Recreation and Parks  
Concessions Unit (Mail Stop 628)  
Attn: Orville Patino  
3900 West Chevy Chase Drive  
Los Angeles, CA 90039

Additional questions may be accepted, in writing, at the conference. However, responses may be deferred and provided as addenda to the RFP at a later date. Questions will be deemed late and may not be answered after October 5, 2010, 5:00 p.m.

All questions, without identifying the individual submitting the question, will be compiled with the appropriate answers and issued as an addendum to the RFP.

When submitting questions, please specify the RFP section number, paragraph number, and page number, and quote the passage that prompted the question. This will ensure that the passage can be quickly found in the RFP. The City reserves the right to group similar questions when providing answers.

If the City requirements or the specifications prevent proposers from submitting a proposal that would be beneficial to the City please address the concern to the Contract Coordinator listed below.

Questions may address concerns that the application of minimum requirements, evaluation criteria and/or business requirements would unfairly disadvantage proposers or, due to unclear instructions, may result in the City not receiving the best possible responses from proposers.

D. Document Check

Please check the contents of your RFP package carefully to ensure that you have in your possession all the necessary documents as referenced within the RFP, including any addenda. If you are missing any items, you should make a written request to the following address:

Department of Recreation and Parks  
Concessions Unit (Mail Stop 628)  
3900 West Chevy Chase Drive  
Los Angeles, CA 90039  
Telephone (818) 243-6488  
Fax (818) 243-6451

The complete RFP package and all forms and information in Exhibit B are also available at [www.laparks.org/proposal.htm](http://www.laparks.org/proposal.htm). Should you find a discrepancy in or omissions from said documents, or have questions as to their meaning, notify the Contract Coordinator at the above address in writing or fax no later than the deadline date for receiving proposals. The City of Los Angeles will not be bound by any oral statements or representations.

V. PROPOSAL ITEMS, REQUIRED OPERATING RESPONSIBILITIES, CONTRACTUAL PROVISIONS AND SCOPE OF WORK

The following are four sections which, in part, will comprise the fundamentals of the Agreement for this concession:

- A. Proposal Items
- B. Required Operating Responsibilities
- C. Contractual Provisions
- D. Scope of Work

In the written proposal, proposers should include explicit, detailed responses to each of the Proposal Items. If selected as the winning proposal, the proposer must be willing and able to commit to the Proposal Items, Required Operating Responsibilities, Contractual Provisions, and Scope of Work.

A. Proposal Items

Keeping in mind the needs and the potential of the concession, the demographics of the prospective patrons at the various banquet hall rental facilities, and the goals and requirements of the City as set forth in this RFP, proposers are encouraged to offer sound, practical, and sustainable ideas to provide a first-rate, high-quality concession. Accordingly, proposers must respond to each of the following items in their written proposal. Each response in the proposal must be numbered to correspond with the numbered items herein.

NOTE: ONLY ONE OPTION FOR EACH PROPOSAL CRITERION WILL BE ACCEPTED PER SUBMITTAL. MULTIPLE PROPOSAL OPTIONS CONTAINED IN A SINGLE PROPOSAL WILL BE CAUSE TO FIND THE SUBMITTED PROPOSAL NON-RESPONSIVE TO THE RFP. HOWEVER, PROPOSERS ARE WELCOME TO SUBMIT MORE THAN ONE PROPOSAL IN RESPONSE TO THIS RFP.

1. Ability to Finance

Each proposer must demonstrate the financial means and resources to finance, operate, and sustain the concession operation as proposed, including all proposed improvements, start-up and pre-opening costs, inventory and sufficient working capital, and access to additional capital, if needed. To this end, each proposer must provide, with the submitted proposal, the following items. All items submitted are subject to verification by the Department.

1.1 Amount of Investment Required

State the amount of investment you will require to begin operations as proposed. This amount must include Start-Up Costs (Proposers must include a response to each proposal item listed below):

- \_\_\_ Amount of Investment to begin operations as proposed (to include):
  - \_\_\_ Performance Deposit
  - \_\_\_ Inventory
  - \_\_\_ Equipment

- \_\_\_ Operating Supplies
- \_\_\_ Others (list)

The amount stated here must be consistent with the proposer's Financial Projections and Planning, which is to be completed in response to Section V.A.3.3 of this RFP.

**1.2 Source(s) of Funding Concession Operation**

Proposers must include a response to each proposal item listed below:

- \_\_\_ Indicate whether the proposed source of funding the above amount is cash reserves, financing from a commercial lender, other sources, or a combination thereof.
- \_\_\_ Of the total amount required, indicate the amount that is to be funded through each source.

**1.3 Financial Documentation**

Each proposer must provide, with the proposal, the following written verification of its ability and commitment to provide adequate funding in the amount indicated above.

(If a partnership or joint venture, the following must be provided for each of the entities comprising the partnership or joint venture.)

Proposers must include a response to each proposal item listed below:

**1.3.1 If cash reserves are to be used to fund the operation, provide the following (if no cash is to be used, so state in your response to this section):**

- \_\_\_ Bank statements for the proposing entity for the twelve (12) months preceding the release date of this RFP.
- \_\_\_ If proposing entity is a public corporation, include a letter signed by an officer of the company that represents that company's finance committee or other entity (executive committee, board of directors, etc.) that has the authority to approve the expenditures. **NOTE: Such letter must be an original and must be notarized.**
- \_\_\_ Copies of current credit reports/ratings of the proposing entity. If private capital is to be used, provide copies of current credit reports/ratings of the person(s) whose funds are to be used ("Current" shall mean current as of September 2009 or later).

**1.3.2 If loans are to be used to fund the operation, provide the following (if no loans are to be used, so state in your response to this section):**

- \_\_\_ A copy of an unconditional, formal letter of commitment from the lender(s).

\_\_\_ Copies of current credit reports/ratings of the proposing entity.  
("Current" shall mean current as of September 2009 or later)

1.3.3 Provide detailed documentation for any additional sources of funding. If no other sources of funding are to be used other than those already indicated, so state in your response to this section.

**2. Experience and Qualifications**

Proposers must have at least two (2) years continuous experience within the last four (4) years in the ownership, management, or operation of a bar and beverage service business; which shall mean having an active involvement in the day-to-day management of the business and should not be so designated solely by a percentage of ownership. Each proposal will be reviewed for other criteria such as Proposer's ability to finance, relevant background and experience, and soundness of business plan.

Describe your business entity's background and experience in providing bar and beverage services similar to this concession. If this is a new company, partnership, or joint venture formed for the operation of this concession, describe the background and proposals of each of the partners or principals.

Note: This section pertains to your business entity's PAST experience and CURRENT operations, not your PROPOSED operation for this concession.

**2.1 Ownership Description**

Proposers must include a response to each proposal item listed below:

- 2.1.1 \_\_\_ Address
- 2.1.2 \_\_\_ Length in business (in years and months)
- 2.1.3 \_\_\_ Size of company
- 2.1.4 \_\_\_ Organizational chart
- 2.1.5 \_\_\_ Names of persons responsible for bar and beverage services
- 2.1.6 \_\_\_ Any pending mergers (if none, so state in response to this section).

**2.2 Description of proposing entity's experience in and knowledge of operating a Bar and Beverage Services Concession similar to this concession.**

Proposers must include a response to each proposal item listed below (if none, so state in response to each item below):

- 2.2.1 \_\_\_ Description of similar current and past operations.
- 2.2.2 \_\_\_ Revenues of past or current comparable operations under the proposer's management.
- 2.2.3 \_\_\_ Proposer's years of above experience.
- 2.2.4 \_\_\_ Extent of any related experience.
- 2.2.5 \_\_\_ Additional information which demonstrates your qualifications.

**2.3 Current Operations**

Proposers must include a response to each proposal item listed below (if none, so state in response to each item below):

2.3.1 \_\_\_ Employee hiring, training, motivation, and promotion policies.

2.3.2 \_\_\_ Methods and controls for accounting.

**2.4 Contracts history (include contract information for all contracts listed):**

Proposers must include a response to each proposal item listed below (if none, so state in response to each item below):

2.4.1 \_\_\_ List of all opened and closed contracts during most recent 12 months.

2.4.2 \_\_\_ List of all lost contracts during 2005, 2006, 2007, and 2008.

2.4.3 \_\_\_ List of contracts started and lost within 12 months of opening/starting.

**2.5 References**

Proposers must include a response to each proposal item listed below:

2.5.1 \_\_\_ Business References: Provide a minimum of three (3) references with whom you have conducted business to verify relevant past performance. Include names, addresses, telephone numbers, and the scope of the business relationship.

2.5.2 \_\_\_ Financial References: Provide a minimum of three (3) references from banks or other financial institutions; include names, addresses, telephone numbers, and the type of relationship (for example, checking/savings accounts, commercial loans, landlord, lessor, etc.).

**3. Proposed Business Plan**

This and the following sections pertain to your PROPOSED operation for this concession, not your PAST experience. The proposer's Business Plan must include, but is not limited to, the following (Proposers must include a response to each proposal item listed below):

**3.1 Operational Plan For Entire Concession:**

3.1.1 \_\_\_ Staffing and management (note that provisions of the City's Living Wage and Service Contract Worker Retention Ordinances will apply).  
At a minimum, the following must be provided:

\_\_\_ Names and proposal of key personnel, including on-site full time concession manager, include résumés;

\_\_\_ Number of staff members required;

\_\_\_ Proposed organizational structure;

\_\_\_ Employee hiring, training, retention, motivation, and promotion policies.



3.1.2 \_\_\_ Methods of increasing and maintaining your clientele. At a minimum, the following must be provided:

- \_\_\_ Advertising, promotion, merchandising, and marketing plans for all segments of the concession;
- \_\_\_ Plans to identify and address the needs of the local community;
- \_\_\_ Customer service policies and philosophy;
- \_\_\_ Specific methods of monitoring customer satisfaction and maintaining excellent customer relations.

3.1.3 \_\_\_ Methods of accounting and controls. At a minimum, the following must be provided:

- \_\_\_ Methods of tracking sales;
- \_\_\_ Methods of tracking purchases, receivables and payables;
- \_\_\_ Inventory controls.

### 3.2 Proposed Equipment

3.2.1 \_\_\_ Include a list of major equipment that will be provided and used to successfully operate the concession and the plan to maintain the quality of each throughout the life of the Agreement. Refer to the Sample Concession Agreement (Exhibit C) for information regarding ownership of equipment purchased and installed by Concessionaires.

3.2.2 \_\_\_ Indicate technically advanced equipment or tools to be used, such as point-of-sale systems, inventory management systems, instruction tools, security systems, etc.; include features and benefits of each. If none are to be used, so state in the proposal.

### 3.3 Financial Projections and Planning

Proposers are to complete and submit a Pro Forma Financial Statement submittal form; a copy of the blank submittal form is provided as a reference in Exhibit D. The submittal form is a spreadsheet on a CD provided with this RFP, and is also available online by visiting the following page: <http://www.laparks.org/proposal.htm>. Click on the link to the Bar and Beverage Services Concession RFP; look for the submittal form link listed with the Exhibits. Proposers should open and check the file, and report any problems immediately to the Department contact listed on the cover of this RFP.

To complete the form, follow the instruction on the first tab of the spreadsheet. Proposers must submit a hardcopy of the completed form with each copy of the submitted proposal and one CD-R of the completed form.

The Pro Forma Financial Statement Submittal Form (Exhibit D) covers anticipated operations over the first five-year term of the Agreement. Projections should demonstrate sound financial planning, be realistic and achievable, and support all elements of the proposal. The submittal form requires the proposer to enter the following information:

- **Pro Forma Profit and Loss:** Projections for the first five-year term, including projected revenues for each category of sales; variable costs (e.g. cost of goods sold); fixed costs (e.g. salaries, advertising and marketing, rent, depreciation, utilities, insurance, etc.); interest and taxes, debt rate, net profit, etc.; proposers will be able to enter any additional information pertinent to your financial planning.
- **Assumptions:** Proposers should provide narrative explanations of their projected financial planning. Indicate any assumptions made in your financial planning; for example, expected interest rates, inflation rates, and anticipated increases or decreases in staffing levels. Do you anticipate revenue and/or attendance increases? If so, by how much? What are your figures based on? Indicate any research you have undertaken to support your assumptions.

4. **Proposed Revenue Sharing Payment**

Revenue is paid monthly by the concessionaire to the Department. The amount of revenue to be paid is a proposal item, to be proposed as follows:

**NOTE: ONLY ONE PROPOSED REVENUE SHARING PAYMENT OPTION PER SUBMITTAL. MULTIPLE PROPOSED REVENUE SHARING PAYMENT OPTIONS CONTAINED IN A SINGLE PROPOSAL WILL BE CAUSE TO FIND THE SUBMITTED PROPOSAL NON-RESPONSIVE TO THE RFP.**

The Minimum Acceptable percentage for this RFP is 20% of gross receipts produced by all bar and beverage (alcoholic and non-alcoholic) sales.

4.1 Revenue payment must be stated as a Percentage of Gross Receipts. Refer to Exhibit C, Section 6.C, for the definition of Gross Receipts.

\_\_\_\_\_ Revenue sharing payment may be proposed as a different percentage rate among the various revenue categories, and/or may vary with time, activity, or specific levels of gross receipts.

\_\_\_\_\_ Revenue sharing terms must also be indicated in the Pro Forma Financial Statement Submittal Form (Exhibit D).

\_\_\_\_\_ For proposed new amenities or services to be offered as part of the concession operation in which the patron is charged any fee whatsoever, those amenities and services shall also be subject to rental payments.

4.2 \_\_\_\_\_ Proposer must provide justification, based on their financial projections, planning, and relevant market research, that the proposed rent is competitive

as well as sustainable and realistic.

**5. Proposed Services and Products with Price List**

Provide a description of the services and products (equipment and material) necessary to perform the services as described in the Scope of Work (Section V.D). The information to be submitted must include:

- \_\_\_\_\_ The type of liquor, wine, and beverages that will be provided;
- \_\_\_\_\_ Set-up time and strike time information; and,
- \_\_\_\_\_ Detailed description of services, including equipment and materials necessary for providing the services.

A sample format of the Listing of Proposed Services and Products and Price Table is included as Exhibit F.

**B. Required Operating Responsibilities**

The following are selected areas of operating responsibilities which will be required of the successful proposer(s). Proposers should read the entire "Sample Concession Agreement" (Exhibit C) for a more complete understanding of required operating responsibilities. If selected as the winning proposal, the proposer must be willing and able to commit to the following Required Operating Responsibilities as stated in Exhibit C (no response is required in the submitted proposal).

**1. Hours of Operation**

Concessionaire shall offer bar and beverage services to the public only during the hours that the premises are reserved by the patrons from the Department for pre-arranged group events. Concessionaire must provide a minimum of three (3) hours of service (not exceeding the contracted rental hours of the hall), and must cease alcoholic service one (1) hour prior to the end of the event. Concessionaire shall be allowed to enter premises one (1) prior to event start time to set up and will be allowed to remain on premises one (1) hour after events for clean-up. Additional time to enter the premises and set up for the event must be arranged through the Department's Park Services Office.

**2. Utilities:**

Concessionaire shall pay a monthly utility charge equal to 1.5% of gross receipts as payment for utilities. Concessionaire shall remit said monthly payment in conjunction with the monthly rental payments.

Water shall be utilized by concessionaire in the most efficient manner possible, and concessionaire expressly agrees to comply with all CITY water conservation programs.

**3. Record Keeping and Tracking of Sales**

Concessionaire will be required to maintain a system of tracking sales, which may include at a minimum, installing a non-resettable cash register dedicated to this concession on which it shall record all gross sales, including hosted bar sales. The cash register shall be sufficient to supply an accurate recording of all sales on tape. Concessionaire shall not purchase or install the cash register before obtaining the General Manager's written approval of the specific register to be purchased. All cash registers shall have a price display which is and shall remain at all times visible to the public. Printed receipts shall be provided to the patron for all transactions.

**4. Pricing**

City agrees that Concessionaire's merchandise, including its prices for same, shall be within Concessionaire's discretion; subject, however, to disapproval by General Manager if the selection of items offered is inadequate, of inferior quality, or if any of said prices are excessively high or low. All prices charged for alcoholic and non-alcoholic beverages shall be prominently posted and shall be comparable to prices charged in similar establishments in the City of Los Angeles. Concessionaire shall, upon execution of Agreement, provide the General Manager with a list of prices for all merchandise and services. This list shall be updated whenever prices are changed.

Concessionaire shall minimize the paper items (straw covers, serving cartons and etc.) distributed with products. Styrofoam products should not be used in accordance with the city wide ban adopted by the City Council (Council Pile # 07-3155). Concessionaire shall be prohibited from selling merchandise in non-returnable or glass bottles and from selling or distributing alcoholic beverages from open containers or carafes on serving or dining tables.

Concessionaire shall not sell any tobacco products, food products, lottery tickets or similar type merchandise, or sell or use containers manufactured in a process using chlorofluorocarbons (e.g. Styrofoam products).

**5. Equipment**

All equipment, furnishings (utensils, appliances, stemware, beverage serving ware and other equipment necessary for alcohol and beverage service) and expendables required for the bar and beverage concession shall be purchased and installed by Concessionaire at its sole expense and shall remain its personal property.

**6. Maintenance of Equipment**

Concessionaire shall, at all times and at its expense, provide all maintenance, repair, and service required on equipment, furnishings (utensils, appliances, stemware, beverage serving ware and other equipment necessary for alcohol and beverage service, including any beverage service carts and/or portable bar used in the Premises) and keep and maintain such equipment in good repair and in a clean, sanitary, and orderly condition and appearance.

**7. Signage**

The address and phone number of the Concessionaire's company will be prominently displayed along with the notation that all complaints regarding change, service, or merchandise, should be referred directly to the company. However, reports in writing by patrons or anyone concerned on over-serving or failure to provide receipts for transactions shall be directed to the City of Los Angeles Department of Recreation and Parks at fax number (818) 243-1459.

**8. Receipts**

Concessionaire shall offer receipts to the customers for every transaction. Concessionaire shall at all times place a sign within twelve (12) inches of cash register, in clear view to the public, and in minimum one-inch lettering, which states: "If a receipt for this transaction is not provided, please contact the Department of Recreation and Parks -- Concessions Unit at (818) 243-6488."

**9. Monthly Rental Report**

Concessionaire shall transmit with each rental payment a Monthly Gross Receipts and Rent Report, also referred to as a Monthly Remittance Advice Form, for the month for which rent is submitted.

C. Contractual Provisions

The following are selected contractual provisions which will be required of the successful proposer(s). Proposers should read the entire "Sample Concession Agreement" (Exhibit C) for a more complete understanding of the contractual provisions. If selected as the winning proposal, the proposer must be willing and able to commit to the following Contractual Provisions as stated in Exhibit C (no response is required in the submitted proposal).

I. Description of Premises

The banquet hall rental facilities included in this Agreement are:

- a. Friendship Auditorium  
3201 River Drive  
Los Angeles, CA 90027
- b. Grace E. Simons Lodge  
1025 Elysian Park Drive  
Los Angeles, CA 90012
- c. Ramona Hall  
4580 Figueroa Street  
Los Angeles, CA 90042
- d. Orcutt Ranch  
23600 Roseoe Blvd.  
West Hills, CA 91304
- e. Cabrillo Beach Bath House  
3800 Stephen M. White Drive  
San Pedro, CA 90731
- f. Griffith Park Visitor Center Auditorium  
4730 Crystal Springs Drive  
Los Angeles, CA 90027
- g. Wattles Mansion  
(Not available as a rental facility as of the release of this RFP)  
1824 N. Curson Avenue  
Los Angeles, CA 90046

The Department of Recreation and Parks reserves the right to add and remove facilities to be serviced by the concession operators depending on the needs of the Department.

2. Term

The term of the concession agreement shall be five (5) years, effective on the date of execution, with two (2) five-year options to renew, exercisable at the sole discretion of the General Manager.

**3. Performance Deposit**

The selected Concessionaire(s) shall provide a Performance Deposit for the duration of the Agreement in the amount of Ten Thousand Dollars (\$10,000). Said Performance Deposit will be in the form acceptable to the City as described in the Sample Concession Agreement (Exhibit C – Section 14).

If the scope of a proposed Concession operation differs substantially from the present Concession operation, the actual deposit amount is subject to increase or decrease at the discretion of the General Manager.

**4. Insurance**

The selected Concessionaire(s) shall acquire and maintain the established insurance and liability limits for this Concession. The coverage and limits listed in Exhibit E, "Insurance Requirements," reflect those which would be required for a Concession operation similar to the current Concession operation.

If the scope of a proposed Concession operation differs substantially from the present Concession operation, the actual coverage and limits required are subject to change at the discretion of the General Manager.

**5. Resources Supplied by Concessionaire(s)**

The selected Concessionaire(s) shall supply resource items that are not specifically listed in this Agreement in order to ensure business operations are run effectively and efficiently.

**6. Taxes**

The selected Concessionaire(s) shall pay all taxes of whatever character which may be levied or charged upon the Concessionaire(s) to use the premises, or upon the improvements, fixtures, equipment or other property, or upon the operations under the Agreement, including, but not limited to, the City of Los Angeles "Occupancy Tax" and the County of Los Angeles "Possessory Interest" tax.

**7. Business Tax Registration Certificate**

The selected Concessionaire(s) will be required to demonstrate compliance with the City's business tax laws by acquiring and maintaining a Business Tax Registration Certificate or Certificate of Exemption. This certificate must be in force during the entire period of the agreement.

D. Scope of Work

The following are selected areas specific to the operation of a bar and beverage services concession (Scope of Work) which will be required of the successful proposer(s). Proposers should read the entire "Sample Concession Agreement" (Exhibit C) for a more complete understanding of the scope of work. If selected as the winning proposal, the proposer must be willing and able to commit to the following scope of work as stated in Exhibit C (no response is required in the submitted proposal).

Prior to the Event (Pre Event)

1. Provide and maintain a reservation phone service during normal business hours for answering inquiries and taking reservations from prospective patrons. In cases where voicemail service is in use, patrons' telephone call must be returned within twenty-four (24) hours from the time the messages from prospective patrons are received.
2. Collect reservation deposit fees from patrons after confirmation of scheduled bar Service.
3. Coordinate, schedule, and confirm each reserved event, and the type of bar service requested, with the patrons and with the Department no less than fourteen (14) days prior to day of event.
4. Have printed brochures detailing service plans and cost options to be made available at each of the rental halls.
5. Include information about deposit, cancellation and/or refund policy in brochures and provide the brochures to patron(s) after completing the necessary service agreements with the patrons.
6. Provide for all bar service staffing, including all hiring, training, and supervision.
7. Set-up or prepare venue within one (1) hour before the start of the event.

During the Event

8. Provide an Events Manager and/or Events Coordinator onsite during hours of the events to respond to clients' needs.
9. Provide alcoholic and non-alcoholic beverage service to patrons renting the premises for group events.
10. Provide all necessary supplies and equipment, including portable bar.
11. Keep the service area of the premises clean and uncluttered during the event.
12. Provide for all bar service staffing, including all hiring, training, and supervision.



13. Discontinue the dispensing of alcoholic beverages to persons deemed disorderly or Intoxicated.
14. Inform patrons at the beginning of the event, at two hours before the end of the event, and at ninety minutes before the end of the event that alcohol will not be served during the last hour of the event.
15. Take reasonable steps to exercise due diligence in assisting patrons deemed intoxicated by providing the necessary assistance in order to prevent injury to themselves and to others and report all incidences promptly to the Department's Facility Manager or Supervisor.
16. Be responsible for the conduct of activities during the event, and ensure compliance with established local, state and federal policies and regulations.
17. Be present during any activity at premises where liquor is sold or dispensed, including champagne toast only events.
18. Ensure the service area of the premises is kept clean and uncluttered.

After the Event (Post Event)

19. Remove all products and operator equipment from premises within an hour after each event and ensure the event area authorized for the bar and beverage service is in as good as order and condition as prior to the event.
20. Dispose of all trash.

Other Items

21. Implement a Customer Satisfaction and Improvement Program to incorporate suggested improvements from patrons.
22. Collect full balance of fees from patrons and remit revenue payment to the Department.

**VI. EVALUATION AND AWARD**

**A. Evaluation Process and Criteria**

The Department reserves the right to request additional information to clarify a submitted proposal. The evaluation of proposals will consist of two levels. Each proposer must pass Level I in order to advance to Level II.

**Interview Dates:**

Interviews of the proposers by the evaluation panel will be scheduled at a later date for the purpose of clarifying matters on the proposals or responding to questions by the evaluation panel. Only proposers that passed Level I will be scheduled for an interview.

**Level I – Compliance with RFP Submission Requirements**

The Department will conduct a preliminary evaluation of all proposals submitted by the deadline to determine compliance with proposal requirements and mandatory document submissions:

- Cover Letter
- Proposal Deposit
- Compliance Documents
- Proposal Items

**Level II – Evaluation and Scoring Criteria of Proposal Items (Section VI.A)**

For the purposes of Level II evaluation, the responsive proposals will be evaluated, ranked and scored based on the criteria below:

**Ability to Finance (15 points possible)**

(Section VI.A.1): Proposer has demonstrated the means and resources to finance, operate, and sustain the concession operation as proposed, including all start-up costs, pre-opening costs, inventory, sufficient working capital, and improvements:

- Evidence of financial capability to fund the operation;
- Demonstrates evidence to sustain the financing of the operation.

<u>Rank</u>	<u>Score</u>	<u>Rank</u>	<u>Score</u>
1. Best Proposal	15 points	5. Fifth Best	7 - 8 points
2. Second Best	13 - 14 points	6. Sixth Best	5 - 6 points
3. Third Best	11 - 12 points	7. Seventh Best	3 - 4 points
4. Fourth Best	9 - 10 points	8. Eighth Best	1 - 2 points

Experience and Qualifications (20 points possible)

(Section VI.A.2): Proposer has provided responses to all items in the Proposals Section of this RFP; proposers will be ranked according to:

- Years and quality of experience in similar and relevant businesses;
- Proven performance of the proposing entity as a whole;
- Proven performance and proposals/experience of each member of its proposed management team;
- Demonstrated ability to successfully operate the business;
- Track record of creative, innovative, resourceful management.
- Evidence to sustain the financing of the operation.

<u>Rank</u>	<u>Score</u>	<u>Rank</u>	<u>Score</u>
1. Best Proposal	20 points	5. Fifth Best	12 – 13 points
2. Second Best	18 – 19 points	6. Sixth Best	10 – 11 points
3. Third Best	16 – 17 points	7. Seventh Best	8 – 9 points
4. Fourth Best	14 – 15 points	8. Eighth Best	6 – 7 points

Proposed Business Plan (20 points possible)

(Section VI.A.3): The Proposer's plan for the concession as presented in the proposal, demonstrates an understanding of the City's objectives and requirements as identified in this RFP, meets or exceeds the objectives and requirements, and demonstrates the ability and clear commitment to implement the components of the plan in a comprehensive and effective manner. The plan will be ranked according to:

- Soundness of planning;
- Thorough, well-articulated, specific responses to proposal items;
- Alignment to City mission and goals;
- Quality of services, products, and merchandise to be offered;
- Price schedules and pricing policies;
- Professional and employee staffing, proposals, and training plans;
- Customer service plans;
- Marketing, promotion, and advertising;
- Other business-related services and/or amenities;
- Realistic and achievable financial projections and planning; demonstrates financial capability to have positive cash flow and sustain the operation as proposed; financial planning is supported by all elements of the proposal.

<u>Rank</u>	<u>Score</u>	<u>Rank</u>	<u>Score</u>
1. Best Proposal	20 points	5. Fifth Best	12 – 13 points
2. Second Best	18 – 19 points	6. Sixth Best	10 – 11 points
3. Third Best	16 – 17 points	7. Seventh Best	8 – 9 points
4. Fourth Best	14 – 15 points	8. Eighth Best	6 – 7 points

Proposed Revenue Sharing Payment (25 points possible)

(Section V.A.4): Proposer offers an appropriate rental payment to the Department:

- Appropriateness of revenue sharing proposal basis;
- Sustainability of proposed revenue to the Department over the term of the contract;
- Practicality and soundness of proposed revenue from new amenities or services;
- Competitive revenue proposal.

<u>Rank</u>	<u>Score</u>	<u>Rank</u>	<u>Score</u>
1. Best Proposal	25 points	5. Fifth Best	17 – 18 points
2. Second Best	23 – 24 points	6. Sixth Best	15 – 16 points
3. Third Best	21 – 22 points	7. Seventh Best	13 – 14 points
4. Fourth Best	19 – 20 points	8. Eighth Best	11 – 12 points

Proposed Services and Products with Price List (20 points possible)

(Section VI.A.5): Proposer has demonstrated the services with patrons with the best plan to provide the goods and services at a reasonable price. Proposers will be ranked according to:

- Type of liquor, wine, and beverages that will be provided;
- Set-up time and strike time information; and
- Detailed description of services, including equipment and materials necessary for providing the services.

<u>Rank</u>	<u>Score</u>	<u>Rank</u>	<u>Score</u>
1. Best Proposal	20 points	5. Fifth Best	12 – 13 points
2. Second Best	18 – 19 points	6. Sixth Best	10 – 11 points
3. Third Best	16 – 17 points	7. Seventh Best	8 – 9 points
4. Fourth Best	14 – 15 points	8. Eighth Best	6 – 7 points

B. Evaluation and Recommendation

Responsive proposals will be scored in each of the criteria above and ranked according to scores. The Department may use City employees and engage outside individuals to compose an evaluation panel.

Furthermore, the City reserves the right to conduct such investigations as the City considers appropriate with respect to the proposals of each proposer and any information contained in its proposal.

All proposals will be evaluated solely on the basis of the criteria listed above and the ranking of any outside expert review panel will serve as a basis to formulate the General Manager's recommendation, setting forth the reasons for recommendation in a Board Report.

C. Award

The General Manager of the Department of Recreation and Parks recommends contract awards to the Board of Recreation and Park Commissioners. The Department shall notify all proposers in writing of the General Manager's recommendation.

The Board will consider the General Manager's recommendation during a public Commission meeting and may accept or reject the General Manager's recommendation in making their decision as to the selection.

Section 10.5 of the Los Angeles Administrative Code requires approval by the City Council of contracts for periods of longer than three (3) years. Agreements are deemed to be executed upon the date of signature, or as otherwise stipulated under the Terms section of the Agreement.

Once the award is approved, the awarded concessionaire will complete and submit the additional documents as required by Commission, City Attorney, City Ordinance, and State and/or Federal laws within 30 days of written notification of award by the Department.

D. Contractual Arrangements

The proposers selected to perform the services outlined in this RFP will enter into a contract, approved as to form by the City Attorney, directly with the City of Los Angeles.

E. Verification of Information

The Department reserves the right to verify the information received in the proposal. If a proposer knowingly and willfully submits false information or data, the Department reserves the right to reject that proposal. If it is determined that an Agreement was awarded as a result of false statements or other data submitted in response to this RFP, the Department reserves the right to terminate the Agreement.

F. Cost of Preparation

All costs of preparation shall be borne by the proposer. The City shall not, in any event, be liable for any expenses incurred by the proposer in the preparation and/or submission of the proposal. All proposers who respond to solicitations do so solely at their own expense.

**G. City's Right to Reject Proposals and to Waive Informalities**

In accordance with Los Angeles City Charter Section 371(o): "The City shall reserve the right to reject any and all bids or proposals and to waive any informality in the bid or proposal when to do so would be to the advantage of the City. The City may also reject the bid or proposal of any bidder or proposer who has previously failed to timely and satisfactorily perform any contract with the City."

**VII. EXHIBITS**

- A. Description of Concession Locations
- B. Compliance Documents
- C. Sample Concession Agreement
- D. Pro Forma Financial Statement Submittal Forms
- E. Insurance Requirements
- F. Sample Listing of Proposed Services and Products with Price List

---

**BAR AND BEVERAGE SERVICES  
CONCESSION AGREEMENT**

**EXHIBIT B**

**CONCESSIONAIRE'S PROPOSAL  
IN RESPONSE TO EXHIBIT A**

**BAR AND BEVERAGE SERVICES  
CONCESSION AGREEMENT**

**EXHIBIT B**

**CONCESSIONAIRE'S PROPOSAL  
IN RESPONSE TO EXHIBIT A**

**ON FILE IN THE BOARD OFFICE**





Monterey Concessions Group  
dba LA Bar Services  
16821 Burbank Blvd.  
Encino, California 91436

Los Angeles Department of Recreation & Parks  
Office of the Board of Commissioners  
Attention: Board Secretary  
221 North Figueroa Street, Suite 1610  
Los Angeles, CA 90012

NOVEMBER 28, 2010

RE: The Bar & Beverage Services Concession (ARS-M10-175)  
Request for Proposal

Monterey Concessions Group, dba LA Bar Services, is pleased to submit these proposal materials for your consideration.

We acknowledge and accept the terms and conditions set forth in the RFP without exceptions.

Please contact Mike Begakis or Kyle Koestner, Partners, with any questions that might arise.

Office - (818) 789-1430

Fax - (818) 789-1430

montereyatencino@gmail.com

Kyle Koestner - mobile, 662-201-4464

Sincerely,

A handwritten signature in black ink, appearing to read "Kyle Koestner".

Kyle Koestner  
Partner

16821 Burbank Blvd, Encino, CA 91436  
(818) 789-1430  
(818) 789-1430 fax

# LA bar services

PROPOSAL FOR THE  
BAR & BEVERAGE  
SERVICES CONCESSION

ARS M10-175

*Monterey Concessions Group*  
dba LA BAR SERVICES

16021 Burbank Blvd., Encino, CA 91436



bar  
services

PROPOSAL FOR THE  
BAR & BEVERAGE  
SERVICES CONCESSION

ARS M10-175

*Monterey Concessions Group*  
dba LA BAR SERVICES

16821 Burbank Blvd., Bnolno, CA 91436



# LA bar services

## TABLE OF CONTENTS

Cover Letter	
Deposit / CD w/required documents	
<b>Section 1. -- Compliance Documents</b>	<b>1</b>
A. Proposer's Signature Declaration and Affidavit	
B. Disposition of Proposals, binding signature document	
C. Affirmative Action Plan, A-1 through A-7	
D. Contractor Responsibility Ordinance Statement, 1-9	
E. Equal Benefits Ordinance Statement, Reasonable Measures, Provisional Compliance	
F. Living Wage Ordinance (LWO) / Service Worker Attention Ordinance (SGWRO)	
G. Good Faith Effort Subcontractor Outreach Program (Separately Provided)	
H. Municipal Lobbying Ordinance / Bidder Certification -- CEC Form 50	
<b>Section A. -- Proposal Items</b>	<b>3</b>
<b>1. Ability to Finance</b>	<b>4</b>
1.1 Amount of Investment Required	
1.2 Source(s) of Funding Concession Operation	4
1.3 Financial Documentation	4
1.3.1 If cash reserves are to be used Bank Statements ( <i>addendum</i> ) Credit Report ( <i>addendum</i> )	
1.3.2 If loans are to be used	
1.3.3 Detailed documentation for any additional sources of funding	
<b>2. Experience and Qualifications</b>	<b>5</b>
2.1 Ownership Description	5
2.1.1 Address	
2.1.2 Length in business	
2.1.3 Size of company	
2.1.4 Organizational chart	
2.1.5 Persons responsible for bar and beverage services Resumes ( <i>addendum</i> )	
2.1.6 Pending mergers	
2.2 Description of proposing entity's experience/knowledge	5
2.2.1 Description of similar current and past operations	
2.2.2 Revenues of past or current comparable operations	
2.2.3 Proposer's years of above experience	
2.2.4 Extent of any related experience	
2.2.5 Additional information which demonstrates your qualifications	

# LABAR services

2.3	Current Operations .....	5
2.3.1	Employee hiring, training, motivation, and promotion policies Employee Handbook <i>(addendum)</i>	
2.3.2	Methods and controls for accounting	
2.4	Contracts history .....	5
2.4.1	All opened & closed contracts during most recent 12 months	
2.4.2	All lost contracts during 2006, 2006, 2007, and 2008	
2.4.3	All contracts started & lost within 12 months of opening/starting	
2.5	References.....	6-7
2.5.1	Business References	
2.5.2	Financial References	
<b>3.</b>	<b>Proposed Business Plan.....</b>	<b>8</b>
3.1	Operational Plan For Entire Concession:.....	8
3.1.1	Staffing and management	
3.1.2	Methods of increasing and maintaining clientele	
3.1.3	Methods of accounting and controls	
3.2	Proposed Equipment	
3.2.1	Major equipment	
3.2.2	Technically advanced equipment or tools	
3.3	Financial Projections and Planning .....	9
<b>4.</b>	<b>Proposed Revenue Sharing Payment.....</b>	<b>9</b>
4.1	Revenue payment.....	9
4.2	Justification.....	9
<b>5.</b>	<b>Proposed Services / Products / Price List <i>(addendum)</i></b>	
	<b>GFE <i>(addendum, supporting documentation under separate cover)</i></b>	

## Addendum

1.3.1	Bank Statements, Credit Report
2.3.1	Employee Handbook
3.1.1	Resumes
3.3	Pro Forma, Profit & Loss
5.	Services / Products Price List
G.	Good Faith Effort Required Reporting Documents <i>(supporting documentation under separate cover)</i>

# SECTION

## 1.

**Compliance  
Documents**

AFFIDAVIT TO ACCOMPANY PROPOSALS

I/We, KYLE KOESTNER

being first duly sworn, deposes and states: That the undersigned

PARTNER

(Insert "Sole Owner", "General Partner", "President", "Secretary", or other proper title)

is of MONTEREY CONCESSIONS GROUP, DBA LA BAR SERVICES

(Name of firm / business entity)

Who submits herewith to City of Los Angeles the attached proposal:

Affiant deposes and states: That said proposal is genuine; that the same is not sham or collusive; that all statements of fact therein are true; that such proposal was not made in the interest or behalf of any person, partnership, company, association, organization or corporation not therein named or disclosed.

Affiant deposes and states: That the proposer has not directly or indirectly by agreement, communication or conference with anyone attempted to induce action prejudicial to the interests of the public body which is to award the contract, or of any other proposer, or anyone else interested in the proposed contract; that the proposer has not in any manner sought by collusion to secure for itself an advantage over any other proposer.

Affiant further deposes and states that prior to the public opening and reading of proposals the said proposer:

- (a) Did not, directly or indirectly, induce or solicit anyone else to submit a false or sham proposal;
- (b) Did not, directly or indirectly, collude, conspire, connive or agree with anyone else that said proposer or anyone else or fix the proposal price of said proposer or of anyone else, or to raise or fix any overhead, profit or cost element of its price or of that of anyone else;
- (c) Did not, directly or indirectly, submit its proposal price or any breakdown thereof, or the contents thereof, or divulge information or data relative thereto, to any corporation, partnership, company, association, organization, proposal depository, or to any member or agent thereof, or to any individual or group of individuals, except to the awarding authority or to any person or persons who have a partnership or other financial interest with said proposer in its business.

I understand and agree that any falsification in the affidavit will be grounds for rejection of this proposal or cancellation of any concession contract awarded pursuant to this proposal.

I hereby certify or declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

STATE OF CALIFORNIA

COUNTY OF Los Angeles

Subscribed and sworn to before me this 24th day of

November, 2010

[Signature]  
(Notary Public)

[Signature]  
(Signature)

[Signature]  
(Title)

11.24.10  
(Date)



PROPOSALS WILL NOT BE CONSIDERED UNLESS THE AFFIDAVIT HEREON IS FULLY EXECUTED, INCLUDING THE CERTIFICATE OF THE NOTARY AND THE NOTARIAL SEAL

### Disposition of Proposals

All proposals submitted in response to the RFP shall become the property of the City of Los Angeles and a matter of public record. Proposers must identify all copyrighted materials, trade secrets, or other proprietary information that they claim are exempt from disclosure under the Public Records Act (California Code, Section 6250 et seq.)

In the event such an exemption is claimed, the proposer must state in the proposal that the proposer will defend any action brought against the City for its refusal to disclose such material, trade secret, or other proprietary information to any party making such a request. The proposer is required to state in the proposal that:

"The proposer will indemnify the City or Agency and hold it harmless from any claim or liability and defend any action brought against the City of Los Angeles for its refusal to disclose copyrighted material, trade secrets, or other proprietary information to any persons making a request therefore."

Proposer's obligations herein include, but are not limited to, all attorney's fees (both in house and outside counsel), costs of litigation incurred by the City or its attorneys (including all actual costs incurred by the City, not merely those costs recoverable by a prevailing party, and specifically including costs of experts and consultants) as well as all damages or liability of any nature whatsoever arising out of any such suits, claims, and causes of action brought against the City, through and including any appellate proceedings. Proposer's obligations to the City under this indemnification provision shall be due and payable on a monthly, on-going basis within thirty (30) days after each submission to Proposer of the City's invoices for all fees and costs incurred by the City, as well as all damages or liability of any nature.

"I have read and understand the Disposition of Proposals and agree that the City of Los Angeles may release any materials and information contained in the proposal submitted by the undersigned's firm in the event that the required hold harmless statement is not included in the Proposal."

  
\_\_\_\_\_  
Signature of person authorized to bind proposer

11.24.10  
\_\_\_\_\_  
Date



CITY OF LOS ANGELES

Awarding Dept.: \_\_\_\_\_  
 Dept. Contact: \_\_\_\_\_  
 MS: \_\_\_\_\_ OCC#: \_\_\_\_\_

**NONDISCRIMINATION • EQUAL EMPLOYMENT PRACTICES • AFFIRMATIVE ACTION**  
**CONSTRUCTION & NONCONSTRUCTION CONTRACTORS (VENDORS, SUPPLIERS, CONSULTANTS)**

Los Angeles Administrative Code (LAAC), Division 10, Chapter 1, Article 1, Section 10.8 requires entities doing business with the City to comply with a Nondiscrimination/Affirmative Action Program. (Refer questions regarding these requirements to the Bureau of Contract Administration, Office of Contract Compliance, Equal Employment Opportunities Enforcement Section, at (213) 847-1922.) In order to comply, it is necessary that the bidder/proposer/respondent complete, sign and return with the bid/proposal/response, the following:


- A. For all contracts, the contractor agrees to adhere to the following Nondiscrimination Clause:
  - 1. The contractor agrees and obligates the company not to discriminate during the performance of this contract against any employee or applicant for employment because of the employee's or applicant's race, religion, national origin, ancestry, sex, age, sexual orientation, disability, marital status, domestic partner status, or medical condition; and
  - 2. All subcontracts awarded under this contract shall contain a like Nondiscrimination Clause.
- B. For construction contracts from \$1,000 to under \$5,000 and nonconstruction contracts from \$1,000 to under \$100,000, the contractor agrees to:
  - 1. Adhere to the Nondiscrimination Clause above;
  - 2. Designate a management level Equal Employment Opportunity Officer as provided for in Section "E" below; and
  - 3. Adhere to Equal Employment Practices provisions as outlined in LAAC § 10.8.3 and on Page A-3 of this document.
- C. For construction contracts of \$5,000 or more and non-construction contracts of \$100,000 or more, the contractor agrees to:
  - 1. Adhere to the Nondiscrimination Clause above;
  - 2. Designate a management level Equal Employment Opportunity Officer as provided for in Section "E" below;
  - 3. Adhere to Equal Employment Practices provisions as outlined in LAAC § 10.8.3 and on Pages A-4 and A-5 of this document;
  - 4. Complete the Ethnic Composition of Total Work Force Report provided on Page A-2 of this document; and
  - 5. Sign and submit an Affirmative Action Plan. The bidder must submit one of the two following plans:
    - a. Plan A. Los Angeles City Affirmative Action Plan ("Los Angeles City Affirmative Action Requirements") on Page A-6 and Page A-7 which is an approved plan requiring only signature of acceptance along with the Ethnic Composition of Work Force (Page A-2) and submittal to be effective; or,
    - b. Plan B. The Bidder's own Affirmative Action Plan for approval, which must contain at a minimum all of the elements of the City's Plan.
- D. Subcontractors:
  - 1. The contractor shall require the same documents indicated above to be submitted for subcontractors of any contract awarded by the City; and
  - 2. The contractor shall be responsible for obtaining the Affirmative Action Plans from its subcontractors. Additional forms are available from the Office of Contract Compliance or the awarding authority.

E. Equal Employment Opportunity Officer:  
 Please be advised that KYLE KOESTNER (PARTNER) is hereby  
NAME OF DESIGNEE TITLE  
 designated as the Company's Equal Employment Opportunity Officer. The Officer has been given the authority to establish, disseminate and enforce the Equal Employment and Affirmative Action Policies of this firm to ensure nondiscrimination in all of its employment practices. The Officer may be contacted at:  
16821 BURBANK BLVD., ENCINO, CA 91346 ( ) 818-789-1919  
WORK ADDRESS TELEPHONE

- F. Signed Certification - The Contractor by its signature affixed hereto declares under penalty of perjury that:
- 1. The contractor has read the Nondiscrimination Clause in "A" above and certifies that it will adhere to the practices in the performances of all contracts;
  - 2. The contractor has read the Equal Employment Practices provisions on Page A-3 and certifies that it will adhere to the practices in the performance of any construction contract \$1,000 to under \$5,000 and nonconstruction contract \$1,000 to under \$100,000;
  - 3. The contractor has designated the Equal Employment Opportunity Officer as noted in Section "E" above;
  - 4. The contractor has read the Affirmative Action Program provisions on Pages A-4 and A-5, certifies that it will adhere to the practices in the performance of any construction contract of \$5,000 or more and nonconstruction contract of \$100,000 or more and submits an Affirmative Action Plan. Indicate which plan is submitted:  City Plan;  Company Plan.
  - 5. The information contained herein is true and correct.

All Certificates and Plans are effective for 12 months from date of approval by the Office of Contract Compliance.

LA BAR SERVICES  
COMPANY NAME  
16821 BURBANK BLVD.  
ADDRESS  
ENCINO, CA 91346  
CITY, COUNTY, STATE, ZIP

  
AUTHORIZED SIGNATURE  
KYLE KOESTNER (PARTNER)  
NAME AND TITLE (TYPE OR PRINT)  
323-661-7212 11/04/2010  
TELEPHONE DATE

PRIME  SUB BSA Form (4/09)

**TOTAL COMPOSITION OF WORK FORCE**

OCC#

Contractor **MONTEREY CONCESSIONS GROUP**

Project Title **BAR SERVICES**

Length of Contract **5 YEARS**

Contractor Address **16821 BURBANK BLVD, ENCINO** Work Force as of (Date) **11/04/2010**

(If you have no employees, write "no employees at this time.")

**FOR CONSTRUCTION PROJECTS (L.A. County Only)**

CRAFT	AFRICAN AMERICAN (BLACK)		HISPANIC		ASIAN/PACIFIC ISLANDER		AMERICAN INDIAN/ALASKAN NATIVE		CAUCASIAN (NON-HISPANIC)		TOTAL EMPLOYEES		% MINORITY		GENDER		
	J	A	J	A	J	A	J	A	J	A	J	A	T	R	T	M	F
Brick Layers																	
Carpenters																	
Electricians																	
Glazier Workers																	
Iron Worker																	
Laborers																	
Operator Engineers																	
Painters																	
Pipe Trades																	
Plaster/Concret																	
Masons																	
Sheet Metal Workers																	
Tenorsink																	
Chief																	
Supervisor																	
TOTAL																	

**FOR NON-CONSTRUCTION PROJECTS**

OCCUPATION	AFRICAN AMERICAN (BLACK)		HISPANIC		ASIAN OR PACIFIC ISLANDER		AMERICAN INDIAN/ALASKAN NATIVE		CAUCASIAN (NON-HISPANIC)		TOTAL EMPLOYEES		% MINORITY		GENDER	
	Regular	Trainee	Regular	Trainee	Regular	Trainee	Regular	Trainee	Regular	Trainee	R	T	R	T	M	F
Official & Managers																
Professionals																
Technicians																
Sales Workers																
Office/ Clerical																
Secret/ Skilled																
Laborers (Unskilled)																
Service Workers																
TOTAL																

Employment statistics were obtained from:  
 Available Records  Visual Check  Other (Specify) \_\_\_\_\_

**EQUAL EMPLOYMENT PRACTICES PROVISIONS**  
**Construction Contracts in excess of \$1,000 or more but less than \$5,000 and**  
**Nonconstruction Contracts of \$1,000 or more but less than \$100,000**

**Sec. 10.8.3. Equal Employment Practices Provisions.**

Every non-construction contract with or on behalf of the City of Los Angeles for which the consideration is \$1,000 or more, and every construction contract for which the consideration is \$1,000 or more, shall contain the following provisions, which shall be designated as the EQUAL EMPLOYMENT PRACTICES provision of such contract:

- A. During the performance of this contract, the contractor agrees and represents that it will provide equal employment practices and the contractor and each subcontractor hereunder will ensure that in his or her employment practices persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
1. This provision applies to work or service performed or materials manufactured or assembled in the United States.
  2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
  3. The contractor agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
- C. As part of the City's supplier registration process, and/or at the request of the awarding authority, or the Board of Public Works, Office of Contract Compliance, the contractor shall certify in the specified format that he or she has not discriminated in the performance of City contracts against any employee or applicant for employment on the basis or because of race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
- D. The contractor shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of City contracts. On their or either of their request the contractor shall provide evidence that he or she has or will comply therewith.
- E. The failure of any contractor to comply with the Equal Employment Practices provisions of this contract may be deemed to be a material breach of City contracts. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to the contractor.
- F. Upon a finding duly made that the contractor has failed to comply with the Equal Employment Practices provisions of a City contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, such failure to comply may be the basis for a determination by the awarding authority or the Board of Public Works that the said contractor is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Charter of the City of Los Angeles. In the event of such a determination, such contractor shall be disqualified from being awarded a contract with City of Los Angeles for a period of two years, or until the contractor shall establish and carry out a program in conformance with the provisions hereof.
- G. Notwithstanding any other provision of this contract, the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.
- H. The Board of Public Works shall promulgate rules and regulations through the Office of Contract Compliance, and provide necessary forms and required language to the awarding authorities to be included in City Request for Bids or Request for Proposal packages or in supplier registration requirements for the implementation of the Equal Employment Practices provisions of this contract, and such rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive orders. No other rules, regulations or forms may be used by an awarding authority of the City to accomplish the contract Compliance program.
- I. Nothing contained in this contract shall be construed in any manner so as to require or permit any act which is prohibited by law.
- J. At the time a supplier registers to do business with the City, or when an individual bid or proposal is submitted, the contractor shall agree to adhere to the Equal Employment Practices specified herein during the performance or conduct of City Contracts.
- K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
1. Hiring practices;
  2. Apprenticeships where such approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
  3. Training and promotional opportunities; and
  4. Reasonable accommodations for persons with disabilities.
- L. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

**AFFIRMATIVE ACTION PROGRAM PROVISIONS**  
**Construction Contracts of \$5,000 or More and**  
**Nonconstruction Contracts of \$100,000 or More**

**Sec. 10.84. Affirmative Action Program Provisions.**

Every non-construction contract with or on behalf of the City of Los Angeles for which the consideration is \$100,000 or more and every construction contract with or on behalf of the City of Los Angeles for which the consideration is \$5,000 or more shall contain the following provisions which shall be designated as the AFFIRMATIVE ACTION PROGRAM provisions of such contract:

- A. During the performance of a City contract, the contractor certifies and represents that the contractor and each subcontractor hereunder will adhere to an affirmative action program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
  - 1. This provision applies to work or services performed or materials manufactured or assembled in the United States.
  - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
  - 3. The contractor shall post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
- C. As part of the City's supplier registration process, and/or at the request of the awarding authority or the Office of Contract Compliance, the contractor shall certify on an electronic or hard copy form to be supplied, that the contractor has not discriminated in the performance of City contracts against any employee or applicant for employment on the basis or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
- D. The contractor shall permit access to and may be required to provide certified copies of all of its records pertaining to employment and to its employment practices by the awarding authority or the Office of Contract Compliance, for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of City contracts, and on their or either of their request to provide evidence that it has or will comply therewith.
- E. The failure of any contractor to comply with the Affirmative Action program provisions of City contracts may be deemed to be a material breach of contract. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to the contractor.
- F. Upon a finding duly made that the contractor has breached the Affirmative Action Program provisions of a City contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, such breach may be the basis for a determination by the awarding authority or the Board of Public Works that the said contractor is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Los Angeles City Charter. In the event of such determination, such contractor shall be disqualified from being awarded a contract with the City of Los Angeles for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.
- G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that the contractor has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a City contract, there may be deducted from the amount payable to the contractor by the City of Los Angeles under the contract, a penalty of TEN DOLLARS (\$10.00) for each person for each calendar day on which such person was discriminated against in violation of the provisions of a City contract.
- H. Notwithstanding any other provisions of a City contract, the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.
- I. The public Works board of Commissioners shall promulgate rules and regulations through the Office of Contract Compliance and provide to the awarding authorities electronic and hard copy forms for the implementation of the Affirmative Action Program provisions of City contracts, and rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive Orders. No other rules, regulations or forms may be used by an awarding authority of the City to accomplish this contract compliance program.
- J. Nothing contained in City contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.

- K. The contractor shall submit an Affirmative Action Plan which shall meet the requirements of this Chapter at the time it submits its bid or proposal or at the time it registers to do business with the City. The plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract. The awarding authority may also require contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Plan. Affirmative Action Programs developed pursuant to this section shall be effective for a period of twelve months from the date of approval by the Office of Contract Compliance. In case of prior submission of a plan, the contractor may submit documentation that it has an Affirmative Action Plan approved by the Office of Contract Compliance within the previous twelve months. If the approval is 30 days or less from expiration, the contractor must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the contract is awarded.
- (1) Every contract of \$5,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall in addition comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.
- (2) A contractor may establish and adopt as its own Affirmative Action Plan, by affixing his or her signature thereto, an Affirmative Action Plan prepared and furnished by the Office of Contract Compliance, or it may prepare and submit its own Plan for approval.
- L. The Office of Contract Compliance shall annually supply the awarding authorities of the City with a list of contractors and suppliers who have developed Affirmative Action Programs. For each contractor and supplier the Office of Contract Compliance shall state the date the approval expires. The Office of Contract Compliance shall not withdraw its approval for any Affirmative Action Plan or change the Affirmative Action Plan after the date of contract award for the entire contract term without the mutual agreement of the awarding authority and the contractor.
- M. The Affirmative Action Plan required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Board of Public Works, Office of Contract Compliance or the awarding authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
  2. Classroom preparation for the job when not apprenticeable;
  3. Pre-apprenticeship education and preparation;
  4. Upgrading training and opportunities;
  5. Encouraging the use of construction, subcontractors and suppliers of all racial and ethnic groups, provided, however, that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the contractor's, subcontractor's or supplier's geographical area for such work;
  6. The entry of qualified women, minority and all other journeymen into the industry; and
  7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.
- N. Any adjustments which may be made in the contractor's or supplier's work force to achieve the requirements of the city's Affirmative Action Contract Compliance Program in purchasing and construction shall be accomplished by either an increase in the size of the work force or replacement of those employees who leave the work force by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.
- O. Affirmative Action Agreements resulting from the proposed Affirmative Action Plan or the pre-registration, pre-bid, pre-proposal or pre-award conferences shall not be confidential and may be publicized by the contractor at his or her discretion. Approved Affirmative Action Agreements become the property of the City and may be used at the discretion of the City in its Contract Compliance Affirmative Action Program.
- P. This ordinance shall not confer upon the City of Los Angeles or any Agency, Board or Commission thereof any power not otherwise provided by law to determine the legality of any existing collective bargaining agreement and shall have application only to discriminatory employment practices by contractors or suppliers engaged in the performance of City contracts.
- Q. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

**LOS ANGELES CITY AFFIRMATIVE ACTION PLAN**  
**LOS ANGELES CITY AFFIRMATIVE ACTION MANDATORY PROVISIONS**

Notwithstanding any other provision of this Division to the contrary, every construction contract involving an expenditure of \$5,000 or more of City funds, except in cases of urgent necessity, as provided in Section 371 of the Charter of the City of Los Angeles and except as provided in Section 10.9 of this Code, shall contain as part of the contract an Affirmative Action Plan substantially as set forth in this section and which by the contractor's signature affixed thereto, shall constitute and be established as the contractor's Affirmative Action Plan. The Plan, which may be a plan proposed by the contractor or the City's proposed Plan prepared by the Office of Contract Compliance, shall be subject to the approval of the Office of Contract Compliance prior to award of the contract. The Plan may consist of a Plan approved by the Office of Contract Compliance within the previous twelve months. If the previously approved Plan is 30 days or less from expiration, the contractor must submit a new Plan to the Office of Contract Compliance which shall be subject to approval before the contract may be awarded.

**Sec. 10.13, Mandatory Provisions Pertaining to Nondiscrimination in Employment and Affirmative Action in Hiring Employees in the Performance of Work on Certain City Construction Contracts.**

**1. Construction Contracts Included.**

The contractor shall not be eligible for an award of a City Construction Contract in excess of \$5,000, unless the contractor has submitted as part of the bid a written Affirmative Action Plan embodying both (1) anticipated levels of minority\*, women and all other staffing utilization, and (2) specific affirmative action steps directed at applying good faith efforts in a nondiscriminatory manner to recruit and employ minority, women and all other potential staff or is deemed to have submitted such a program pursuant to Subsection 3 of this section. Both the anticipated levels and the affirmative action steps must be taken and applied in good faith and in a nondiscriminatory manner to attempt to meet the requirements of this section for all trades which are to be utilized on the project, whether subcontracted or not.

\*"Minority" is defined as the term "minority person" is defined in subsection (f) of section 2000 of the California Public Contract Code.

**2. Anticipated Utilization.**

The plan must set forth anticipated minority, women, and all other staffing utilization by the contractor and all subcontractors on each project constructed by the City using those trades within the area of jurisdiction of the Los Angeles Building and Construction Trades Council within the City of Los Angeles in each work class and at all levels in terms of staff hours. The anticipated levels of minority, women and other staffing utilization shall be the levels at which each of those groups are represented in the relevant workforce in the Greater Los Angeles Area as determined by the U. S. Bureau of the Census and made available by the Office of Contract Compliance. Attainment of the anticipated levels of utilization may only be used as an indicia of whether the contractor has complied with the requirements of this section and has applied its Affirmative Action Plan in good faith and in a nondiscriminatory manner. Failure to attain the anticipated levels of utilization shall not, by itself, disqualify the contractor for award of a contract or subject the contractor to any sanctions or penalties.

In no event may a contractor utilize the requirements of this section in such a manner as to cause or result in discrimination against any person on account of race, color, religion, ancestry, age, disability, medical condition, marital status, domestic partner status, sex, sexual orientation, or national origin.

**3. An Affirmative Action Plan.**

The contractor certifies and agrees to immediately implement good faith efforts measures to recruit and employ minority, women, and other potential staff in a nondiscriminatory manner including, but not limited to, the following actions. The contractor shall:

- a. Recruit and make efforts to obtain such employees through:
  - (1) Advertising employment opportunities in minority and other community news media. Notifying minority, women and other community organizations of employment opportunities.
  - (2) Maintaining contact with schools with diverse populations of students to notify them of employment opportunities.
  - (3) Encouraging present minority, women and other employees to refer their friends and relatives.
  - (4) Promoting after school and vacation employment opportunities for minority, women and other youth.
  - (5) Validating all job specifications, selection requirements, tests, etc.
  - (6) Maintaining a file of names and addresses of each worker referred to the contractor and what action was taken concerning such worker.
  - (7) Notifying the appropriate awarding authority of the City and the Office of Contract Compliance in writing when a union with whom the contractor has a collective bargaining agreement has failed to refer a minority, woman or other worker.
- b. Continually evaluate personnel practices to assure that hiring, upgrading, promotions, transfers, demotions and layoffs are made in nondiscriminatory manner so as to achieve and maintain a diverse work force.
- c. Utilize training programs and assist minority, women and other employees in locating, qualifying for and engaging in such training programs to enhance their skills and advancement.
- d. Secure cooperation or compliance from the labor referral agency to the contractor's contractual affirmative action obligations.
- e. Establish a person at the management level of the contracting entity to be the Equal Employment Opportunity Officer; such individual to have the authority to disseminate and enforce the company's Equal Employment and Affirmative Action Policies.

- f. Maintain such records as are necessary to determine compliance with equal employment and affirmative action obligations, and making such records available to City, State and Federal authorities upon request.
4. The contractor shall make a good faith effort with respect to apprenticeship and training program to:
  - a. Recruit and refer minority, women and other employees to such programs;
  - b. Establish training programs within the company and/or its association that will prepare minority, women and other employees for advancement opportunities.
  - c. Abide by the requirements of the Labor Code of the State of California with respect to the provision of apprenticeship job opportunities.
5. The contractor shall establish written company policies, rules, and procedures which shall be encompassed in a company-wide Affirmative Action Plan for all its operations and contracts. Said policies shall be provided to all employees, subcontractors, vendors, unions and all others with whom the contractor may become involved in fulfilling any of its contracts. The company's Affirmative Action Plan shall encompass the requirements contained herein as a minimum and shall be submitted with its bid to the appropriate awarding authority of the City and to the Office of Contract Compliance of the City.
6. Where problems are experienced by the contractor in complying with its obligations pursuant to this section, the contractor shall document its good faith effort to comply with the requirements by the following procedure. The contractor shall state:
  - a. What steps were taken, how and on what date.
  - b. To whom those efforts were directed,
  - c. The responses received, from whom and when.
  - d. What other steps were taken or will be taken to comply and when.
  - e. Why the contractor has been or will be unable to comply.
7. The contractor shall complete and file, and require each of its known subcontractors to complete and file with the contractor's bid for the subject project an acceptable Affirmative Action Plan.
8. The contractor shall submit and require each of its subcontractors to submit an Ethnic Composition of the Company's Total Work Force (by employees) prior to the date of award of the contract.
9. No contract shall be executed until the appropriate awarding authority of the City of Los Angeles, and the Federal funding agency (if Federal funds are involved), has determined in writing that such contractor has executed and filed with the awarding authority and the City Office of Contract Compliance the required Affirmative Action Plan.
10. It shall be no excuse that the union with which the contractor has a collective bargaining agreement providing for referral, exclusive or otherwise, failed to refer minority, women or other employees.
11. Subject to this subsection the contractor shall execute such further forms and documentation at such times and as may be required by the appropriate awarding authority of the City of Los Angeles.
12. Where the contractor has failed to comply with the requirements contained in this section, any and all sanctions allowed by law may be imposed upon the contractor.
13. The Office of Contract Compliance within the Department of Public Works shall be responsible for administering the City's Contract Compliance Program in the manner described in Sections 22.359 through 22.359.5 of this Code.
14. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

By its execution hereof, the contractor accepts and submits the foregoing as its Affirmative Action Plan.

11/04/2010

DATE

MONTEREY CONCESSIONS GROUP

DBA L A BAR SERVICES

FIRMS NAME

  
OFFICER'S SIGNATURES

KYLE KOESTNER (PARTNER)  
OFFICER'S NAME AND TITLE (TYPE OR PRINT)

### CITY OF LOS ANGELES RESPONSIBILITY QUESTIONNAIRE

RESPONSES TO THE QUESTIONS CONTAINED IN THIS QUESTIONNAIRE MUST BE SUBMITTED ON THIS FORM. In responding to the Questionnaire, neither the City form, nor any of the questions contained therein, may be retyped, recreated, modified, altered, or changed in any way, in whole or in part. Bidders or Proposers that submit responses on a form that has been retyped, recreated, modified, altered, or changed in any way shall be deemed non-responsive.

The signatory of this Questionnaire guarantees the truth and accuracy of all statements and answers to the questions herein. Failure to complete and return this questionnaire, any false statements, or failure to answer (a) question(s) when required, may render the bid/proposal non-responsive. All responses must be typewritten or printed in ink. Where an explanation is required or where additional space is needed to explain an answer, use the Responsibility Questionnaire Attachments. Submit the completed form and all attachments to the awarding authority. Retain a copy of this completed form for future reference. Contractors must submit updated information to the awarding authority if changes have occurred that would render any of the responses inaccurate in any way. Updates must be submitted to the awarding authority within 30 days of the change(s).

#### A. CONTACT INFORMATION

##### CITY DEPARTMENT INFORMATION

The City of L.A. Dept. of Recreation and Parks, O. Patino 818-243-6421 x202  
City Department/Division Awarding Contract City Contact Person Phone

ARS-M10-175 Bar and Beverage Services Concession  
City Bid or Contract Number (if applicable) and Project Title

##### BIDDER/CONTRACTOR INFORMATION

MONTEREY CONCESSIONS GROUP DBA L A BAR SERVICES

Bidder/Proposer Business Name

16821 BURBANK BLVD. ENCINO CA 91346  
Street Address City State Zip

KYLE KOESTNER 818-789-1919 818-789-1430  
Contact Person, Title Phone Fax

##### TYPE OF SUBMISSION:

The Questionnaire being submitted is:

- An initial submission of a completed Questionnaire.
- An update of a prior Questionnaire dated      /      /     .
- No change. I certify under penalty of perjury under the laws of the State of California that there has been no change to any of the responses since the last Responsibility Questionnaire dated      /      /      was submitted by the firm. Attach a copy of that Questionnaire and sign below.

KYLE KOESTNER  11/04/2010  
Print Name, Title Signature Date

TOTAL NUMBER OF PAGES SUBMITTED, INCLUDING ALL ATTACHMENTS:     9



**B. BUSINESS ORGANIZATION/STRUCTURE**

Indicate the organizational structure of your firm. "Firm" includes a sole proprietorship, corporation, joint venture, consortium, association, or any combination thereof.

- Corporation: Date incorporated: \_\_\_\_/\_\_\_\_/\_\_\_\_ State of incorporation: \_\_\_\_\_  
List the corporation's current officers.

President: \_\_\_\_\_  
Vice President: \_\_\_\_\_  
Secretary: \_\_\_\_\_  
Treasurer: \_\_\_\_\_

- Check the box only if your firm is a publicly traded corporation.  
List those who own 5% or more of the corporation's stocks. Use Attachment A if more space is needed.  
Publicly traded corporations need not list the owners of 5% or more of the corporation's stocks.

\_\_\_\_\_  
\_\_\_\_\_

- Limited Liability Company: Date of formation: \_\_\_\_/\_\_\_\_/\_\_\_\_ State of formation: \_\_\_\_\_  
List members who own 5% or more of the company. Use Attachment A if more space is needed.

\_\_\_\_\_  
\_\_\_\_\_

- Partnership: Date formed: 04 / 01 / 2002 State of formation: \_\_\_\_\_

List all partners in your firm. Use Attachment A if more space is needed.

<u>KYLE KOESTNER</u>	<u>MARIE KOESTNER</u>
<u>MIKE BEGAKIS</u>	<u>VALERIE BEGAKIS</u>

- Sole Proprietorship: Date started: \_\_\_\_/\_\_\_\_/\_\_\_\_

List any firm(s) that you have been associated with as an owner, partner, or officer for the last five years.  
Use Attachment A if more space is needed. Do not include ownership of stock in a publicly traded company in your response to this question.

\_\_\_\_\_  
\_\_\_\_\_

- Joint Venture: Date formed: \_\_\_\_/\_\_\_\_/\_\_\_\_

List: (1) each firm that is a member of the joint venture and (2) the percentage of ownership the firm will have in the joint venture. Use Attachment A if more space is needed. Each member of the Joint Venture must complete a separate Questionnaire for the Joint Venture's submission to be considered as responsive to the invitation.

\_\_\_\_\_  
\_\_\_\_\_

**C. OWNERSHIP AND NAME CHANGES**

1. Is your firm a subsidiary, parent, holding company, or affiliate of another firm?

Yes  No

If Yes, explain on Attachment A the relationship between your firm and the associated firms. Include information about an affiliated firm only if one firm owns 50% or more of another firm, or if an owner, partner or officer of your firm holds a similar position in another firm.

2. Has any of the firm's owners, partners, or officers operated a similar business in the past five years?

Yes  No

If Yes, list on Attachment A the names and addresses of all such businesses, and the person who operated the business. Include information about a similar business only if an owner, partner or officer of your firm holds a similar position in another firm.

3. Has the firm changed names in the past five years?

Yes  No

If Yes, list on Attachment A all prior names, addresses, and the dates they were used. Explain the reason for each name change in the last five years.

4. Are any of your firm's licenses held in the name of a corporation or partnership?

Yes  No

If Yes, list on Attachment A the name of the corporation or partnership that actually holds the license.

**MONTEREY CONCESSIONS GROUP**

Bidders/Contractors must continue on to Section D and answer all remaining questions contained in this Questionnaire.

The responses to the remaining questions in this Questionnaire will not be posted on the internet but will be made available to the public for review upon request. Contact the appropriate Designated Administrative Agency.

**D. FINANCIAL RESOURCES AND RESPONSIBILITY**

5. Is your firm now, or has it ever been at any time in the last five years, the debtor in a bankruptcy case?

Yes  No

If Yes, explain on Attachment B the circumstances surrounding each instance.

6. Is your company in the process of, or in negotiations toward, being sold?

Yes  No

If Yes, explain the circumstances on Attachment B.

**E. PERFORMANCE HISTORY**

7. How many years has your firm been in business? 10 Years.

8. Has your firm ever held any contracts with the City of Los Angeles or any of its departments?

Yes  No

If Yes, list on an Attachment B all contracts your firm has had with the City of Los Angeles for the last 10 years. For each contract listed in response to this question, include: (a) entity name; (b) purpose of contract; (c) total cost; (d) starting date; and (e) ending date.

9. List on Attachment B all contracts your firm has had with any private or governmental entity (other than the City of Los Angeles) over the last five years that are similar to the work to be performed on the contract for which you are bidding or proposing. For each contract listed in response to this question, include: (a) entity name; (b) purpose of contract; (c) total cost; (d) starting date; and (e) ending date.

Check the box if you have not had any similar contracts in the last five years

10. In the past five years, has a governmental or private entity or individual terminated your firm's contract prior to completion of the contract?

Yes  No

If Yes, explain on Attachment B the circumstances surrounding each instance.

11. In the past five years, has your firm used any subcontractor to perform work on a government contract when you knew that the subcontractor had been debarred by a governmental entity?

Yes  No

If Yes, explain on Attachment B the circumstances surrounding each instance.

12. In the past five years, has your firm been debarred or determined to be a non-responsible bidder or contractor?

Yes  No

If Yes, explain on Attachment B the circumstances surrounding each instance.

## F. DISPUTES

13. In the past five years, has your firm been the defendant in court on a matter related to any of the following issues? For parts (a) and (b) below, check Yes even if the matter proceeded to arbitration without court litigation. For part (c), check Yes only if the matter proceeded to court litigation. If you answer Yes to any of the questions below, explain the circumstances surrounding each instance on Attachment B. You must include the following in your response: the name of the plaintiffs in each court case, the specific causes of action in each case, the date each case was filed, and the disposition/current status of each case.

(a) Payment to subcontractors?

Yes  No

(b) Work performance on a contract?

Yes  No

(c) Employment-related litigation brought by an employee?

Yes  No

14. Does your firm have any outstanding judgements pending against it?

Yes  No

If Yes, explain on Attachment B the circumstances surrounding each instance.

15. In the past five years, has your firm been assessed liquidated damages on a contract?

Yes  No

If Yes, explain on Attachment B the circumstances surrounding each instance and identify all such projects, the amount assessed and paid, and the name and address of the project owner.

## G. COMPLIANCE

16. In the past five years, has your firm or any of its owners, partners or officers, ever been investigated, cited, assessed any penalties, or been found to have violated any laws, rules, or regulations enforced or administered, by any of the governmental entities listed on Attachment C (Page 9)? For this question, the term "owner" does not include owners of stock in your firm if your firm is a publicly traded corporation.

Yes  No

If Yes, explain on Attachment B the circumstances surrounding each instance, including the entity that was involved, the dates of such instances, and the outcome.

17. If a license is required to perform any services provided by your firm, in the past five years, has your firm, or any person employed by your firm, been investigated, cited, assessed any penalties, subject to any disciplinary action by a licensing agency, or found to have violated any licensing laws?

Yes  No

If Yes, explain on Attachment B the circumstances surrounding each instance in the last five years.

SERVICE

18. In the past five years, has your firm, any of its owners, partners, or officers, ever been penalized or given a letter of warning by the City of Los Angeles for failing to obtain authorization from the City for the substitution of a Minority-owned (MBE), Women-owned (WBE), or Other (OBE) business enterprise?

Yes  No

If Yes, explain on Attachment B the circumstances surrounding each instance in the last five years.

H. BUSINESS INTEGRITY

19. For questions (a), (b), and (c) below, check Yes if the situation applies to your firm. For these questions, the term "firm" includes any owners, partners, or officers in the firm. The term "owner" does not include owners of stock in your firm if the firm is a publicly traded corporation. If you check Yes to any of the questions below, explain on Attachment B the circumstances surrounding each instance.

(a) Is a governmental entity or public utility currently investigating your firm for making (a) false claim(s) or material misrepresentation(s)?

Yes  No

(b) In the past five years, has a governmental entity or public utility alleged or determined that your firm made (a) false claim(s) or material misrepresentation(s)?

Yes  No

(c) In the past five years, has your firm been convicted or found liable in a civil suit for, making (a) false claim(s) or material misrepresentation(s) to any governmental entity or public utility?

Yes  No

20. In the past five years, has your firm or any of its owners or officers been convicted of a crime involving the bidding of a government contract, the awarding of a government contract, the performance of a government contract, or the crime of fraud, theft, embezzlement, perjury, bribery? For this question, the term "owner" does not include those who own stock in a publicly traded corporation.

Yes  No

If Yes, explain on Attachment B the circumstances surrounding each instance.

CERTIFICATION UNDER PENALTY OF PERJURY

I certify under penalty of perjury under the laws of the State of California that I have read and understand the questions contained in this questionnaire and the responses contained on all Attachments. I further certify that I have provided full and complete answers to each question, and that all information provided in response to this Questionnaire is true and accurate to the best of my knowledge and belief.

KYLE KOESTNER, PARTNER  
Print Name, Title

  
Signature

11/04/2010  
Date

ATTACHMENT A FOR SECTIONS A THROUGH C

Where additional information or an explanation is required, use the space below to provide the information or explanation. Information submitted on this sheet must be typewritten or printed in ink. Include the number of the question for which you are submitting additional information. Information submitted on this Attachment in response to Questions in Sections A through C will be posted on the internet for public review. Make copies of this Attachment if additional pages are needed.

Page \_\_\_\_\_

A large, empty rectangular box with a thin black border, intended for providing additional information or explanations in response to questions. The box is currently blank.

## ATTACHMENT B FOR SECTIONS D THROUGH H

Where additional information or an explanation is required, use the space below to provide the information or explanation. Information submitted on this sheet must be typewritten or printed in ink. Include the number of the question for which you are submitting additional information. Information submitted on this Attachment in response to Questions in Sections D through H will not be posted on the Internet but will be made available to the public for review upon request. Make copies of this Attachment if additional pages are needed.

Page \_\_\_\_\_

E. 8

(A)	(B)	(C)	(D)	(E)
WILSON HARDING	FOOD SERVICE		2002	CURRENT
BAR SERVICES	FOOD SERVICE		2004	CURRENT
BALBOA ENCINO	FOOD SERVICE		2006	CURRENT
CASTLE PARK	FOOD SERVICE		2008	CURRENT
SIMI VALLEY COLF COURSE	FOOD SERVICE		2010	2015

**ATTACHMENT C: GOVERNMENTAL ENTITIES FOR QUESTION NO. 16**

Check Yes in response to Question No. 16 if your firm or any of its owners, partners or officers, have ever been investigated, cited, assessed any penalties, or found to have violated any laws, rules, or regulations enforced or administered, by any of the governmental entities listed below (or any of its subdivisions), including but not limited to those examples specified below. The term "owner" does not include owners of stock in your firm if your firm is a publicly traded corporation. If you answered Yes, provide an explanation on Attachment B of the circumstances surrounding each instance, including the entity involved, the dates of such instances, and the outcome.

**FEDERAL ENTITIES****Federal Department of Labor**

- American with Disabilities Act
- Immigration Reform and Control Act
- Family Medical Leave Act
- Fair Labor Standards Act
- Davis-Bacon and laws covering wage requirements for federal government contract workers
- Migrant and Seasonal Agricultural Workers Protection Act
- Immigration and Naturalization Act
- Occupational Safety and Health Act
- anti-discrimination provisions applicable to government contractors and subcontractors
- whistleblower protection laws

**Federal Department of Justice**

- Civil Rights Act
- American with Disabilities Act
- Immigration Reform and Control Act of 1986
- bankruptcy fraud and abuse

**Federal Department of Housing and Urban Development (HUD)**

- anti-discrimination provisions in federally subsidized/assisted/sponsored housing programs
- prevailing wage requirements applicable to HUD related programs

**Federal Environmental Protection Agency**

- Environmental Protection Act

**National Labor Relations Board**

- National Labor Relations Act

**Federal Equal Employment Opportunity Commission**

- Civil Rights Act
- Equal Pay Act
- Age Discrimination in Employment Act
- Rehabilitation Act
- Americans with Disabilities Act

**STATE ENTITIES****California's Department of Industrial Relations**

- wage and labor standards, and licensing and registration
- occupational safety and health standards
- workers' compensation self insurance plans
- Workers' Compensation Act
- wage, hour, and working standards for apprentices
- any provision of the California Labor Code

**California's Department of Fair Employment and Housing**

- California Fair Employment and Housing Act
- Unruh Civil Rights Act
- Ralph Civil Rights Act

**California Department of Consumer Affairs**

- licensing, registration, and certification requirements
- occupational licensing requirements administered and/or enforced by any of the Department's boards, including the Contractors' State Licensing Board

**California's Department of Justice****LOCAL ENTITIES**

City of Los Angeles or any of its subdivisions for violations of any law, ordinance, code, rule, or regulation administered and/or enforced by the City, including any letters of warning or sanctions issued by the City of Los Angeles for an unauthorized substitution of subcontractors, or unauthorized reductions in dollar amounts subcontracted.

**OTHERS**

Any other federal, state, local governmental entity for violation of any other federal, state, or local law or regulation relating to wages, labor, or other terms and conditions of employment.



**COMPLIANCE**

**CITY OF LOS ANGELES**  
 Department of Public Works  
 Bureau of Contract Administration  
 Office of Contract Compliance  
 1149 S. Broadway, 3<sup>rd</sup> Floor, Los Angeles, CA 90015  
 Phone: (213) 847-1922 - Fax: (213) 847-2777

**EQUAL BENEFITS ORDINANCE COMPLIANCE FORM**

Your company must be certified as complying with Los Angeles Administrative Code Section 10.8.2.1, Equal Benefits Ordinance, prior to the execution of a City agreement. This form must be returned to the City department awarding the agreement. If responding to a request for bid/proposal, submit this form with the bid/proposal.

City Dept. Awarding Contract: \_\_\_\_\_ Contact/Phone: \_\_\_\_\_

**SECTION 1. CONTACT INFORMATION**

Company Name: MONTEREY CONCESSIONS GROUP

Company Address: 16821 BURBANK BLVD.

City: Encino State: CA Zip: 91436

Contact Person: MIKE BEGAKIS Phone: 818-789-1919 Fax: 818-789-1430

I am a one-person contractor, and I have no employees.  Yes  No (If you answered "Yes," go to Section 3)

Approximate Number of Employees in the United States: \_\_\_\_\_

Are any of your employees covered by a collective bargaining agreement or union trust fund?  Yes  No

**SECTION 2. COMPLIANCE QUESTIONS**

Has your company previously submitted a Compliance Form and all supporting documentation?  Yes  No  
 If Yes, AND the benefits provided to your employees have not changed since that time, continue onto Section 3. If No, OR if the benefits provided to your employees have changed since that time, complete the rest of this form.

In the table below, check all benefits that your company currently provides to employees or to which your employees have access. Provide information for each benefits carrier if your employees have access to more than one carrier. Note: some benefits are available or apply to employees because they have a spouse or domestic partner to whom the benefit applies, such as bereavement leave that allows an employee time off because of the death of a spouse or domestic partner; other benefits are provided directly to the spouse or domestic partner, such as medical insurance that covers the spouse or domestic partner as a dependent.

	BENEFIT(S) YOUR COMPANY CURRENTLY OFFERS	This Benefit Is Not Offered to Employees	This Benefit Is Available to Employees	Available/Applies to Spouses of Employees	Available/Applies to Domestic Partners of Employees
1	Health Insurance (List Name of Carrier(s))				
	Health Carrier 1:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Health Carrier 2:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> additional carriers on attachment.				
2	Dental Insurance (List Name of Carrier(s))				
	Dental Carrier 1:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Dental Carrier 2:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> additional carriers on attachment.				
3	Vision Plan (List Name of Carrier(s))				
	Vision Carrier 1:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Vision Carrier 2:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Pension/401(k) Plans	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Bereavement Leave	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Family Leave	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	Parental Leave	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	Employee Assistance Program	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	Relocation & Travel	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	Company Discount, Facilities & Events	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11	Credit Union	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12	Child Care	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13	Other:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14	Other:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**COMPLIANCE**

**CITY OF LOS ANGELES**  
 Department of Public Works  
 Bureau of Contract Administration  
 Office of Contract Compliance  
 1149 S. Broadway, 3<sup>rd</sup> Floor, Los Angeles, CA 90015  
 Phone: (213) 847-1922 · Fax: (213) 847-2777

**EQUAL BENEFITS ORDINANCE COMPLIANCE FORM**

Your company must be certified as complying with Los Angeles Administrative Code Section 10.8.2.1, Equal Benefits Ordinance, prior to the execution of a City agreement. This form must be returned to the City department awarding the agreement. If responding to a request for bid/proposal, submit this form with the bid/proposal.

City Dept. Awarding Contract: \_\_\_\_\_ Contact/Phone: \_\_\_\_\_

**SECTION 1. CONTACT INFORMATION**

Company Name: MONTEREY CONCESSIONS GROUP

Company Address: 16821 BURBANK BLVD.

City: ENCINO State: CA Zip: 91346

Contact Person: KYLE KOESTNER Phone: 818-789-1919 Fax: 818-789-1430

I am a one-person contractor, and I have no employees.  Yes  No (If you answered "Yes," go to Section 3)

Approximate Number of Employees in the United States: \_\_\_\_\_

Are any of your employees covered by a collective bargaining agreement or union trust fund?  Yes  No

**SECTION 2. COMPLIANCE QUESTIONS**

Has your company previously submitted a Compliance Form and all supporting documentation?  Yes  No  
 If Yes, AND the benefits provided to your employees have not changed since that time, continue onto Section 3. If No, OR if the benefits provided to your employees have changed since that time, complete the rest of this form.

in the table below, check all benefits that your company currently provides to employees or to which your employees have access. Provide information for each benefits carrier if your employees have access to more than one carrier. Note: some benefits are available or apply to employees because they have a spouse or domestic partner to whom the benefit applies, such as bereavement leave that allows an employee time off because of the death of a spouse or domestic partner; other benefits are provided directly to the spouse or domestic partner, such as medical insurance that covers the spouse or domestic partner as a dependent.

	BENEFIT(S) YOUR COMPANY CURRENTLY OFFERS	This Benefit is Not Offered to Employees	This Benefit is Available to Employees	Available/Applies to Spouses of Employees	Available/Applies to Domestic Partners of Employees
1	Health Insurance (List Name of Carrier(s))				
	Health Carrier 1:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Health Carrier 2:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> additional carriers on attachment.				
2	Dental Insurance (List Name of Carrier(s))				
	Dental Carrier 1:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Dental Carrier 2:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> additional carriers on attachment.				
3	Vision Plan (List Name of Carrier(s))				
	Vision Carrier 1:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Vision Carrier 2:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Pension/401(k) Plans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Bereavement Leave	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Family Leave	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	Parental Leave	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	Employee Assistance Program	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	Relocation & Travel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	Company Discount, Facilities & Events	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11	Credit Union	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12	Child Care	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13	Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14	Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## COMPLIANCE

**YOU MUST SUBMIT SUPPORTING DOCUMENTATION TO VERIFY EACH BENEFIT MARKED.** Without proper documentation for each carrier and each benefit marked, your company cannot be certified as complying with the EBO. If documentation for a particular benefit does not exist, attach an explanation. Refer to the "Documentation to Verify Compliance with the Equal Benefits Ordinance" fact sheet for more information on the type of documentation that must be submitted to verify compliance with the EBO.

If in the Table in Section 2 you indicated that your company does not provide all benefits equally throughout its entire operations to all your employees with spouses and employees with domestic partners of the same and different sex, you may:

- a. Request additional time to comply with the EBO. Provisional Compliance may be granted to Contractors who agree to fully comply with the EBO but need more time to incorporate the requirements of the EBO into their operations. Submit the Application for Provisional Compliance (OCC/EBO-3) and supporting documentation with this Compliance Form.
- b. Request to be allowed to comply with the EBO by providing affected employees with the cash equivalent. Your company must agree to provide employees with a cash equivalent. In most cases, the cash equivalent is the amount of money equivalent to what your company pays for spousal benefits that are unavailable for domestic partners, or vice versa. Submit a completed Application for Reasonable Measures Determination (OCC/EBO-2) and supporting documentation with this Compliance Form.
- c. Comply on a Contract-by-Contract Basis. Compliance may be granted on a contract-by-contract basis for those Contractors who have multiple locations in the U.S. but cannot comply with the EBO throughout the Contractor's operations. Indicate below the compliance category you are requesting:
  - Contractor has multiple operations located both within and outside City limits. Contractor will comply with the EBO only for the operation(s) located within City limits and for employee(s) located elsewhere in the United States who perform work relating to the City agreement. Supporting documentation for the affected operation(s)/employees must be submitted.
  - Contractor has no offices within City limits but does have (an) employee(s) working on the City agreement located elsewhere in the United States. Contractor will comply with the EBO only for employee(s) located elsewhere in the United States who perform work relating to the City agreement. Supporting documentation for the affected employee(s) must be submitted.

### SECTION 3. EXECUTE THE DECLARATION AND SUBMIT THE FORM TO THE AWARDING DEPARTMENT

This form must be returned to the City department awarding the agreement. If responding to a request for bid/proposal, submit this form with the bid/proposal to the awarding department. The awarding department will forward the form to the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance for review.

#### DECLARATION UNDER PENALTY OF PERJURY

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am authorized to bind this entity contractually.

Executed this 4th day of November, in the year 2010, at LOS ANGELES, CA  
(City) (State)

  
Signature

KYLE KOESTNER  
Name of Signatory (please print)

PARTNER  
Title

16821 Burbank Blvd.  
Mailing Address

Encino, CA 91436  
City, State, Zip Code

02-05-96760  
Federal ID Number

## COMPLIANCE

CITY OF LOS ANGELES  
Department of Public Works  
Bureau of Contract Administration  
Office of Contract Compliance  
1149 S. Broadway Street, 3<sup>rd</sup> Floor, Los Angeles, CA 90015  
Phone: (213) 847-1922 - Fax: (213) 847-2777

### DOCUMENTATION TO VERIFY COMPLIANCE WITH THE EQUAL BENEFITS ORDINANCE

Section 2 of the Equal Benefits Ordinance Compliance Form (Form OCC/EBO-1) requires that you submit supporting documentation to the Office of Contract Compliance to verify that all benefits marked in your response(s) are offered in a nondiscriminatory manner. This list is intended to be used only as a guide for the type of documentation needed.

**Health, Dental, Vision Insurance:** A statement from your insurance provider that spouses and domestic partners receive equal coverage in your medical plan. This may be in a letter from your insurance provider or reflected in the eligibility section of your official insurance plan document. Note that "domestic partner" includes same-sex as well as different-sex partners so that the definition of "domestic partner" contained in the plan document must include different-sex partners.

**Pension/401(k) Plans:** Documentation should indicate that participating employees may designate a beneficiary to receive the amount payable upon the death of the employee. Submit a blank beneficiary designation form.

**Bereavement Leave:** Your bereavement leave or funeral leave policy indicating the benefit is offered equally. If your policy allows employees time off from work because of the death of a spouse, it should also allow for time off because of the death of a domestic partner. If the policy allows time off for the death of a parent in-law or other relative of a spouse, it must include time off for the death of a domestic partner's equivalent relative.

**Family Leave:** Your company's Family and Medical Leave Act policy. All companies with 50 or more employees must offer this benefit. Your policy should indicate that employees may take leave because of the serious medical condition of their spouse or domestic partner.

**Parental Leave:** Your company's policy indicating that employees may take leave for the birth or adoption of a child. If leave is available for step-children (the spouse's child) then leave should also be made available for the child of a domestic partner.

**Employee Assistance Program (EAP):** The benefit typically refers to programs that allow employees and their family members access to counselors who provide short-term counseling and referrals to assist in dealing with issues such as family problems, addiction, and financial and legal difficulties. Your company's EAP policy must confirm that spouses, domestic partners and their parents and children are equally eligible (or ineligible) for such benefits. If provided through a third party, a statement from the third party provider regarding eligibility is required.

**Relocation & Travel:** Your company's policy confirming that expenses for travel or relocation will be paid on the same basis for spouses and domestic partners of employees.

**Company Discounts, Facilities & Events:** Your company's policy confirming that to the extent discounts, facilities (such as a gym) and events (such as a company holiday party) are equally available to spouses and domestic partners of employees.

**Credit Union:** Documentation from the credit union indicating that spouses and domestic partners have equal access to credit union services.

**Child Care:** Documentation that the children of spouses (step-children) and children of domestic partners have equal access to child care services.

**Other Benefits:** Documentation of any other benefits listed to indicate that they are offered equally.

REASONABLE MEASURES

CITY OF LOS ANGELES
Department of Public Works
Bureau of Contract Administration
Office of Contract Compliance
1149 S. Broadway Street, 3rd Floor, Los Angeles, CA 90015
Phone: (213) 847-1922 - Fax: (213) 847-2777

APPLICATION FOR REASONABLE MEASURES DETERMINATION - CASH EQUIVALENT COMPLIANCE

MONTEREY CONCESSIONS GROUP DBA L A BAR SERVICES

Table with 4 columns: Name of Company, Street Address, Contact Person/Title, Federal ID Number, State, City, Telephone Number, Zip, Fax Number. Row 1: 16821 BURBACK BLVD., ENCINO, CA, 91346. Row 2: KYLE KOESTNER, 818-789-1919, 818-789-1430.

Before the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance (OCC) will approve a contractor's application to comply with the Equal Benefits Ordinance (EBO) by paying a cash equivalent, the OCC must determine that: (a) the contractor has made a reasonable yet unsuccessful effort to provide equal benefits; or (b) under the circumstances, it would be unreasonable to require the contractor to provide benefits to domestic partners (or spouses if applicable). To apply, contractors must submit:

- 1. An explanation and documentation that demonstrates: (a) the Contractor has made a reasonable, yet unsuccessful, effort to provide equal benefits; or (b) under the circumstances, it would be unreasonable to require the contractor to provide equal benefits rather than paying the cash equivalent. See EBO Regulation #2B(1)(a) and #2B(1)(b).
2. This completed application. Fill in the company's information, then read and sign the acknowledgement below.
3. A completed Equal Benefits Ordinance Compliance Form (Form OCC/EBO-1). Be certain that box "b" on page two of the form is checked.
4. A draft of the memorandum that will be distributed to affected employees informing them of the cash equivalent option.
5. Copies of the revised policies, such as bereavement, for which the cash equivalent is not applicable.

If approved by the OCC, a contractor will be allowed to comply with the EBO by paying its employees with domestic partners the cash equivalent of benefits made available to the spouses of its employees. The cash equivalent is the difference between the amount an employer pays to provide an employee with spousal or family coverage and the amount that an employer pays to provide an employee with employee-only coverage. For example, an employer pays \$200 per month to provide benefits for an employee and his/her spouse, and \$150 per month to provide benefits for an employee with employee-only coverage. The cash equivalent that must be paid to the employee with a domestic partner is \$50 per month.

For benefits for which a cash equivalent is not applicable, such as bereavement leave, the employer must amend its policies so that domestic partners are treated in the same manner as spouses. For example, if the policy allows an employee three days off in the event of the death of a spouse or the spouse's parents, the policy must be amended to allow an employee three days off in the event of the death of a domestic partner or the domestic partner's parents.

ACKNOWLEDGEMENT REGARDING APPLICATION

I declare under penalty of perjury under the laws of the State of California that I am authorized to bind the company/entity listed above. I understand that this Application must be approved by the OCC before compliance by paying the cash equivalent will be allowed. By signing below, I agree on behalf of the company that if this Application is approved by the OCC, the company will comply with the EBO by providing employees with domestic partners the cash equivalent of the benefits that are made available to employees with spouses. For those benefits to which the cash equivalent is not applicable, such as for bereavement leave or family leave, the company agrees to amend its policies so that the domestic partners of employees will be treated in the same manner as the spouse of an employee. The relatives of domestic partners will be treated in the same manner as relatives of spouses. The company further agrees to provide a memorandum notifying our affected employees of the availability of the cash equivalent option if they have domestic partners for whom equal benefits cannot be provided.

Executed this 4th day of November, in the year 2010, at Los Angeles, CA
KYLE KOESTNER (Signature) (City) (PARTNER) 11/04/2010 (State) Date

**PROVISIONAL COMPLIANCE**

**CITY OF LOS ANGELES**  
Department of Public Works  
Bureau of Contract Administration  
Office of Contract Compliance  
1149 S. Broadway Street, 3<sup>rd</sup> Floor, Los Angeles, CA 90015  
Phone: (213) 847-1922 - Fax: (213) 847-2777

**APPLICATION FOR PROVISIONAL COMPLIANCE WITH EQUAL BENEFITS ORDINANCE**

**COMPLETE AND SUBMIT THIS FORM ONLY IF APPLICABLE.** Contractors entering into, amending, or bidding on a City contract who agree to comply with the Equal Benefits Ordinance ("EBO") but need more time to incorporate the requirements of the EBO into their operations must submit this form, and supporting documentation, to the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance ("OCC"). (This form must be submitted with the EBO Compliance Form OCC/EBO-1.) The Contractor may be granted additional time to incorporate the requirements of the EBO only in the circumstances indicated below. Fill out all sections that apply. Attach additional sheets if necessary.

**A. OPEN ENROLLMENT FOR HEALTH, DENTAL AND/OR VISION INSURANCE PLANS**

The Contractor may be granted additional time to implement the requirements of the EBO if equal benefits cannot be provided until after the first open enrollment process following the date the contract with the City is executed. To qualify, the Contractor must submit evidence that reasonable efforts are being undertaken to implement the requirements of the EBO. Additional time granted may not exceed two years from the date the contract with the City is executed, and applies only to benefits for which an open enrollment period is applicable.

                     - Date domestic partner (same and different sex) coverage will become effective.

You must submit copies of correspondence between your company and your insurance provider(s) documenting your effort to obtain domestic partner coverage for same- and different-sex couples. You should also submit verification of the next open enrollment date or the date the benefits become available.

**B. ADMINISTRATIVE ACTIONS AND REQUESTS FOR EXTENSION**

The Contractor may be granted additional time to implement the requirements of the EBO if the administrative actions necessary to incorporate the EBO cannot be completed prior to the date that the contract with the City is executed. Additional time granted for the completion of the administrative action shall apply only to those benefits that require administrative actions and may not exceed three months. Upon written request by the Contractor and at the discretion of the OCC, the Contractor may be granted additional time to complete the administrative actions. Administrative actions may include personnel policy revisions and the development and distribution of employee communications.

Describe below or on an attachment the administrative actions needed and the anticipated completion dates. Attach supporting documentation such as the relevant portions of your current policy and the changes you plan to make.

---

---

---

If you are requesting an extension beyond three months, explain why more than three months is needed and attach any supporting documentation that may be relevant.

---

---

---

**PROVISIONAL COMPLIANCE**

**C. COLLECTIVE BARGAINING AGREEMENTS**

Compliance with the EBO may be delayed until the expiration of a Contractor's current collective bargaining agreement(s) (CBA). When the CBA is renegotiated, the Contractor must propose to the union for incorporation into the CBA the EBO requirements so that all benefits provided to employees with spouses are also extended to employees with domestic partners. Provisional compliance status may be granted if all of the following conditions are met.

1. The provision of some or all of the benefits offered to the Contractor's employees are governed by one or more CBA(s) but domestic partner coverage for same- and different-sex couples is not offered under the CBA(s).

**Required Information:** Indicate below the name of each CBA for which Provisional Compliance is being requested and the time period the CBA covers.

Name of Bargaining Unit: \_\_\_\_\_ Start date: \_\_\_\_\_ End date: \_\_\_\_\_  
 Name of Bargaining Unit: \_\_\_\_\_ Start date: \_\_\_\_\_ End date: \_\_\_\_\_  
 Name of Bargaining Unit: \_\_\_\_\_ Start date: \_\_\_\_\_ End date: \_\_\_\_\_

2. The Contractor agrees to propose to the union that the EBO requirements be incorporated into each of the CBA(s) by signing the statement below.

When the CBA is renegotiated, we will propose to the union that the EBO requirements be incorporated into the CBA so that all benefits provided to employees with spouses will be extended to employees with same or different sex domestic partners. After the CBA expires, we will provide, upon request by the City, reports on the status of the efforts to incorporate the EBO requirements into the CBA.

By the end of negotiations, we agree to notify the OCC of the result by submitting a statement which will indicate: (1) when the issue of same and different sex domestic partners was raised during negotiations; and (2) whether or not the EBO requirements was incorporated into the CBA. We understand that a separate statement must be submitted for each CBA for which Provisional Compliance was requested.

Name of Signatory (Print)	Signature	Title	Date
---------------------------	-----------	-------	------

3. For benefits not strictly governed by a CBA, the Contractor must establish policies so that those benefits are provided in accordance with the requirements of the EBO. For example, the Contractor may be required to expand the existing bereavement leave policy to allow an employee with a domestic partner time off in event of the domestic partner's death even if the CBA does not require the employer to do so.

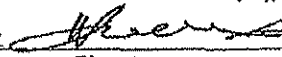
**Required documentation:** A listing of benefits not strictly governed by the CBA along with the Contractor's policies as they relate to those benefits.

**EXECUTE THE DECLARATION AND SUBMIT THE FORM TO THE AWARDING DEPARTMENT:** This form, and the Equal Benefits Ordinance Compliance Form (Form OCC/EBO-1) must be returned to the City department awarding the agreement. If responding to a request for bid/proposal, submit this form with the bid/proposal to the awarding department. The awarding department will forward the form to the OCC for review.

**DECLARATION UNDER PENALTY OF PERJURY**

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am authorized to bind this entity contractually.

Executed this 4th day of November, in the year 2010, at Los Angeles, CA  
(City) (State)

<u>MONTEREY CONCESSIONS GROUP</u>	<u>KYLE KOESTNER</u>		<u>(PARTNER)</u>
Name of Company	Name of Signatory (Print)	Signature	Title

**LWO -DEPARTMENTAL EXEMPTION APPLICATION**  
**EXEMPTIONS THAT REQUIRE AWARDING DEPARTMENT APPROVAL**

This application for exemption must be submitted along with your bid or proposal to the AWARDING DEPARTMENT. INCOMPLETE SUBMISSIONS WILL BE RETURNED.

Los Angeles Administrative Code 10.37, the Living Wage Ordinance (LWO), presumes all City contractors (including service contractors, subcontractors, financial assistance recipients, lessees, licensees, sublessees and sublicensees) are subject to the LWO unless an exemption applies.

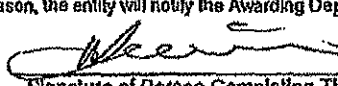
<b>TO BE FILLED OUT BY THE CONTRACTOR:</b>	
1. Company Name: <u>MONTEREY CONCESSIONS GROUP</u>	Phone Number: <u>818-789-1919</u>
2. Company Address: <u>16821 BURBANK BLVD., ENCINO, CA 91436</u>	
3. Are you a Subcontractor? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, state the name of your Prime Contractor:	
4. Type of Service Provided: <u>FOOD / BAR SERVICES</u>	

**EXEMPTION INFORMATION:**

CHECK OFF ONE BOX BELOW THAT BEST DESCRIBES THE TYPE OF EXEMPTION YOU ARE APPLYING FOR AND ATTACH THE SUPPORTING DOCUMENTATION LISTED ON THE RIGHT:

EXEMPTION	SUPPORTING DOCUMENTATION REQUIRED
<input type="checkbox"/> <b>501(c)(3) Non-Profit Organizations:</b> <ul style="list-style-type: none"> <li>A corporation organized under 501(c)(3) of the IRS Code qualifies for an exemption from the LWO if the highest paid employee makes less than eight times the hourly wage of the lowest paid employee.</li> <li>The exemption is valid for all employees except Child Care Workers.</li> <li>Therefore, even if a 501(c)(3) organization meets the salary test, Child Care Workers performing work on the City agreement must still be provided with the LWO required wage and time off benefits.</li> <li>Under the LWO's Rules and Regulations, a Child Care Worker is an employee "whose work on an agreement involves the care or supervision of children 12 years of age and under."</li> <li>This is read broadly so that the term would include, for example, tutors working with children 12 or under.</li> </ul>	<ol style="list-style-type: none"> <li>ATTACH a copy of your 501(c)(3) letter from the IRS.</li> <li>ANSWER the following questions:               <ul style="list-style-type: none"> <li>A. STATE the hourly wage of HIGHEST paid employee in the organization: \$ _____</li> <li>B. STATE the hourly wage of LOWEST paid employee in the organization: \$ _____</li> <li>C. MULTIPLY B by 8: \$ _____</li> </ul> </li> <li>Based on Question 2 above, is A less than C? <input type="checkbox"/> YES <input type="checkbox"/> NO If NO, your company is NOT eligible for an exemption. If YES, sign and submit this application for final approval.</li> <li>Will there be any Child Care Workers (as defined by the LWO Regulations) working on this Agreement? <input type="checkbox"/> YES <input type="checkbox"/> NO</li> </ol>
<input type="checkbox"/> <b>One-Person Contractors;</b> Contractors that have no employees are exempt from the LWO. If you have employees in the future, you must comply with the Ordinance.	NONE REQUIRED.

I declare under penalty of perjury under the laws of the State of California that: (1) I am authorized to bind the entity listed above; (2) the information provided on this form is true and correct to the best of my knowledge; and (3) the entity qualifies for exemption from the LWO on the basis indicated above. By signing below, I further agree that should the entity listed above cease to qualify for an exemption because of a change in salary structure, non-profit status, the hiring of employees, or any other reason, the entity will notify the Awarding Department and the OCC of such change and comply with the LWO's wage and time off requirements.

<u>KYLE KOESTNER</u>	
Print Name of Person Completing This Form	Signature of Person Completing This Form
<u>OWNER</u>	<u>11/04/2010</u>
Title	Date
<u>323-661-7212</u>	
Phone #	

ANY APPROVAL OF THIS APPLICATION EXEMPTS ONLY THE LISTED CONTRACTOR FROM THE LWO DURING THE PERFORMANCE OF THIS CONTRACT. A SUBCONTRACTOR PERFORMING WORK ON THIS CONTRACT IS NOT EXEMPT UNLESS THE OFFICE OF CONTRACT COMPLIANCE HAS APPROVED A SEPARATE EXEMPTION FOR THE INDIVIDUAL SUBCONTRACTOR.

<b>AWARDING DEPARTMENT USE ONLY:</b>			
Dept: _____	Dept Contact: _____	Contact Phone: _____	Contract #: _____
Approved / Not Approved-- Reason: _____			
By Analyst: _____		Date: _____	




## LWO – OCC EXEMPTION APPLICATION

### EXEMPTIONS THAT REQUIRE OCC APPROVAL

This application for exemption must be submitted by the Contractor along with its bid or proposal to the AWARDDING DEPARTMENT. Awarding Departments may also apply for an exemption for OCC approval. **INCOMPLETE SUBMISSIONS WILL BE RETURNED.**

Los Angeles Administrative Code 10.37, the Living Wage Ordinance (LWO), presumes all City contractors (including service contractors, subcontractors, financial assistance recipients, lessees, licensees, sublessees and sublicensees) are subject to the LWO unless an exemption applies.

CONTRACTOR INFORMATION:	
1. Company Name: <u>MONTEREY CONCESSIONS GROUP</u> Phone Number: <u>818-789-1430</u>	
2. Company Address: <u>16821 BURBANK BLVD., ENCINO, CA 91436</u>	
3. Are you a Subcontractor? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, state the name of your Prime Contractor:	
4. Type of Service Provided: <u>FOOD SERVICE</u>	
EXEMPTION INFORMATION:	
CHECK OFF ONE BOX BELOW THAT BEST DESCRIBES THE TYPE OF EXEMPTION YOU ARE APPLYING FOR AND ATTACH THE SUPPORTING DOCUMENTATION LISTED ON THE RIGHT:	
TO BE REQUESTED BY AWARDDING DEPARTMENTS ONLY	
EXEMPTION	SUPPORTING DOCUMENTATION REQUIRED
<input type="checkbox"/> Service contracts / Public Licenses / Lessees NOT Subject <input type="checkbox"/> Grant Funded Services <input type="checkbox"/> CFAR	A memorandum explaining the basis for the request for application for exemption.
TO BE REQUESTED BY CONTRACTORS ONLY	
EXEMPTION	SUPPORTING DOCUMENTATION REQUIRED
<input type="checkbox"/> Collective bargaining agreement with supersession language - (LAAC 10.37.12): Contractors who are party to a collective bargaining agreement (CBA) which contains specific language indicating that the CBA will supersede the LWO may receive an exemption as to the employees covered under the CBA.	A copy of the CBA with the superseding language clearly marked  OR  A letter from the union stating that the union has agreed to allow the CBA to supersede the LWO.
<input type="checkbox"/> Occupational license required - (LAAC 10.37.1(f)): Only the individual employees who are required to possess an Occupational license to provide services to or for the City are exempt.	A listing of the employees required to possess occupational licenses to perform services to or for the City  AND  Copies of each of these employees' occupational licenses.
By signing, the contractor certifies under penalty of perjury under the laws of the State of California that the information submitted in support of this application is true and correct to the best of the contractor's knowledge.	
<u>KYLE KOESTNER</u> Print Name of Person (Contractor) Completing This Form	 Signature of Person (Contractor) Completing This Form
<u>OWNER</u> Title	<u>323-661-7712</u> Phone #
	<u>11/04/2010</u> Date
<b>ANY APPROVAL OF THIS APPLICATION EXEMPTS ONLY THE LISTED CONTRACTOR FROM THE LWO DURING THE PERFORMANCE OF THIS CONTRACT. A SUBCONTRACTOR PERFORMING WORK ON THIS CONTRACT IS NOT EXEMPT UNLESS THE OFFICE OF CONTRACT COMPLIANCE HAS APPROVED A SEPARATE EXEMPTION FOR THE INDIVIDUAL SUBCONTRACTOR.</b>	
AWARDDING DEPARTMENT USE ONLY:	
Dept:	Dept Contact:
	Contact Phone:
	Contract #:
OCC USE ONLY:	
Approved / Not Approved – Reason: _____	
By OCC Analyst:	Date:



City Ethics Commission  
 200 N Spring Street  
 City Hall — 24th Floor  
 Los Angeles, CA 90012  
 Mall Stop 129  
 (213) 978-1960

## Bidder Certification CEC Form 50

Bid/Contract Number: **ARS-M10-175** Department: **City of L.A. Dept. of Recreation and Parks**

Name of Bidder: **MONTEREY CONCESSIONS GROUP** Phone: **818-789-1919**  
**dba L A Bar Services**

Address: **16821 BURBANK BLVD., ENCINO, CA 91436**

Email: **upstagecatering@yahoo.com**

### CERTIFICATION

I certify the following on my own behalf or on behalf of the entity named above, which I am authorized to represent:

- A. I am a person or entity that is applying for a contract with the City of Los Angeles.
- B. The contract for which I am applying is an agreement for one of the following:
  - 1. The performance of work or service to the City or the public;
  - 2. The provision of goods, equipment, materials, or supplies;
  - 3. Receipt of a grant of City financial assistance for economic development or job growth, as further described in Los Angeles Administrative Code § 10.40.1(h) [see reverse]; or
  - 4. A public lease or license of City property where both of the following apply, as further described in Los Angeles Administrative Code § 10.37.1(i) [see reverse]:
    - a. I provide services on the City property through employees, sublessees, sublicensees, contractors, or subcontractors, and those services:
      - i. Are provided on premises that are visited frequently by substantial numbers of the public; or
      - ii. Could be provided by City employees if the awarding authority had the resources; or
      - iii. Further the proprietary interests of the City, as determined in writing by the awarding authority.
    - b. I am not eligible for exemption from the City's living wage ordinance, as eligibility is described in Los Angeles Administrative Code § 10.37(i)(b).
- C. The value and duration of the contract for which I am applying is one of the following:
  - 1. For goods or services contracts—a value of more than \$25,000 and a term of at least three months;
  - 2. For financial assistance contracts—a value of at least \$100,000 and a term of any duration; or
  - 3. For construction contracts, public leases, or licenses—any value and duration.
- D. I acknowledge and agree to comply with the disclosure requirements and prohibitions established in the Los Angeles Municipal Lobbying Ordinance if I qualify as a lobbying entity under Los Angeles Municipal Code § 48.02.

Date: 11.24.10 Signature: [Signature]  
 Name: Dave Kosmisa  
 Title: Owner

Under Los Angeles Municipal Code § 48.09(H), this form must be submitted to the awarding authority with your bid or proposal on the contract noted above.

# LABOR SERVICES

## SECTION

---

a.

**Proposal Items**

# LA bar services

## 1. Ability to Finance

### 1.1 Amount of Investment Required

AMOUNT OF INVESTMENT REQUIRED – L.A. Bar Services is the new entity name for Monterey Bar Services, the current bar services concessionaire since 2003. Amount of investment to begin operations as proposed: Performance Deposit \$10,000

Inventory	\$ 0	*(current inventory owned \$6k)
Equipment	\$ 0	*(current equipment owned \$20k)
Operating Supplies	\$ 0	*(current inventory owned \$3k)
Other	\$ 0	*(current inventory owned \$1k)

\* NOTE-- SINCE MONTEREY CONCESSIONS IS THE CURRENT OPERATOR OF THE CONTRACT, NO ADDITIONAL COSTS WOULD BE INCURRED BECAUSE CURRENT INVENTORIES ARE SUFFICIENT.

### 1.2 Source(s) of Funding Concession Operation

The source of funding is current cash reserves from LA Bar Services/Monterey Concessions Group which holds reserves greater than 10 times that required for the operation of proposed concession.

### 1.3 Financial Documentation

1.3.1 12 months of bank statements and copies of the credit reports for the principals.

[Addendum]

1.3.2 No loans are to be used to fund this concession operation

1.3.3 No additional sources of funding are to be used other than the cash reserves indicated in 1.3.1



## 2. Experience and Qualifications

L.A. Bar Services is the new entity name for Monterey Bar Services. Partners exceed the requirement of 2 years continuous experience in the last 4 years. Partners has operated this concession for 7 of the past 7 years. Therefore L.A. Bar Services (Monterey Bar Services) has the specific experience needed to operate this concession.

### 2.1 Ownership Description

- 2.1.1 Address: 16821 Burbank Blvd., Encino, CA 91436
- 2.1.2 Experience: 10 Years as Monterey Concessions, but 36 years of bar operations experience
- 2.1.3 Size of company: \$4 million
- 2.1.4 Organizational chart: Mike Begakis & Kyle Koestner, Principals
- 2.1.5 Persons responsible for bar and beverage services: Mike Begakis & Kyle Koestner
- 2.1.6 Pending mergers: There are no pending mergers for Monterey Concessions Group, L.A. Bar Services, or any other Monterey Concessions entity

### 2.2 Description of proposing entity's experience/knowledge

- 2.2.1 Monterey Bar Services is the current operator of this concession
- 2.2.2 Revenues of current operations are: 2004 - \$113,549; 2005 - \$175,270; 2006 - \$162,999; 2007 - \$228,762; 2008 - \$140,818; 2009 - \$145,316
- 2.2.3 Proposer's years of above experience: 7 years
- 2.2.4 Extant of any related experience: 35+ Years of bar operation experience
- 2.2.5 Additional information demonstrating qualifications:  
Monterey Concessions Group also operates 2 more full service liquor licenses at the Griffith Park Clubhouse, and the Balboa Encino Clubhouse. Additionally, Monterey Concessions Groups will be operating the beer and wine license at the Simi Valley Golf Course (beginning May, 2010). All licenses and service have been operated for more than 40 years without any ABC infractions or limitations to our liquor licenses.

### 2.3 Current Operations

- 2.3.1 Employee hiring, training, motivation, and promotion policies are contained in the attached employee handbook [Addendum]
- 2.3.2 Methods and controls for accounting: Standard accounting procedures will be utilized

### 2.4 Contracts history

- 2.4.1 All opened & closed contracts during most recent 12 months:  
Wilson and Harding Clubhouse (open contract);  
Bar Services Contract (open contract but being rebid ((this RFP));  
Balboa Encino Clubhouse (open contract);  
Castle Park (open contract);  
Simi Valley Golf Course (beginning May, 2010);  
Monterey Concessions Group had no closed contracts in last 12 months.
- 2.4.2 All lost contracts during 2005, 2006, 2007, and 2008: NONE
- 2.4.3 All contracts started & lost within 12 months of opening/starting: NONE

# LABOR SERVICES

## 2.5 References

### 2.5.1 Business References

*Club Nokia/ AEG*  
800 West Olympic Blvd Suite A335  
Los Angeles, CA 90028  
805/708-2449  
Contact: Jeanie Perkins

*Enclno Chamber of Commerce*  
4933 Balboa Blvd  
Enclno, CA 91318-3497  
818/789-4711  
Contact: Diana Donovan

*Japanese Gardens*  
City of Los Angeles  
6100 Woodley Avenue  
Van Nuys, CA 91406  
818/766-8000  
Contact: Gene Green or Betty Lewis

*Los Angeles Department of Parks  
and Recreation*  
City of Los Angeles  
221 North Figueroa Street  
Los Angeles, CA 90012  
213/202-2633  
Contact: Mr. Jon Kirk Mukri

*Nederlanders Concerts*  
6233 Hollywood Blvd  
Los Angeles, CA 90028  
323/847-6108  
Contact: Vanessa Kromer

*Pantages Theater / Nederlanders Concert*  
6233 Hollywood Blvd  
Los Angeles, CA 90028  
323/468-1732  
Contact: Mr. Jeff Loeb

*San Fernando Valley Bar  
Association*  
Family Law Section, Probate Section,  
& Workmen's Compensation Section  
21250 Califa Street Suite 113  
Woodland Hills, CA 91367  
818/ 227-0490  
Contact: Linda Timpkin @ ext 105

*Sierra Pacific Fly Fishermen*  
P.O. Box 8403  
Van Nuys, CA 91409  
818/341-6921  
818/908-9133  
Contact: Michael Peralls  
St Mels Parish  
20870 Ventura Blvd  
Woodland Hills, CA 91364  
818/343-8507  
Betty Lewis  
Contact: Marshall Bisselt

*Willern Theater / Live Nation*  
3790 Wilshire Blvd  
Los Angeles, CA 90010  
213/388-1400  
Contact: Mr. Reid Barlett

*UFCW Local 770*  
630 Shatto Place 3rd Floor  
Los Angeles, CA 90005  
213/201-7110  
Contact: Laura Edwards  
Individual Group  
6496 Lindbergh Lane  
Bell, CA 90201  
323/981-2800  
Contact: Craig Miller

# LABAR services

## 2.5.2 Financial References

*Allied Beverage*  
13287 Ralston Avenue  
Sylmar, CA 91342-1296  
818/362-9393  
Contact: Julie Lawson  
Amcom Food Service  
14120 East Valley Blvd  
City of Industry, CA 91746-2802  
626/330-3479  
Contact: Jamie

*Anheuser-Busch*  
15420 Coball Street  
Sylmar, CA 91342  
818/364-6547  
Contact: Pat Gogerty  
Canyon Wholesale Provisions  
516 South Alameda Street  
Los Angeles, CA 90013  
800/561-5429  
Contact: Brad

*Golden Greek Produce*  
P.O. Box 741783  
Los Angeles, CA 90004  
866/466-1808  
Contact: Nick

*Old Country/ Blimbo Bakery*  
File 52176  
Los Angeles, CA 90074  
323/720-6000  
Customer# 58500000 & 578580000

*Pepsi Bottling Group*  
1200 Arroyo Street  
San Fernando, CA 91340  
818/ 898-1200  
Customer# 7149767 & 5702276

*Sunset Egg Ranch*  
14737 Keswick Street  
Van Nuys, CA 91405  
818/ 787-6333  
Customer: Encino Monterey

*Valley Spuds*  
910 Commercial Avenue  
Oxnard, CA 93030  
805/483-5292  
Customer# Monterey@encino

# LA bar services

## 3. Proposed Business Plan

### 3.1 Operational Plan For Entire Concession:

#### 3.1.1 Staffing and Management:

Key Personnel - Mike Begakis -- owner/operator, Kyle Koestner -- owner/operator, Charity Gonzales -- bar services manager, Jaime Crespo -- assistant bar services manager. The number of staff members required cannot be predicated since the city is going to choose multiple operators for this concession, however, L.A. Bar Services has a staff of bartenders available to service however many events are required. Additionally, our bar services have always staffed every event per contract specifications, even when additional personnel were required. L.A. Bar Services is fully confident in its ability to respond to the patrons needs as required.

#### 3.1.2 Methods of increasing and maintaining clientele:

Advertising, promotion, and merchandising, and marketing plans for all segments of the concessions takes place on our website and in the city's website that describes the facilities. Monterey Concessions Groups websites have high engine rankings because of the significant traffic for our banquet and catering facilities. In addition, when we are booked in our other locations, we commonly refer clients to other city properties, including the halls. If selected as one of the winning proposers, Monterey Concessions will continue this practice of referring clients to other city facilities, and will continue keeping other city facilities at our website. Additionally, if chosen as a one of the new bar contract concessions, LA Bar Services will design and implement a Spanish version of our pricing and include FAQ's (also in Spanish)

During the operation of the current contract we have identified and addressed the needs of the local community in the negotiations of the individual contracts where we are sensitive to the needs of each patron and help them achieve their goal of professional bartending services at a price that is relevant to their budget and service needs. We understand the individual nature of each contract and we work hard to make sure customers are provided the specific services desired that make their event special. Our specific methods of monitoring customer satisfaction and maintaining excellent customer relations is that we log in each call to our service, who we talked to, and the result of each conversation. We continue to work with the client until they make a booking decision and then provide the professional services contracted on a timely basis by friendly and professional bar service personnel.

#### 3.1.3 Methods of accounting and controls:

Methods of accounting and controls are that we use specific non-resettable registers in each hall, allowing the hall representative to take the reading at the beginning and end of each service. Relative to tracking purchases, receivables, and payables L.A. Bar Services maintains its accounting and record keeping at its Valley Locations and follows all standard accounting standards in the keeping of our records for bar services.



# LA Bar Services

## **3.2 Proposed Equipment**

The list of major equipment that is currently being provided and will continue to be provided if chosen as one of the operators of the bar is: a delivery van, portable bars, non-resettable registers, bar kits, bar skirting, ice bins, dolly's, bar kits, and beer pumps. There is no storage at each facility and therefore advanced POS systems and other technically advanced delivery systems are not warranted or practical.

## **3.3 Financial Projections and Planning: (Pro Forma and P & L in addendum)**

The Pro Forma Financial and Profit and Loss Statement for the concession use one-fifth of the potential business available although L.A. Bar services understands the competitive nature of the contract and that no guarantees are implied or given.

*ASSUMPTIONS: LA Bar Services assumptions are based on : approximately 1/5 of the normal volume based on the City designating 5 new bar services providers; and our historical experience as the current exclusive bar service provider.*

## 4. Proposed Revenue Sharing Payment

### **4.1 Revenue payment:**

Proposed revenue sharing payment is 20% of all dollars. At \$50,000 in business, this payment would equate to \$10,000.

### **4.2 Justification:**

20% is the minimum rent that will satisfy this RFP, and is at the high end of reasonable rent, especially given that this contract will be awarded to multiple entities, thereby decreasing the efficiencies of scale. Therefore, L.A. Bar services proposes 20% of a projected \$50,000 in sales although we understand there is no guarantee of \$50,000 in business.

## 5. Proposed Services / Products / Price List

*(addendum)*

## G. GFE

*(addendum, supporting documents under separate cover)*

LABOR  
services

# ADDENDUM

**G.**

**Good Faith Effort  
Required Reporting  
Documents**

(support documentation  
supplied under separate cover)

---

MONTEREY CONCESSIONS GROUP



EMPLOYEE  
HANDBOOK

Effective Date 11.26.2010

**EMPLOYEE HANDBOOK**

**Table of Contents**

**Welcome to MONTEREY CONCESSIONS GROUP**

Disclaimer .....

**Introduction**

MONTEREY CONCESSIONS GROUP Mission Statement .....

Career Opportunities .....

Open Door Policy .....

Code of Conduct .....

**Documented Workers**

Worker Documentation .....

**Employment**

Equal Opportunity Employment .....

Eligibility For Employment .....

Familial Employment .....

Moving Expense for Relocation .....

Part-Time Employment.....

Minimum Wage .....

Criminal Convictions .....

Violence .....

Weapons .....

Alcohol, Drugs & Illegal Substance Abuse .....

Sexual and Other Unlawful Harassment .....

Domestic Violence Statement .....

Job Postings.....

Seniority .....

Credit Union.....

Employment Evaluation .....

Bonus Checks .....

Personnel File .....

**Policies & Procedures**

Attendance .....

Parking .....

Work Schedule Requirements .....

Staff Meetings .....

Bulletin Boards .....

Suggestion Box .....

Time Cards .....

Lunch Break .....

Breaks .....

MONTEREY CONCESSIONS GROUP EMPLOYEE HANDBOOK

Workplace Dress Code .....  
Medical Attention .....  
Compensation .....  
Overtime .....  
Mileage Expense For Use Of Personal Vehicle .....  
Commissioned Sales .....  
Wage and Salary Disclosure .....  
Payroll Schedules.....  
Paychecks .....  
Payroll Deductions for Taxes, FICA and Medicare .....  
IRA's - Individual Retirement Accounts .....  
Working Away From the Office .....  
Performance & Evaluation Reviews .....  
Reimbursement of Expenses .....  
Reporting Personal Information Changes .....  
Gifts, Entertainment & Meals .....  
Visitors .....  
Personal Property .....  
Personal Safety .....  
Food & Beverage .....  
Smoking.....  
Office Parties .....  
Solicitation .....  
Moonlighting .....  
**Company Property**  
Confidential Information Security .....  
Facilities Security.....  
Office Supplies, Postage & Company Accounts .....  
Company Vehicles .....  
Company Equipment .....  
Phone Systems, Voice Mail and Personal Calls .....  
Conservation and Recycling .....  
**Computer Related**  
Computers and Related Equipment .....  
Internet .....  
EMail & Electronic Communication .....  
**Policies for Leave of Absence**  
Eligibility .....  
Personal Leave of Absence .....  
Sick Leave .....  
Personal Time .....  
Short-Term Disability Leave .....  
Unpaid Family & Medical Leave .....  
Funeral Leave .....

MONTEREY CONCESSIONS GROUP EMPLOYEE HANDBOOK

Jury Duty .....  
Military Duty .....  
Severe Weather Closings .....

**Benefits**

Overview .....  
Eligibility .....  
Group Medical Insurance .....  
Life Insurance Policies.....  
401K Plan .....  
Retirement.....  
Worker's Compensation  
Holidays .....  
Vacations .....  
Vacation Schedules .....  
COBRA .....  
Education - Tuition Reimbursement .....  
Employee Discounts .....

**Discipline Policies**

Problem Resolutions .....  
Violation of Company Policy .....

**Termination of Employment**

Termination .....  
Severance .....

**Acknowledgement**

Notice .....

## Welcome to MONTEREY CONCESSIONS GROUP

The following pages contain information regarding many of the policies and procedures of MONTEREY CONCESSIONS GROUP. These policies are a condition of employment. Labor relation laws require that all employees maintain a written policy that is applied non-discriminately to all employees.

If you have questions or need assistance reviewing this document, please contact: MIKE BEGAKIS at 818/789/1919.

*Office hours are:*

Monday through Friday: 8am to 5pm.

Saturday: 10am to 2pm.

Sunday: Closed

*Our main phone number is 818-789-1919.*

*For life threatening emergencies call 911.*

*For facility emergencies call 310-420-7709.*

### Disclaimer

*This handbook is intended only to outline the employment policies, procedures and benefits of MONTEREY CONCESSIONS GROUP. This manual is not intended to be all-inclusive and should not be considered to be an employment contract. MONTEREY CONCESSIONS GROUP reserves the right to change employment policies, procedures, benefits or this manual at any time without notice. It is the responsibility of the employee to stay abreast of policy. MONTEREY CONCESSIONS GROUP will make every effort to notify employees of any policy changes, additions or deletions. Said changes will immediately become a part of this manual.*

## Introduction

### MONTEREY CONCESSIONS GROUP Mission Statement

To provide quality products and services to our customers. To treat our customers and coworkers in a kind and friendly manner. To be a positive influence in the community.

### Career Opportunities

It is our desire to see each and every employee achieve their highest potential. We will do our best to provide the opportunity and offer training, education and guidance whenever possible. See your immediate supervisor if you have questions.

### Open Door Policy

It is our objective to provide a work environment free from elements that would deter employees from performing their best work. All concerns may be expressed through our open door policy. Management at MONTEREY CONCESSIONS GROUP maintains this open door policy to discuss any issues you may have. Feel free to express yourself about work related or personal matters. We welcome your input.

If you feel you have been discriminated against in any way you are encouraged to express concern through this open door policy.

### Code of Conduct

Employees of MONTEREY CONCESSIONS GROUP are to conduct themselves in a responsible, professional and ethical manner. Report any unethical or dishonest behavior to your immediate supervisor.

Reported activities will be investigated by appropriate MONTEREY CONCESSIONS GROUP management team members. The management team will determine appropriate means for resolution. Employees found to be conducting themselves in an unethical manner may be subject to appropriate disciplinary action, up to and including termination.

## Documented Workers

### Worker Documentation

The Immigration Reform and Control Act outlines requirements for worker documentation, via a Form I-9, as follows:

Every U.S. employer must have a Form I-9 in its files for each new employee, unless:

The employee was hired before November 7, 1986, and has been continuously employed by the same employer.

Form I-9 need not be completed for those individuals:

Providing domestic services in a private household that is *sporadic, irregular, or intermittent*;



---

## MONTEREY CONCESSIONS GROUP EMPLOYEE HANDBOOK

providing services for the employer as an independent contractor (i.e. carry on independent business, contract to do a piece of work according to their own means and methods and are subject to control only as to results for whom the employer does not set work hours or provide necessary tools to do the job, or whom the employer does not have authority to hire and fire); and

Providing services for the employer, under a contract, subcontract, or exchange entered into after November 6, 1986. (In such cases, the contractor is the employer for I-9 purposes; for example, a temporary employment agency.)

MONTEREY CONCESSIONS GROUP requires employees to submit a Form I-9. All new employees must complete Section 1 of a Form I-9 no later than close of business on his/her first day of work. The employee's signature holds him/her responsible for the accuracy of the information provided. No documentation from the employee is required to substantiate Section 1 information provided by the employee.

MONTEREY CONCESSIONS GROUP reserves the right to revise this policy without notice to comply with state and federal law.

---

## Employment

### Equal Opportunity Employment

Employees are hired based solely on MONTEREY CONCESSIONS GROUP personnel requirements and the qualifications of each individual candidate.

We will not tolerate nor condone discrimination due to age, race, color, religion, sex, national origin or disability. We will comply with the spirit and letter of all local, state and federal laws pertaining to employment. Furthermore, we will not discriminate due to age, race, color, religion, sex, national origin or disability when making decisions regarding termination of employees.

Any questions or concerns regarding any aspect of this policy should be directed to the Human Resources department.

### Eligibility for Employment

Federal law requires both new employees and re-hires to provide documentation of eligibility to work in the United States plus proper identity. A properly submitted form I-9 is required for employment.

### Familial Employment

MONTEREY CONCESSIONS GROUP does allow family members and relatives of employees to be considered for employment, provided they are qualified for the position and no other conflict of interest exist. Hiring decisions will be the exclusive responsibility of the Human Resources department.

### Moving Expense for Relocation

MONTEREY CONCESSIONS GROUP does not pay relocation expenses for new hires or employees offered positions requiring relocation.

## MONTEREY CONCESSIONS GROUP EMPLOYEE HANDBOOK

### Part-Time Employment

MONTEREY CONCESSIONS GROUP does not offer part-time employment positions.

MONTEREY CONCESSIONS GROUP does offer part-time employment positions. Employees who work 39 hours or less per week will be considered part time. Direct all questions regarding benefits for part-time workers to the Human Resources department.

### Minimum Wage

MONTEREY CONCESSIONS GROUP adheres strictly to minimum wage standards as outlined by the United States Government.

### Criminal Convictions

Criminal convictions are taken seriously at MONTEREY CONCESSIONS GROUP. We reserve the right to disqualify any applicant for employment that has been convicted of a criminal offense.

Furthermore, conviction of a crime may result in an automatic termination.

MONTEREY CONCESSIONS GROUP will make every effort to evaluate the nature and circumstances of the conviction. With the safety and well being of co-workers at stake, convicted employees may be subject to appropriate disciplinary action, up to and including termination.

### Violence

Threats of violence and acts of violence are strictly prohibited. Employees threatening or committing acts of violence will be subject to appropriate disciplinary action, up to and including termination. Report any such activity to your immediate supervisor or the Human Resources department.

### Weapons

Weapons are generally defined as guns, knives and other objects universally considered a weapon by the vast majority of society. A "weapon" can also be any object which would do harm to another when used as such. MONTEREY CONCESSIONS GROUP shall deem any such object a "weapon" for the purpose of enforcing of this policy.

Possession of weapons is prohibited on company property and while on duty performing company business at any location. Any employee on duty or on company premises in possession of a weapon will be subject to appropriate disciplinary action, up to and including termination. Report any weapon possession to your immediate supervisor or the Human Resources department.

### Alcohol, Drugs & Illegal Substance Abuse

Possession of alcohol, illegal drugs or other illegal substances is not permitted on company property, or while on duty in the employment of MONTEREY CONCESSIONS GROUP. Furthermore, employees are not permitted to report for duty while under the influence of alcohol, illegal drugs or other illegal substances. Employees failing to adhere strictly to this policy will be subject to disciplinary action, up to and including termination. Report any suspicious activity to your immediate supervisor or the Human Resources department.

## MONTEREY CONCESSIONS GROUP EMPLOYEE HANDBOOK

### Sexual and Other Unlawful Harassment

It is the objective of MONTEREY CONCESSIONS GROUP to provide a working environment free from discrimination and conduct commonly referred to as sexual harassment.

The E.E.O.C. (Equal Employment Opportunity Commission) has provided a broad definition of sexual harassment. It is general in nature and may not always be clear when evaluating everyday situations.

"Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when

1. submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment,
2. submission to or rejection of such conduct by an individual is used as a basis for employment decisions affecting such individual, or
3. such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment."

Sexual harassment refers to behavior inappropriate in the workplace because it is offensive, unwelcome behavior which would not occur but for the sex of the offended person. Both sexual harassment, and accusations of sexual harassment, are disruptive to the work environment.

If you or a co-worker experiences what you believe to be sexual harassment or accusations of sexual harassment, report it promptly to your immediate supervisor or the Human Resources department. MONTEREY CONCESSIONS GROUP will investigate any employee, regardless of job position when such allegations are made. Based on available information, MONTEREY CONCESSIONS GROUP will take appropriate action and communicate on a need-to-know basis.

Appropriate disciplinary action, up to and including termination will be taken against any individual for sexual harassment charges determined to be valid.

### Domestic Violence Statement

MONTEREY CONCESSIONS GROUP recognizes that domestic violence can have an adverse impact on employee job performances and may also impact co-worker's performance.

MONTEREY CONCESSIONS GROUP will assist employees affected by domestic violence, both the victim and the abuser within reasonable guidelines. Information will remain confidential as long as the safety of others is not at risk.

### Job Postings

MONTEREY CONCESSIONS GROUP does not post available hiring positions for consideration of current employees.

### Seniority

MONTEREY CONCESSIONS GROUP does not consider length of continuous service when making decisions for advancement, job placement, layoffs or staff reductions.

### **Employment Evaluation**

All employees will be under "evaluation" for the first three months of employment. Your immediate supervisor will be responsible for evaluating your performance, aptitude and compatibility with co-workers. At the end of the evaluation period, you may be invited to become a full time employee who may entitle you to additional benefits. In the event your evaluation information indicates you do not qualify, your employment will be terminated.

### **Personnel File**

MONTEREY CONCESSIONS GROUP maintains a confidential personnel file for each employee. Files are controlled by the Human Resources department. Employees must acquire permission to view his or her personnel file from the Human Resources department. These files are the property of MONTEREY CONCESSIONS GROUP; no documents may be altered or removed by the employee. Every reasonable effort is made to keep the information confidential; access is limited to staff members who require access to perform their job functions. Copies will not be distributed to any third party unless mandated to do so by a court of law.

## **Policies & Procedures**

### **Attendance**

Punctual attendance is mandatory for efficient job performance. In cases of absence for any reason notify your immediate supervisor as well as the front office as soon as reasonably possible. Poor attendance, absence without notification or habitual tardiness will be subject to appropriate disciplinary action, up to and including termination.

### **Parking**

MONTEREY CONCESSIONS GROUP employees are required to park in the employee parking area. All other parking is reserved for customers and visitors.

### **Work Schedule Requirements**

With variations in work load based on demand from our customers, it is our responsibility to meet critical deadlines, sometimes with little notice. As a result, you may be required to work overtime be it pre-planned or spontaneous. Overtime is mandatory when required; it is a condition of employment.

### **Staff Meetings**

Group meetings of several employees as well as meetings of all employees are occasionally scheduled. Every effort is made to schedule these meetings during the hours worked by the vast majority of employees. Written notification for mandatory meetings will be distributed in advance. All employees are required to attend, when requested, even if it is not during their scheduled work hours.

### **Bulletin Boards**

---

## MONTEREY CONCESSIONS GROUP EMPLOYEE HANDBOOK

Bulletin boards placed in designated areas throughout the facility display notices and announcements for employees to review. It is the responsibility of each employee to review the bulletin boards several times per week to be aware of information posted.

### Suggestion Box

MONTEREY CONCESSIONS GROUP always encourages employees to submit suggestions, comments or new ideas which may benefit the company or working conditions. If you wish to remain anonymous, every precaution will be made to preserve your privacy. Management will check the suggestion box on a regular basis for new submissions.

### Time Cards

All employees are required to turn in daily time cards reflecting hours worked unless authorized to be exempt, as with supervisory and management personnel. For vacation, paid leave or holidays, time cards must be turned in accounting for these days/hours.

---

### Lunch Break

Regardless of shift worked, all employees are required to take a lunch break. Lunch break are for 30 minutes. Schedules may vary from employee to employee based on work schedule and from one department to another. It is the responsibility of your immediate supervisor to establish your lunch break schedule.

### Breaks

It is in the best interest of our employees and MONTEREY CONCESSIONS GROUP to provide a break from work several times throughout the work day. Typically you will receive two refreshment breaks, one before and one after the meal break. Schedules may vary from employee to employee based on work schedule and from one department to another. It is the responsibility of your immediate supervisor to establish your break schedule.

### Workplace Dress Code

MONTEREY CONCESSIONS GROUP encourages employees to dress comfortable, with consideration given to maintaining a professional appearance. Appropriate attire should be worn at all times in keeping with commonly recognized standards. If you interface with clients or are scheduled to meet with clients on an occasional basis, be prepared and dress appropriately. Be considerate of the company's image as well as your image with customers and your co-workers.

### Medical Attention

MONTEREY CONCESSIONS GROUP requires employees to notify a supervisor when medical attention is required for any reason, accident or illness. Employees requiring transportation to a medical facility must be taken by trained medical personnel. Transportation and medical costs are the responsibility of the employee.

### Compensation

Compensation for employment is based on performance. Rates are established by mutual agreement between the employee and MONTEREY CONCESSIONS

## MONTEREY CONCESSIONS GROUP EMPLOYEE HANDBOOK

GROUP. Raises also, are based on performance, growth and productivity. All requests for salary increases and/or promotion will be fairly considered by supervisors and the Human Resources department. Employment is based on an as-needed basis. Employees are not guaranteed tenure or retirement benefits.

### Overtime

Hours of work performed by hourly employees, over 40 hours in any seven day period, qualify for payment at a rate of 150% of the employee's regular hourly pay. All overtime must be approved in advance by your immediate supervisor to qualify.

All hours during a work week that are calculated in the total for overtime must be hours actually worked. Vacation, sick days, personal days to any other non-working benefit days do not count in the calculation of overtime.

### Commissioned Sales

Sales personnel who are compensated based on commissions are responsible for the entire sales process. This responsibility includes all communication with the client throughout the life of the project and including collection of all invoices related to the project. Commissions may be paid as an advance, however, commissions are not earned until all phases of the project are completed and all invoices are paid in full. Commission rates are negotiated based on the terms of the sale and the accuracy of the bid versus actual task required to complete the project.

### Wage and Salary Disclosure

Compensation programs are confidential between the employee and MONTEREY CONCESSIONS GROUP. Disclosure of wages or compensation to any third party or other employee is prohibited and could be grounds for termination.

### Payroll Schedules

Employees are paid every two weeks. Regardless of shift schedule, the work week begins Monday and ends Sunday. Payday is every other Friday. In the event payday falls on a holiday, paychecks will be distributed before the holiday.

### Paychecks

Payroll checks shall be distributed on payday as established in the Payroll Schedule section of this handbook. Federal, state and any other required taxes will be withheld from wages as will any voluntary deductions.

### Payroll Deductions for Federal Tax, State Tax, FICA and Medicare

As required by law, MONTEREY CONCESSIONS GROUP withholds taxes from employee earnings, as well as social security (FICA) and Medicare. MONTEREY CONCESSIONS GROUP also participates in matching programs as required.

### Working Away From the Office

Electronic media opens the door to new opportunities for working away from the office. As a general rule we discourage this practice. However, there may be certain and specific circumstances where doing so could benefit both the employee and MONTEREY CONCESSIONS GROUP.

## MONTEREY CONCESSIONS GROUP EMPLOYEE HANDBOOK

If you wish to consider this option discuss it with your immediate supervisor. If the supervisor concurs, they will request authorization from the Human Resources department. Monitoring procedures may be put in place during the off-site working arrangement. All arrangements for such activities are considered temporary and may be terminated without notice.

### Performance & Evaluation Reviews

Annual performance and evaluation reviews will outline the competencies you need to perform your job functions successfully. Your contributions to your department and MONTEREY CONCESSIONS GROUP are also reviewed and documented. Your supervisor will discuss job requirements for your duties and identify your specific skills. Together you will establish plans for your growth and development. All performance reviews will become a permanent part of your personnel file.

### Reimbursement of Expenses

Expenses to be reimbursed by MONTEREY CONCESSIONS GROUP must be approved in writing prior to expenditure. To receive reimbursement you must furnish the Accounting department with two items: receipts for all expenses (other than per diem or mileage) and a properly completed expense form (available from your immediate supervisor).

We appreciate your expenditures on behalf of MONTEREY CONCESSIONS GROUP and will make every effort to reimburse you in a most timely fashion.

If you require an advance for expenses, see your immediate supervisor.

### Reporting Personal Information Changes

Employees must notify the Human Resources department whenever there is a change in their personal information on file with MONTEREY CONCESSIONS GROUP. This includes address, phone number, income tax withholding information, emergency contacts and if applicable, any information which may impact your insurance coverage's.

### Gifts, Entertainment & Meals

MONTEREY CONCESSIONS GROUP employees and their families are not allowed to give or receive business gifts, favors, meals or entertainment to or from any customers or suppliers of MONTEREY CONCESSIONS GROUP, except as approved by the Human Resources department.

If you or a co-worker is approached to give or receive such gifts you are required to request permission from the Human Resources department.

### Visitors

Due to the nature of our business, security clearances and non-disclose agreements with our clients, visitors are not allowed in production or restricted areas. All visitors who are not visiting for business purposes will be restricted to the regular lobby area. All business visitors must have authorization to enter production areas. See your immediate supervisor for authorization. Notify a supervisor immediately if you become aware of any unauthorized visitors.

## MONTEREY CONCESSIONS GROUP EMPLOYEE HANDBOOK

### Personal Property

MONTEREY CONCESSIONS GROUP is not responsible for personal property of employees in facilities, vehicles or parking areas. Any personal items brought on premises deemed inappropriate by MONTEREY CONCESSIONS GROUP, will be removed without notice. As always, be considerate of the company's image as well as your image with customers and co-workers.

### Personal Safety

At MONTEREY CONCESSIONS GROUP the safety of our employees is a top priority. We will make every effort possible to ensure the safest working environment possible. If you have suggestions or concerns discuss them with your immediate supervisor or the Human Resources department. If you feel you are in danger performing your job duties, stop working and report the hazard to your immediate supervisor. Failure to comply with all health, safety and environment policies and procedures may result in disciplinary action, up to and including termination.

### Food & Beverage

Without exception, food and beverage is strictly prohibited within immediate proximity of any computers, servers, related hardware, application storage areas or production equipment. In all other areas, employees should be mindful of potential business visitors within the work area. Meals should be eaten in the specified lunch area.

### Smoking

Smoking is not allowed in MONTEREY CONCESSIONS GROUP facilities. Smoking is allowed only in designated areas outdoors. While smoking, please be considerate of others. All smoking materials must be extinguished properly and disposed of in appropriate receptacles.

### Office Parties

Office parties for employees of MONTEREY CONCESSIONS GROUP may be held on company premises with permission from ownership. Alcoholic beverages are allowed at these functions, with discretion.

### Solicitation

As a courtesy to other employees MONTEREY CONCESSIONS GROUP does not allow solicitation of political information, religious information or items for sale. Solicitation for sale of items involving fund raisers for school projects and the like may be considered. See your immediate supervisor for approval.

### Moonlighting

With approval from Mike Begakis MONTEREY CONCESSIONS GROUP does allow employees to "moonlight" offering services similar to those provided by MONTEREY CONCESSIONS GROUP. In no case will an employee be given permission to offer these services to any MONTEREY CONCESSIONS GROUP customers or potential customers. Failure to comply with this policy may result in disciplinary action or termination of employment.



## **Company Property**

### **Confidential Information Security**

As a matter of course employees of MONTEREY CONCESSIONS GROUP will have access to confidential and proprietary information. This information includes, but is not limited to, personnel information, pricing, client lists, contractual agreements, intellectual property and marketing/sales strategies. It is a condition of employment that you not disclose this information to third parties during or after employment. Disclosure of MONTEREY CONCESSIONS GROUP confidential information without express written approval is prohibited.

### **Facilities Security**

It is the responsibility of all employees to make sure the facilities and work areas are secure. Any employee entrusted with facility keys shall make certain the facility is secure when that employee is the last to leave. See your immediate supervisor if you will be left with this responsibility. This includes, but is not limited to, turning off appropriate lights, closing and locking all doors and windows and setting the security alarm.

Report any potential security risks to your immediate supervisor.

### **Office Supplies, Postage & Company Accounts**

MONTEREY CONCESSIONS GROUP postage, postage systems, shipping accounts and accounts with various vendors and suppliers are to be used for company business purposes only. Improper use of these items may result in appropriate disciplinary action, up to and including termination.

### **Company Vehicles**

Use of company vehicles for personal purposes is prohibited.

### **Company Equipment**

Company property, such as laser printers, copiers, computers and all production tools, are to be used for MONTEREY CONCESSIONS GROUP business purposes only. Use of unauthorized equipment may result in appropriate disciplinary action, up to and including termination.

Your designated work area, desks and cabinets are not to be locked with personal locks. If you need assistance securing company property see your immediate supervisor.

### **Phone Systems, Voice Mail and Personal Calls**

Telephone systems, equipment and operators are in place to provide business services of the company. Employees are to limit the personal use of these items. Lengthy calls should be made during breaks.

Long distance calls for personal use are prohibited.

### **Conservation and Recycling**

Conserving energy and resources is a priority at MONTEREY CONCESSIONS GROUP. Employees are required to conserve power and water in all reasonable ways. Recycling containers are provided throughout the facility for collection. Containers are marked for various materials. Please be certain to separate all recyclables and put them into the appropriate containers.

## **Computer Related**

### **Computers and Related Equipment**

MONTEREY CONCESSIONS GROUP provides employees access to computers, printers and other equipment on an as-needed basis, to perform their job requirements. This equipment is to be used exclusively for the business activities of MONTEREY CONCESSIONS GROUP. Employees found to be using company computer equipment for personal use may be subject to appropriate disciplinary action, up to and including termination.

Employees are required to maintain their computers and related equipment in good working order. If any of your equipment needs service, repair or maintenance, notify your immediate supervisor.

Employees shall not use company systems to knowingly violate any city state or federal laws.

Computer games and personal software may not be installed on company equipment.

Company equipment shall not be used to create or store personal information or projects.

Company equipment shall not be used to store or display images depicting violence, sexually explicit material or are racially offensive material.

Software installed on company computers must be properly licensed and installed at the direction of the computer systems supervisor.

Employees are not permitted to download any software (free or otherwise) without express permission from the computer systems supervisor.

### **Internet**

Company computer systems, connected to the Internet, are connected for business purpose only. Accessing the Internet for personal use is prohibited. Employees are expressly prohibited from allowing any third party to use company provided computers or Internet services.

Conducting company business on the Internet must be done following all guidelines and policies for conducting business in conventional settings.

Do not expect privacy on company computers. Our software and systems have the capability of tracking each visit, each email, each chat and each file transfer, by every computer on the system.

MONTEREY CONCESSIONS GROUP maintains the right to limit Internet access.

## MONTEREY CONCESSIONS GROUP EMPLOYEE HANDBOOK

MONTEREY CONCESSIONS GROUP will comply with any reasonable requests from law enforcement to review Internet activities of any employee.

While accessing the Internet, employees should be fully aware of the global reach of the media. Employees are required to maintain a high level of dignity and be mindful that they represent MONTEREY CONCESSIONS GROUP to the world at large while online.

For protection of the company network and proprietary information, security measures have been installed on the systems. No employee shall, under any circumstances, attempt to disable or circumvent these security measures.

### Email & Electronic Communication

Company provided email is provided for business purposes only. Personal use should be kept to an absolute minimum.

All emails, sent or received, are company records and as such, are accessible to appropriate staff members.

No anonymous emails can be sent from company systems. All employees are required to identify themselves by name and email address.

Chat room participation is prohibited except for business related forums which require approval from your immediate supervisor.

## Policies for Leave of Absence

### Eligibility

Paid and non-paid leave of absence is a benefit of working at MONTEREY CONCESSIONS GROUP. To qualify for these leave of absence benefits the employee must be a full time employee and have completed a minimum of ninety (90) days continuous employment with MONTEREY CONCESSIONS GROUP. Full time employees are employees who have been assigned a regular 40 hours per week work shift. Employees scheduled for less than 40 hours weekly are not eligible. MONTEREY CONCESSIONS GROUP reserves the right to, without notice, revise these leave of absence policies.

If you have questions contact the Human Resources department.

### Personal Leave of Absence

MONTEREY CONCESSIONS GROUP will make every reasonable effort to consider personal leave of absence. Apply for unpaid personal leave of absence authorization from the Human Resources department. Many factors are considered when determining eligibility for personal leave of absence and is granted or denied solely at the discretion of MONTEREY CONCESSIONS GROUP. When granted, the maximum allowable is 30 days per calendar year.

### Sick Leave

Sick leave benefits are earned at a rate of one day of paid sick leave for every 2 completed calendar months worked. Eligible employees can earn up to six days of

## MONTEREY CONCESSIONS GROUP EMPLOYEE HANDBOOK

sick leave per year. At the end of employment with MONTEREY CONCESSIONS GROUP, employees will not be paid for unused sick leave days.

Notify your immediate supervisor or the Human Resources department in advance when you plan to use sick leave for scheduled medical procedures or doctors appointments.

If you are sick and unable to attend work or if you must leave before the end of your shift because of illness, notify your immediate supervisor as early as reasonably possible.

### Personal Time

MONTEREY CONCESSIONS GROUP does not offer paid personal time as part of compensation packages. Hours not worked will be deducted from the employees check. See supervisor for options to make up the time.

### Short-Term Disability Leave

Notify your immediate supervisor or the Human Resources department in advance when you plan to use short term disability leave for scheduled medical procedures or pregnancy related disability. MONTEREY CONCESSIONS GROUP reserves the right to verify any employee's inability to perform job duties through consultation of medical experts selected by MONTEREY CONCESSIONS GROUP.

MONTEREY CONCESSIONS GROUP will receive maternity leave regardless of the number of months or hours worked for the period of time during which you're disabled due to pregnancy and childbirth, up to a maximum of four months. During this period, you may collect state temporary disability payments of about two-thirds of your wages--up to \$490 a week--for the time during which you are physically disabled due to pregnancy and childbirth (usually six to eight weeks).

MONTEREY CONCESSIONS GROUP will authorize a request for a leave of absence on account of a pregnancy-related disability. An eligible, pregnant employee has the right to take pregnancy disability leave without pay for a reasonable period of time not to exceed four months. MONTEREY CONCESSIONS GROUP will grant you this right immediately upon hire, meaning there is no length of service requirement before you are entitled to pregnancy disability leave. A woman is eligible for such leave if, in the opinion of her health care provider, her pregnancy renders her unable to work, unable to perform one or more of the essential functions of her job, or unable to perform these functions without undue risk.

When you return from pregnancy disability leave, MONTEREY CONCESSIONS GROUP will return you to your original job. There are two exceptions to this rule, however. The first exception applies when your job has ceased to exist because of a legitimate business reason unrelated to your pregnancy disability leave, such as a layoff or closure. The second exception applies if preserving the job for the employee, such as leaving it unfilled or filling it with a temporary employee, would substantially undermine the Company's ability to operate the business safely and efficiently. If either of these exceptions exists, MONTEREY CONCESSIONS GROUP will still attempt to provide you with a comparable position if one is available.

California law provides for a program of State Disability Insurance. To be eligible for benefits under this program, you must meet the following requirements:

## MONTEREY CONCESSIONS GROUP EMPLOYEE HANDBOOK

- You must be unable to do your regular or customary work for at least eight consecutive days.
- You must be employed or actively looking for work at the time you become disabled. You must have lost wages because of your disability or, if unemployed, have been actively looking for work.
- You must have earned at least \$300 from which SDI deductions were withheld during a previous period
- You must be under the care and treatment of a licensed doctor or accredited religious practitioner during the first eight days of your disability. (The beginning date of a claim can be adjusted to meet this requirement.) You must remain under care and treatment to continue receiving benefits.
- You must complete and mail a claim form within 49 days of the date you became disabled or you may lose benefits.
- Your doctor must complete a medical certification of your disability. A licensed midwife, nurse-midwife, or nurse practitioner may complete the medical certification for disabilities related to normal pregnancy or childbirth. Note: If you are under the care of a religious practitioner, request a "Practitioner's Certificate," DE 2502, from the SDI office. Certification by a religious practitioner is acceptable only if the practitioner has been accredited by Employment Development Department.

MONTEREY CONCESSIONS GROUP is required by law to make SDI deductions from your check. SDI may pay up to 52 weeks of benefits with a waiting period of only seven days.

Effective July 1, 2004, California law provides for Paid Family Leave. Paid Family Leave is unemployment compensation disability insurance paid to workers who suffer a wage loss when they take time off work to care for a seriously ill family member or bond with a new child. You may receive up to six (6) weeks of benefits that may be paid over a 12-month period.

The Paid Family Leave Insurance program is fully funded by employees' contributions, similar to the State Disability Insurance program. Effective January 1, 2004 the Paid Family Leave Insurance contribution rate will be approximately .08 percent. Your weekly benefit amount will be approximately 55 percent of your earnings up to the maximum weekly benefit amount.

MONTEREY CONCESSIONS GROUP is required by state law to deduct a small amount from your check to pay the premium for State Disability Insurance. SDI will pay benefits to you if you become disabled. Disability includes pregnancy.

### Unpaid Family & Medical Leave

MONTEREY CONCESSIONS GROUP employees are eligible to take unpaid leave as per the terms of The Family and Medical Leave Act of 1993. Consult the Human Resources department for details and notify your immediate supervisor if you choose to take this unpaid leave of absence.

## MONTEREY CONCESSIONS GROUP EMPLOYEE HANDBOOK

### Funeral Leave

MONTEREY CONCESSIONS GROUP will provide reasonable time off for employees to attend funerals of friends and loved ones. In the event of a death in the immediate family of the employee, up to three days unpaid time off may be granted to attend to family matters and funeral arrangements. Contact the Human Resources department concerning your specific needs.

### Jury Duty

Notify your immediate supervisor if you are summoned for jury duty. Time off from work will be granted as necessary in compliance with applicable law.

### Military Duty

In accordance with requirements of law, MONTEREY CONCESSIONS GROUP will provide military leave of absence and reinstatement for qualifying employees.

---

## Benefits

### Overview

Benefits to employees are provided at the will of MONTEREY CONCESSIONS GROUP and MONTEREY CONCESSIONS GROUP reserves the right to modify or eliminate benefits without notice under conditions of law. The benefits listed herein are intended to be a general description only. Details of specific benefits are outlined in the documentation for the benefit program.

### Eligibility

To qualify for benefits an employee must be considered full time and have completed a minimum of ninety (90) days continuous employment with MONTEREY CONCESSIONS GROUP. To qualify for vacation benefits a full time employee must have completed one full year continuous employment. Full time employees are employees who have been assigned a regular 40 hours per week work shift. Employees scheduled for less than 40 hours weekly are not eligible. MONTEREY CONCESSIONS GROUP reserves the right to, without notice, revise these eligibility requirements.

If you have questions contact the Human Resources department.

### Group Medical Insurance

MONTEREY CONCESSIONS GROUP pays a substantial portion of premium costs for coverage of eligible employees. Coverage is available through the current plan for dependents. Any additional premium cost for the employee and all premiums for dependent coverage are the responsibility of the employee. Employee portion of premiums must be paid through payroll deduction. Details of the plan are available through the Human Resources department.

Notice: Plan details may change without notice.

## MONTEREY CONCESSIONS GROUP EMPLOYEE HANDBOOK

### Life Insurance Policies

MONTEREY CONCESSIONS GROUP does not offer life insurance policies to employees at this time.

### 401K Plan

MONTEREY CONCESSIONS GROUP does not offer a 401K plan at this time.

### Retirement

MONTEREY CONCESSIONS GROUP does not offer a retirement plan at this time.

### Worker's Compensation

State and federal law governs eligibility requirements. All premium costs are paid by MONTEREY CONCESSIONS GROUP. Claims are paid directly to employees. All employees are expected to return to work immediately upon release by their physician.

Employees are required to report job-related injuries immediately. Failure to comply could result in difficulty with the employee's claim.

Report to your immediate supervisor all accidents or injuries.

### Vacations

MONTEREY CONCESSIONS GROUP provides paid vacation time for all eligible employees. To qualify for vacation benefits a full time employee must have completed one full year continuous employment. Employees are encouraged to take a vacation every year. Vacation time may not be carried over to the following year. Additional non-paid vacation days may be considered in order to extend vacations providing you acquire written approval from your immediate supervisor. Workloads are considered when choosing to grant or deny these requests. Paid company holidays which occur during your vacation are not counted as vacation days.

### COBRA

MONTEREY CONCESSIONS GROUP, in accordance with federal law offers continued medical benefits to employees who lose eligibility for coverage via termination or other circumstances. COBRA (Consolidated Omnibus Budget Reconciliation Act) provides employees and their qualified beneficiaries the opportunity to continue health coverage under the company's health plan. The employee pays full cost for coverage at our group rate, plus an administration fee.

The Human Resources department will provide details of COBRA coverage and procedures for applying at the time an employee loses eligibility.

MONTEREY CONCESSIONS GROUP does not offer employees a discount on products or services.

## **Discipline Policies**

---

### **Problem Resolutions**

The solution to most problems is often found through communication. We will make every reasonable effort to assist in solving problems or disputes amongst employees.

We recommend the following:

For disputes between employees, first discuss the problem between the two employees and make every attempt to resolve it. If no resolution is reached, both employees together should approach a supervisor and allow the supervisor to participate in the resolution. If a resolution is not reached, it should be turned over to the Human Resources department. The Human Resources department will gather and review all information and provide a solution with the best interest of all parties.

If a supervisor is involved as a party in the initial dispute, it must be turned over to the Human Resources department at the outset.

Decisions of the Human Resources department will be final.

---

### **Violation of Company Policy**

Employees found to be in violation of company policy will be given official notice of the infraction. All reasonable attempts to resolve the problem will be made to constructively resolve the situation. Appropriate disciplinary action, up to and including termination, may be taken if the violation continues.

Employees who believe they have been falsely charged with an infraction can appeal the charge to the Human Resources department. All appeals must be in writing clearly defining the reason you believe the charge was false. The Human Resources department will review all available information and make a ruling. All decisions of the Human Resources department are final.

Notices of violation, appeals and final disposition documentation will become a permanent record in the employee's personnel file.



## Termination of Employment

### Termination

Employees of MONTEREY CONCESSIONS GROUP are not given tenure. The employees of MONTEREY CONCESSIONS GROUP may choose to terminate employment at any time.

Employees choosing to terminate their employment with MONTEREY CONCESSIONS GROUP are required to return all company property to their immediate supervisor before leaving the premises on their final day of employment. Upon receipt of all company owned property, the employee will receive their final paycheck including any earned vacation pay, if applicable.

MONTEREY CONCESSIONS GROUP may terminate employment at any time for any reason. If an employee is terminated for a severe violation of policy they will be escorted from the premises immediately. Any personal property, plus their final paycheck including any earned vacation pay, if applicable, will be given to the employee upon receipt of all company owned property.

The Human Resources department will provide opportunity to all employees leaving MONTEREY CONCESSIONS GROUP to have an exit interview. Request for exit interviews must be made with reasonable time for the Human Resources department to schedule the interview.

MONTEREY CONCESSIONS GROUP considers personnel files confidential. Any request for employment confirmation will be provided only with employment dates and positions held.

### Severance

MONTEREY CONCESSIONS GROUP does not offer severance benefits for employees terminating employment for any reason.

**MONTEREY CONCESSIONS GROUP EMPLOYEE HANDBOOK**

---

I have read the policies outlined in this handbook. I understand that while this is not an employment contract I am bound to abide by the policies set herein.

I further understand that MONTEREY CONCESSIONS GROUP may modify, revise and update policy and/or this manual at any time. I am also aware that this updating may include additions or deletions.

I also certify that I have had ample time to discuss this handbook and its contents with MONTEREY CONCESSIONS GROUP representatives and I fully understand the contents.

With this knowledge I accept the policies outlined herein as a condition of employment.

---

Employee signature \_\_\_\_\_

Date \_\_\_\_\_

MONTEREY CONCESSIONS GROUP reserves the right to make changes to this handbook for the purpose of modifying, revising and updating company policy and this manual. Notice of changes will be posted on the bulletin boards and become a part of this manual. Violation of any company policy may result in immediate termination.

©2010 The Monterey Concessions Group. All Rights Reserved.

---

LA bar  
services

# ADDENDUM

---

## **3.1.1**

### **Resumes**

# LABAR SERVICES

5810 Bright Avenue  
Whittier, CA 90601  
(562) 789-8932 home  
(310) 502-4109 work

## KYLE P. KOESTNER

---

### PROFESSIONAL EXPERIENCE

2001 to Present      **MONTEREY CONCESSIONS GROUP – OWNER/PARTNER**

Responsible for all management and operational aspects of concessions management company. Total awarded concession contracts exceed \$2.4 million. Proven ability to maintain and improve operations including, but not limited to: Better Service, Improved Product Selection, Improved Aesthetics of Operations, and Improved Marketing Strategies.

1990 to 2007      **GOLDBERG & SOLOVY FOODS, INC.  
VERNON, CALIFORNIA  
Vice President, Sales and Marketing**

Direct all aspects of Sales and Marketing effort, including managing 45 employees. Established department goals to assist in moving annual sales from \$42 million to \$105 million. Created new Marketing programs, which will generate \$900,000 in net revenue for 2001. Initiate and maintain key account relationships. Devise new sales incentive that has produced in excess of 500% return on targeted items. Redesign sales compensation, design new sales training programs. Implement lap top technology for the sales department. Implement and chair plant managers meetings that have increased operating efficiencies. Chair employee 401K retirement committee.

3/89 to 9/90      **GOLDBERG & SOLOVY FOODS, INC.  
VERNON, CALIFORNIA  
Sales Representative**

Responsible for all aspects selling to wholesale food service customers. Cold calling to develop sales territory. Based on efforts created the highest gross margin territory. Achieved full partner status (\$2 million in annual sales) in shortest time since founding of company in 1970. Competed with senior sales people and won trip to Italy in rookie year. Based on job performance was promoted to VP sales and marketing in just 13 months.

# LA bar services

- Managing Consultant to Il Forno, La Vecchia and Larchmont Restaurants  
Annual Sales over \$1 Million
- Catered to a diverse group of clientele

Los Angeles Business, Civic, and Entertainment Industries  
Partial list of Costumers:

Los Angeles Legal Aid Foundation, House Bar Institute,  
Los Angeles Children's Hospital  
The NAACP Image Awards, The Ace Awards, Hip Hop Awards, Capitol,  
Warner and Virgin Records  
Los Angeles County Supervisor Burke, Los Angeles  
City Controllers Office

1972 – Present

**Los Angeles Unified School District**  
Instructor of Adult Education

Experience includes Department Chairman of English as a  
Second Language, Branch Coordinator, participant in the  
development of Adult Asian Students Project

1966 – 1987

**Ambassador Hotel**

Employed over 20 years with broad experience in all aspects of management  
in the hospitality industry of a 500 room hotel. This included, but was not  
limited to, the food operations of 17 banquet and meeting rooms, three full  
restaurants and bars, which operated daily, with an annual gross income in  
excess of \$5 million.

**Education** California State University, Northridge  
Bachelors of Arts in History, 1972

University of California, Los Angeles

Adult Education Methods and Principals in Teaching, 1973

California Adult Education Life Time Credentials

Social Sciences, ESL, Citizenship and Basic Education, 1975

# LA bar SERVICES

16000 Aiglon Street  
Pacific Palisades, CA. 90272  
213 739-8750  
E-mail  
[upstagecatering@yahoo.com](mailto:upstagecatering@yahoo.com)

## P. MIKE BEGAKIS

**Experience** 2001 – Present  
**Monterey Concessions – Owner / Partner**

Assist in all aspects of establishing a food service management company.  
Awarded contract to manage the clubhouse at Griffith Park (Wilson Harding Golf Course). Increased sales volume by more than 25% during the first year and improved operations including, but not limited to: Better service, improved product selection, improved aesthetics of operation, and improved marketing package.

1978 – Present  
**B & B Foods and Concessions – Owner / Operator**

- Los Angeles County Department of Beaches and Harbors  
Will Rodgers Beach I and II, Pacific Palisades  
Dockweiler Beach II, Playa del Rey  
Burton Chace Park, Marina del Rey
- Patio Deli 1981 – 1991  
Developed and operated one of Los Angeles mid town's most successful deli
- Nick's Deli 1990 – 1995
- Nick's Original Burgers 1978 – 1988  
Built, developed and operated three locations
- California State Parks and Recreations  
Will Rogers State Historical Park 1998

1984 – Present  
**Upstage Café Catering – Owner / Operator**

- Exclusive Caterer for the Historic Wiltem Theatre
- Caterer for UCLA Performing Arts, Royce Hall
- Upstage Café at the Historic Pelleseir Building 1985 – 1996  
Annual Sales over \$800,000.00

# LA bar services

- Managing Consultant to Il Forno, La Vecchia and Larohmont Restaurants  
Annual Sales over \$1 Million
- Catered to a diverse group of clientele  
Los Angeles Business, Civic, and Entertainment Industries

Partial list of Costumers:

Los Angeles Legal Aid Foundation, House Ear Institute,  
Los Angeles Children's Hospital  
The NAACP Image Awards, The Ace Awards, Hip Hop Awards, Capitol,  
Warner and Virgin Records  
Los Angeles County Supervisor Burke, Los Angeles  
City Controllers Office

1972 - Present

Los Angeles Unified School District  
Instructor of Adult Education

Experience includes Department Chairman of English as a  
Second Language, Branch Coordinator, participant in the  
development of Adult Asian Students Project

1966 - 1987

Ambassador Hotel

Employed over 20 years with broad experience in all aspects of management  
in the hospitality industry of a 500 room hotel. This included, but was not  
limited to, the food operations of 17 banquet and meeting rooms, three full  
restaurants and bars, which operated daily, with an annual gross income in  
excess of \$5 million.

Education California State University, Northridge  
Bachelors of Arts in History, 1972  
University of California, Los Angeles  
Adult Education Methods and Principals in Teaching, 1973  
California Adult Education Life Time Credentials  
Social Sciences, ESL, Citizenship and Basic Education, 1975

# LA bar services

## CHARITY GONZALEZ

OBJECTIVE: PURCHASING/LOGISTICS MANAGEMENT POSITION

### PROFILE

- Dynamic/ High-Energy/Polished/Articulate Professional Leader with Strong Strategic Planning Acumen
- Interact Well with Upper Management, Public & Staff As Well/Consistently Gives 110% to Employer
- Decisive/Thrives in Fast-Paced Environment/Very Detailed & Well Organized
- Excellent Communication "People" Skills/Motivational & Training Skills

### EXPERTISE

EXTREMELY ACCURATE  
(Never had had a shortage or overage)  
GREAT PROBLEM SOLVER

### EMPLOYMENT HISTORY

ENCINO GLEN, INC. - Encino, CA 05/94 - Present

Manager/Acting General Manager (as required)

[Restaurant Complex, Contracted for by City]

- Report to Board of Directors Monthly/Maintain Restaurant Flow within Targeted Percentage. Restaurant Generates 1.5 Million Annually
- Operate Profitable Upscale Restaurant catering to "VIP clientele"
- Responsible for Banquets/Catering & Weddings
- Handle all inventory/Purchasing/Negotiate Contracts/Select Vendors
- Have Budget Control/Perform Quality Control/Insure Purchases & Inventory within Designated Percentage of Business Volume
- Handle Accounting: AP, A/R & Payroll, Personnel & Policies & Procedures
- Supervise Staff of 35/Hire/Train/Give Regular Reviews & Terminate If & when Necessary

MECHANICS NATIONAL BANK - Encino, CA

12/87 - 05/84

Vault Teller/Reported to Branch Manager & Assistant to Accounting Manager

[Reason for Leaving: Bank Closed]

- Maintained Cash Management/Ordering & Shipping Cash to Merchants & all Tellers
- Responsible for all Vault & Merchant Transactions/Cash Handling/Balancing & Customer Service

VAN NUYS COMMUNITY HOSPITAL - Van Nuys, CA

01/85 - 01/87

Admitting Clerk

[Reason for Leaving: Med Surgical Closed, When ASAP Took over & Declined Offered Position]

- Admitted Patients to Hospital
- Insurance Verification

DOWNEY SAVINGS - Encino, CA

04/82 - 01/85

Teller - Loan Department

[Reason for Leaving: To Accept Better Opportunity]

- Cash Handling & Customer Service

### COMPUTER SKILLS

MS Windows/MS Word/Peachtree - Computer Oriented - Pick Up New Systems Quickly

References Furnished Upon Request

8800 Yeager Ave, #157 ... Panorama City, CA 91342

Phone: (818) 891-0113 ... Email: Nickpar@aol.com ... Cell (818) 446-3222



---

LABAR  
LA SERVICES

# ADDENDUM

---

**3.3**

**Pro Forma  
Profit & Loss**

**BAR AND BEVERAGE SERVICES CONCESSION**  
**(RFP ARS-M09-08)**  
**EXHIBIT D**  
**EXHIBIT D - PRO FORMA**

**Monterey Concessions / LA Bar Services**

	Operating Proforma - By Contract Year				
	1	2	3	4	5
<b>Revenue:</b>					
Beverage (Non-Alcoholic)	\$ 25,000	\$ 27,600	\$ 30,260	\$ 33,250	\$ 36,600
Beverage (Alcoholic)	\$ 5,000	\$ 6,300	\$ 6,050	\$ 6,650	\$ 7,260
Other	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Revenue:</b>	<b>\$ 30,000</b>	<b>\$ 32,900</b>	<b>\$ 36,360</b>	<b>\$ 39,900</b>	<b>\$ 43,860</b>
<b>Cost of Goods</b>					
Cost of Goods	\$ 6,000	\$ 6,600	\$ 7,260	\$ 7,980	\$ 8,772
<b>Gross Margin</b>	<b>\$ 24,000</b>	<b>\$ 26,200</b>	<b>\$ 29,040</b>	<b>\$ 31,920</b>	<b>\$ 35,088</b>
<b>Gross Margin %</b>	<b>80.0%</b>	<b>79.9%</b>	<b>80.0%</b>	<b>80.0%</b>	<b>80.0%</b>
<b>Expenses:</b>					
<b>Rent</b>	<b>\$ 6,000</b>	<b>\$ 6,600</b>	<b>\$ 7,260</b>	<b>\$ 7,980</b>	<b>\$ 8,772</b>
Beverage (Non-Alcoholic)	\$ -	\$ -	\$ -	\$ -	\$ -
Beverage (Alcoholic)	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Rent:</b>	<b>\$ 6,000</b>	<b>\$ 6,600</b>	<b>\$ 7,260</b>	<b>\$ 7,980</b>	<b>\$ 8,772</b>
<b>Payroll Costs</b>					
Wages	\$ 7,430	\$ 8,110	\$ 8,870	\$ 9,710	\$ 10,653
Payroll Taxes	\$ 350	\$ 400	\$ 450	\$ 500	\$ 550
Health Insurance & Benefits	\$ 800	\$ 800	\$ 700	\$ 800	\$ 900
Workers' Compensation Insurance	\$ 720	\$ 790	\$ 870	\$ 960	\$ 1,055
<b>Total Payroll Costs</b>	<b>\$ 9,000</b>	<b>\$ 9,900</b>	<b>\$ 10,890</b>	<b>\$ 11,970</b>	<b>\$ 13,158</b>
<b>Variable Costs</b>					
Accounting	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300
Advertising, Marketing & Promotion	\$ 600	\$ 700	\$ 800	\$ 900	\$ 1,000
Dues & Subscriptions					
<b>Environmental Costs</b>					
Equipment Replacement - Small	\$ 600	\$ 600	\$ 700	\$ 800	\$ 900
Equipment Replacement - Large					
<b>Legal</b>					
Office Expenses	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400
Payroll Processing Fees	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150
Professional Services	\$ 350	\$ 350	\$ 400	\$ 450	\$ 480
Repair & Maint. - FF&E					
Repair & Maint. - Building					
Supplies	\$ 200	\$ 265	\$ 285	\$ 340	\$ 476
Start up Expenses - Yr 1					
Telephone	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60
Travel & Entertainment					
Utilities	\$ 450	\$ 495	\$ 545	\$ 600	\$ 660
Other					
<b>Total Variable Expenses</b>	<b>\$ 3,000</b>	<b>\$ 3,200</b>	<b>\$ 3,630</b>	<b>\$ 3,990</b>	<b>\$ 4,386</b>
<b>Monterey Concessions / LA Bar Services</b>					
<b>Fixed Costs</b>					
Depreciation	\$ 400	\$ 400	\$ 550	\$ 640	\$ 786
Insurance & Liability	\$ 1,000	\$ 1,100	\$ 1,200	\$ 1,300	\$ 1,400
Service Contracts	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200
Licenses	\$ 1,400	\$ 1,600	\$ 1,700	\$ 1,850	\$ 2,000
Other					
<b>Total Fixed Expenses</b>	<b>\$ 3,000</b>	<b>\$ 3,200</b>	<b>\$ 3,650</b>	<b>\$ 3,990</b>	<b>\$ 4,386</b>
<b>Total Operating Expenses:</b>	<b>\$ 21,000</b>	<b>\$ 22,900</b>	<b>\$ 25,430</b>	<b>\$ 27,930</b>	<b>\$ 30,792</b>
<b>Profit Before Interest and Taxes</b>	<b>\$ 3,000</b>	<b>\$ 3,300</b>	<b>\$ 3,610</b>	<b>\$ 3,990</b>	<b>\$ 4,386</b>
<b>Debt Expense</b>					
Taxes	\$ 600	\$ 660	\$ 726	\$ 798	\$ 876
Other					
<b>Net Profit:</b>	<b>\$ 2,400</b>	<b>\$ 2,640</b>	<b>\$ 2,884</b>	<b>\$ 3,182</b>	<b>\$ 3,508</b>
<b>Break Even Analysis</b>	<b>\$ 2,400</b>	<b>\$ 5,040</b>	<b>\$ 7,924</b>	<b>\$ 11,116</b>	<b>\$ 14,824</b>

**BAR AND BEVERAGE SERVICES CONCESSION  
(RFP ARS-M09-08)  
EXHIBIT D - ASSUMPTIONS**

Proposer	Detail Assumptions used for developing proposed Revenues and Expenses
<b>Revenue:</b>	
Beverage (Non-Alcoholic)	
Beverage (Alcoholic)	
Other	
<b>Cost of Goods</b>	<b>ASSUMPTIONS:</b>
	LA Bar Services assumptions are based on : approximately 1/5 of the normal volume
	based on the City designating 5 new bar services providers; and our historical experience
	as the current exclusive bar service provider.
<b>Expenses:</b>	
Rent	
Food	
Beverage (Non-Alcoholic)	
Beverage (Alcoholic)	
Banquet Services	
Other	
<b>Payroll Costs</b>	
Wages	
Payroll Taxes	
Health Insurance & Benefits	
Workers' Compensation Insurance	
<b>Variable Costs</b>	
Accounting	
Advertising, Marketing & Promotion	
Dues & Subscriptions	
Environmental Costs	
Equipment Replacement - Small	
Equipment Replacement - Large	
Legal	
Office Expenses	
Payroll Processing Fees	
Professional Services	
Repair & Maint. - FF&E	
Repair & Maint. - Building	
Supplies	
Start up Expenses - Yr 1	
Telephones	
Travel & Entertainment	
Utilities	
Other	
<b>Fixed Costs</b>	
Depreciation	
Insurance & Liability	
Service Contracts	
Licenses	
Other	
<b>Debt Expense</b>	
Taxes	
Other	

**BAR AND BEVERAGE SERVICES CONCESSION**  
**(RFP ARS-M09-08)**  
**EXHIBIT D**  
**EXHIBIT D - CASH FLOW**

**Monterey Concessions / LA Bar Services**

	Cash Flow - By Contract Year				
	1	2	3	4	5
<b>Sources of Cash</b>					
Capital Loan					
Private Funds					
Operating Profits	\$ 2,400	\$ 2,640	\$ 2,884	\$ 3,192	\$ 3,608
Plus:					
Depreciation	\$ 400	\$ 400	\$ 550	\$ 640	\$ 786
Change in Accounts Payable					
Change in Payroll Payable					
Other					
Other					
<b>Total Sources Of Cash</b>	<b>\$ 2,800</b>	<b>\$ 3,040</b>	<b>\$ 3,434</b>	<b>\$ 3,832</b>	<b>\$ 4,294</b>
<b>Uses of Cash</b>					
Capital Investment					
Change in Accounts Receivables					
Change in Inventory					
Repayment of Loan Principal					
Other					
<b>Total Uses of Cash</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Change in Cash Flow</b>	<b>\$ 2,800</b>	<b>\$ 3,040</b>	<b>\$ 3,434</b>	<b>\$ 3,832</b>	<b>\$ 4,294</b>
<b>Break Even Cash Flow</b>	<b>\$ 2,800</b>	<b>\$ 5,840</b>	<b>\$ 9,274</b>	<b>\$ 13,106</b>	<b>\$ 17,400</b>

**MONTEREY BAR AND BEVERAGE SERVICES CONCESSION  
INCOME STATEMENT  
FOR THE PERIODS ENDING DECEMBER 31, 2007 AND 2008**

	Fiscal Years		Variance	
	2007	2008	Increase	Decrease
Revenue				
Sales	\$ 280,036	\$ 160,045		\$ (119,991)
<b>Total Revenue</b>	<b>\$ 280,036</b>	<b>\$ 160,045</b>	<b>\$ -</b>	<b>\$ (119,991)</b>
Cost of Sales	\$ 76,751	\$ 35,873		\$ (40,878)
<b>Gross Profit</b>	<b>\$ 203,285</b>	<b>\$ 124,172</b>	<b>\$ -</b>	<b>\$ (79,113)</b>
Total Selling Expenses	\$ 20,203	\$ 12,286		\$ (7,917)
<b>General and Administrative Expenses</b>				
Salaries and Wages	\$ 69,649	\$ 56,015		\$ (13,634)
Rent	\$ 45,746	\$ 25,522		\$ (20,224)
Auto Expenses	\$ 11,321	\$ 13,744	\$ 2,423	
Outside Services	\$ 16,836	\$ 10,992		\$ (5,905)
Bank Charges and Interest Expenses	\$ 9,286	\$ 9,983	\$ 697	
Payroll Taxes	\$ 25,163	\$ 5,602		\$ (19,561)
Office Expenses	\$ 4,499	\$ 3,014		\$ (1,485)
Insurance	\$ 1,845	\$ 1,874	\$ 29	
Utilities	\$ 6,024	\$ 1,532		\$ (4,492)
Telephone	\$ 625	\$ 378		\$ (247)
<b>Total General and Administrative Expenses</b>	<b>\$ 190,993</b>	<b>\$ 128,596</b>	<b>\$ 3,149</b>	<b>\$ (65,547)</b>
<b>Net Income (Loss)/Net Variance (Decrease)</b>	<b>\$ (7,911)</b>	<b>\$ (16,710)</b>		<b>\$ (149,428)</b>

LA bar  
LA services

# ADDENDUM

---

**5.**

**Services / Products  
Price List**

# LA bar services

## HOSTED BAR PRICING

Based on Group Size

BAR SERVICES	75 Guests, or less	76 to 125 Guests	126 to 175 Guests	176+ Guests
<i>Soda &amp; Water Bar</i>	\$4.50 pp	\$4.50 pp	\$4.50 pp	\$4.50 pp
<i>Soda, Juice, &amp; Water</i>	\$5.50 pp	\$5.50 pp	\$5.50 pp	\$5.50 pp
<i>Value Bar</i>	\$12.50 pp	\$10.50 pp	\$9.50 pp	\$8.50 pp
<i>Call Bar</i>	\$13.50 pp	\$12.50 pp	\$11.50 pp	\$10.50 pp
<i>Premium Bar</i>	\$17.50 pp	\$16.50 pp	\$15.50 pp	\$14.50 pp*
				‡ Includes Complementary Champagne Toast
<i>Includes</i>	1 Bar 1 Bartender 4 hours	1 Bar 1 Bartender 4 hours	1 Bar 1 Bartender 4 hours	1 Bar 1 Bartender 4 hours
<i>Additional Time</i>	\$150/Hour	\$250/Hour	\$300/Hour	\$350/Hour
<i>Soda &amp; Water Bar</i>	\$100/Hour	\$125/Hour	\$175/Hour	\$175/Hour
<i>Soda, Juice &amp; Water</i>	\$150/Hour	\$175/Hour	\$200/Hour	\$225/Hour

\* 4 Hours Open For Service

\* All prices subject to 18% Service Charge

\*\* All Prices are subject to Applicable Tax

LIQUOR	Value Bar	Call Bar	Premium Bar
<i>Vodka</i>		Smirnoff	Absolut, Skyy, Stolichnaya
<i>Gin</i>		Barton	Bombay, Beefeater
<i>Rum</i>		Ron Rico, Malibu	Bacardi, Myers, Malibu
<i>Tequila</i>		Suaza	Cuervo Gold
<i>Scotch</i>		Chivas Regal	Johnnie Walker Red
<i>Whiskey</i>		Seagrams 7, Jim Beam	Crown Royal, Jack Daniels
<i>Brandy</i>		Christian Brothers	Hennessy
<i>Cordials</i>		Baileys, Kahlua	Baileys, Kahlua, Grand Marnier
<i>Beer</i>	Keg Domestic	2 Kegs Bud, Bud Lite	2 Kegs (Choice of Two) Bud, Bud Lite MGD, Miller Lite
<i>Wine</i>	Chardonnay Cabernet or Merlot	Chardonnay Cabernet or Merlot	Chardonnay Cabernet Merlot
<i>Soft Drinks</i>	Assorted Including Diet	Assorted Including Diet	Assorted Including Diet
<i>Juice</i>	Orange Cranberry Pineapple	Orange Cranberry Pineapple	Orange Cranberry Pineapple
<i>Water</i>	Bottled Water	Bottled Water	Bottled Water

# LA bar services

## NO HOST / CASH BAR PRODUCTS & PRICING

LIQUOR	Brand	Price
<i>Vodka</i>	Smirnoff / Barton	\$6.00 / \$5.00
<i>Gin</i>	Beefeater / Barton	\$6.00 / \$5.00
<i>Rum</i>	Bacardi / Ron Rico	\$6.00 / \$5.00
<i>Tequila</i>	Suaza / Montezuma	\$6.00 / \$5.00
<i>Scotch</i>	Chivas Regal	\$6.00
<i>Whiskey</i>	Jack Daniels, Jim Beam	\$6.00 / \$5.00
<i>Cordials</i>	Balleys, Kahlua	\$6.00 / \$5.00
<i>Cognac</i>	Hennessey (Premium)	\$8.00
<i>Wine</i>	Merlot	\$4.00
	Chardonnay	\$4.00
	Cabernet	\$4.00
<i>Beer</i>	Domestic	\$3.00
	Imported	\$5.00
<i>Soft Drinks</i>	Assorted, including Diet	\$1.00
<i>Juice</i>	Orange	\$2.00
	Cranberry	\$2.00
	Pineapple	\$2.00
<i>Water</i>	Crystal Geysler	\$1.00

## CASH BAR SETUP FEE

\$495.00 - Minimum 4 hours

\$100.00 - each additional hour

Includes: 1 Bar, 1 Bartender & up to 50 Guests

\* All prices subject to 18% Service Charge

\*\* All Prices are subject to Applicable Tax



**BAR AND BEVERAGE SERVICES CONCESSION**  
**(RFP ARS-M09-08)**  
**EXHIBIT D**  
**EXHIBIT D - PRO FORMA**

**Monterey Concessions / LA Bar Services**

	<b>Operating Proforma - By Contract Year</b>				
	1	2	3	4	5
<b>Revenue:</b>					
Beverage (Non-Alcoholic)	\$ 25,000	\$ 27,500	\$ 30,250	\$ 33,250	\$ 36,600
Beverage (Alcoholic)	\$ 5,000	\$ 5,300	\$ 6,050	\$ 6,650	\$ 7,260
Other	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Revenue:</b>	<b>\$ 30,000</b>	<b>\$ 32,800</b>	<b>\$ 36,300</b>	<b>\$ 39,900</b>	<b>\$ 43,860</b>
<b>Cost of Goods</b>					
	\$ 6,000	\$ 6,600	\$ 7,280	\$ 7,980	\$ 8,772
<b>Gross Margin</b>	<b>\$ 24,000</b>	<b>\$ 26,200</b>	<b>\$ 29,040</b>	<b>\$ 31,920</b>	<b>\$ 35,088</b>
<b>Gross Margin %</b>	<b>80.0%</b>	<b>79.9%</b>	<b>80.0%</b>	<b>80.0%</b>	<b>80.0%</b>
<b>Expenses:</b>					
Rent	\$ 6,000	\$ 6,600	\$ 7,280	\$ 7,980	\$ 8,772
Beverage (Non-Alcoholic)	\$ -	\$ -	\$ -	\$ -	\$ -
Beverage (Alcoholic)	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Rent:</b>	<b>\$ 6,000</b>	<b>\$ 6,600</b>	<b>\$ 7,280</b>	<b>\$ 7,980</b>	<b>\$ 8,772</b>
<b>Payroll Costs</b>					
Wages	\$ 7,430	\$ 8,110	\$ 8,870	\$ 9,710	\$ 10,653
Payroll Taxes	\$ 350	\$ 400	\$ 450	\$ 500	\$ 550
Health Insurance & Benefits	\$ 600	\$ 600	\$ 700	\$ 800	\$ 800
Workers' Compensation Insurance	\$ 720	\$ 790	\$ 870	\$ 960	\$ 1,055
<b>Total Payroll Costs</b>	<b>\$ 9,000</b>	<b>\$ 9,900</b>	<b>\$ 10,890</b>	<b>\$ 11,970</b>	<b>\$ 13,158</b>
<b>Variable Costs</b>					
Accounting	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300
Advertising, Marketing & Promotion	\$ 600	\$ 700	\$ 800	\$ 900	\$ 1,000
Dues & Subscriptions					
Environmental Costs					
Equipment Replacement - Small	\$ 500	\$ 500	\$ 700	\$ 800	\$ 900
Equipment Replacement - Large					
Legal					
Office Expenses	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400
Payroll Processing Fees	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150
Professional Services	\$ 350	\$ 350	\$ 400	\$ 450	\$ 450
Repair & Maint. - FF&E					
Repair & Maint. - Building					
Supplies	\$ 200	\$ 255	\$ 285	\$ 340	\$ 476
Start up Expenses - Yr 1					
Telephone	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Travel & Entertainment					
Utilities	\$ 450	\$ 495	\$ 545	\$ 600	\$ 660
Other					
<b>Total Variable Expenses</b>	<b>\$ 3,000</b>	<b>\$ 3,200</b>	<b>\$ 3,630</b>	<b>\$ 3,990</b>	<b>\$ 4,386</b>
<b>Monterey Concessions / LA Bar Services</b>					
<b>Fixed Costs</b>					
Depreciation	\$ 400	\$ 400	\$ 550	\$ 640	\$ 786
Insurance & Liability	\$ 1,000	\$ 1,100	\$ 1,200	\$ 1,300	\$ 1,400
Service Contracts	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200
Licenses	\$ 1,400	\$ 1,500	\$ 1,700	\$ 1,850	\$ 2,000
Other					
<b>Total Fixed Expenses</b>	<b>\$ 3,000</b>	<b>\$ 3,200</b>	<b>\$ 3,650</b>	<b>\$ 3,990</b>	<b>\$ 4,386</b>
<b>Total Operating Expenses:</b>	<b>\$ 21,000</b>	<b>\$ 22,900</b>	<b>\$ 25,430</b>	<b>\$ 27,930</b>	<b>\$ 30,702</b>
<b>Profit Before Interest and Taxes</b>	<b>\$ 3,000</b>	<b>\$ 3,300</b>	<b>\$ 3,610</b>	<b>\$ 3,990</b>	<b>\$ 4,386</b>
<b>Debt Expense</b>					
Taxes	\$ 600	\$ 660	\$ 726	\$ 798	\$ 878
Other					
<b>Net Profit:</b>	<b>\$ 2,400</b>	<b>\$ 2,640</b>	<b>\$ 2,884</b>	<b>\$ 3,192</b>	<b>\$ 3,508</b>
<b>Break Even Analysis</b>	<b>\$ 2,400</b>	<b>\$ 5,040</b>	<b>\$ 7,824</b>	<b>\$ 11,116</b>	<b>\$ 14,624</b>

**BAR AND BEVERAGE SERVICES CONCESSION  
(RFP ARS-M09-08)  
EXHIBIT D - ASSUMPTIONS**

Proposer	Detail Assumptions used for developing proposed Revenues and Expenses
<b>Revenue:</b>	
Beverage (Non-Alcoholic)	
Beverage (Alcoholic)	
Other	
<b>Cost of Goods</b>	<b>ASSUMPTIONS:</b>
	LA Bar Services assumptions are based on : approximately 1/5 of the normal volume
	based on the City designating 5 new bar services providers; and our historical experience
	as the current exclusive bar service provider.
<b>Expenses:</b>	
Rent	
Food	
Beverage (Non-Alcoholic)	
Beverage (Alcoholic)	
Banquet Services	
Other	
<b>Payroll Costs</b>	
Wages	
Payroll Taxes	
Health Insurance & Benefits	
Workers' Compensation Insurance	
<b>Variable Costs</b>	
Accounting	
Advertising, Marketing & Promotion	
Dues & Subscriptions	
Environmental Costs	
Equipment Replacement - Small	
Equipment Replacement - Large	
Legal	
Office Expenses	
Payroll Processing Fees	
Professional Services	
Repair & Maint. - FF&E	
Repair & Maint. - Building	
Supplies	
Start up Expenses - Yr 1	
Telephone	
Travel & Entertainment	
Utilities	
Other	
<b>Fixed Costs</b>	
Depreciation	
Insurance & Liability	
Service Contracts	
Licenses	
Other	
<b>Debt Expense</b>	
Taxes	
Other	

**BAR AND BEVERAGE SERVICES CONCESSION**  
**(RFP ARS-M09-08)**  
**EXHIBIT D**  
**EXHIBIT D - CASH FLOW**

**Monterey Concessions / LA Bar Services**

	<i>Cash Flow - By Contract Year</i>				
	1	2	3	4	5
<b>Sources of Cash</b>					
Capital Loan					
Private Funds					
Operating Profits	\$ 2,400	\$ 2,640	\$ 2,884	\$ 3,192	\$ 3,608
Plus:					
Depreciation	\$ 400	\$ 400	\$ 550	\$ 640	\$ 786
Change in Accounts Payable					
Change in Payroll Payable					
Other					
Other					
<b>Total Sources Of Cash</b>	<b>\$ 2,800</b>	<b>\$ 3,040</b>	<b>\$ 3,434</b>	<b>\$ 3,832</b>	<b>\$ 4,294</b>
<b>Uses of Cash</b>					
Capital Investment					
Change in Accounts Receivables					
Change in Inventory					
Repayment of Loan Principal					
Other					
<b>Total Uses of Cash</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Change In Cash Flow</b>	<b>\$ 2,800</b>	<b>\$ 3,040</b>	<b>\$ 3,434</b>	<b>\$ 3,832</b>	<b>\$ 4,294</b>
<b>Break Even Cash Flow</b>	<b>\$ 2,800</b>	<b>\$ 5,840</b>	<b>\$ 9,274</b>	<b>\$ 13,106</b>	<b>\$ 17,400</b>

**MONTEREY BAR AND BEVERAGE SERVICES CONCESSION  
INCOME STATEMENT  
FOR THE PERIODS ENDING DECEMBER 31, 2007 AND 2008**

	Fiscal Years		Variance	
	2007	2008	Increase	Decrease
Revenue				
Sales	\$ 280,036	\$ 160,045		\$ (119,991)
<b>Total Revenue</b>	<b>\$ 280,036</b>	<b>\$ 160,045</b>	<b>\$ -</b>	<b>\$ (119,991)</b>
Cost of Sales	\$ 76,751	\$ 35,873		\$ (40,878)
<b>Gross Profit</b>	<b>\$ 203,285</b>	<b>\$ 124,172</b>	<b>\$ -</b>	<b>\$ (79,113)</b>
<b>Total Selling Expenses</b>	<b>\$ 20,203</b>	<b>\$ 12,286</b>		<b>\$ (7,917)</b>
<b>General and Administrative Expenses</b>				
Salaries and Wages	\$ 69,649	\$ 56,015		\$ (13,634)
Rent	\$ 45,746	\$ 25,522		\$ (20,224)
Auto Expenses	\$ 11,321	\$ 13,744	\$ 2,423	
Outside Services	\$ 16,836	\$ 10,932		\$ (5,905)
Bank Charges and Interest Expenses	\$ 9,286	\$ 9,983	\$ 697	
Payroll Taxes	\$ 25,163	\$ 5,602		\$ (19,561)
Office Expenses	\$ 4,499	\$ 3,014		\$ (1,485)
Insurance	\$ 1,845	\$ 1,874	\$ 29	
Utilities	\$ 6,024	\$ 1,532		\$ (4,492)
Telephone	\$ 625	\$ 378		\$ (247)
<b>Total General and Administrative Expenses</b>	<b>\$ 190,993</b>	<b>\$ 128,596</b>	<b>\$ 3,149</b>	<b>\$ (65,547)</b>
<b>Net Income (Loss)/Net Variance (Decrease)</b>	<b>\$ (7,911)</b>	<b>\$ (16,710)</b>		<b>\$ (149,428)</b>

**BAR AND BEVERAGE SERVICES  
CONCESSION AGREEMENT**

**EXHIBIT C**

---

**MONTHLY REMITTANCE ADVICE  
FORM**

CITY OF LOS ANGELES  
 DEPARTMENT OF RECREATION AND PARKS  
 Attn: Concessions Unit  
 P.O. Box 5386  
 Glendale, CA 91221-5386

REMITTANCE ADVICE FORM  
 BAR AND BEVERAGE SERVICES CONCESSION  
 MONTEREY CONCESSIONS GROUP DBA L.A. BAR SERVICES

PERIOD COVERED: From: \_\_\_\_\_ To: \_\_\_\_\_

CATEGORY	GROSS SALES	SALES TAX	NET SALES	RENTAL RATE	AMOUNT DUE
BEVERAGES:	_____	_____	_____	20%	\$ -
OTHER:	_____	_____	_____	_____	_____
<b>SUB-TOTAL RENT DUE:</b>					<b>\$ -</b>

UTILITIES: (1.5% Of Total Gross Sales) \$ -

LATE RENT FEE: All payments are due by the 15th for the previous month. \$ -

OCCUPANCY TAX: Paid Quarterly (April / July / October / January) for preceeding three months at \$1.48 per \$1,000 or fraction thereof of rent paid \$ -

SUB-TOTAL DUE: \$ -

ADJUSTMENTS\*: Explain:  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

\*NOTE: All amortizations (allowance for rent reduction for any expenditure) must be approved in writing by the Department of Recreation and Parks. Invoices and proof of payment must be submitted with the Remittance Advice for any and all months amortization is realized.

TOTAL AMOUNT DUE: \$ -

I hereby certify that this is a true and correct record of the period stated above:

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**BAR AND BEVERAGE SERVICES  
CONCESSION AGREEMENT**

**EXHIBIT D**

---

**WORK ORDER SERVICE  
REQUEST SHEET**

EXHIBIT-D

SAMPLE ONLY

WORK ORDER SERVICE SHEET

**MORETIREY BAR SERVICE EVENT CONFIRMATION**

SRDEF Bar  
16007 Burbark Blvd  
Encino, Ca 91436  
PH # (323) 666-7222  
FAX # (323) 666-4007  
www.moretireybar.com  
moretireybar@hotmail.com

MORETIREY Bar Services has been contracted and full payment has been received for the following event.

Event Date: 10/3/09

Location: OR

Bar Set-up: 3: 30

Bar Open: 4: 30

Bar Close: 9:00

Bar Type: HOSTED

# Of Guests: 120

Event Type: WEDDING

Client Name: COURNEY POTER

Other Notes:

(cc: Anthony.Gallo@lacity.org, Friendship.Auditorium@lacity.org,  
Joe.Salaices@lacity.org, Kurt.Ulbrich@lacity.org, Mark.Karbon@lacity.org,  
Melanie.Torres@lacity.org, Orville.Patino@lacity.org, Ana.Segura@lacity.org,  
Abby.O.Torres@lacity.org, GraceESimons.Lodge@lacity.org,  
OrcuttRanch.Rental@lacity.org, montereyatencino@gmail.com,  
upstagecatering@yahoo.com)

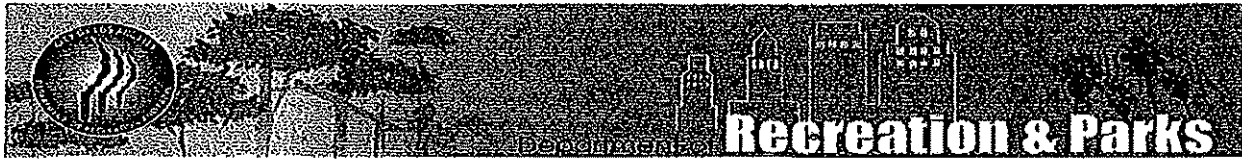


**BAR AND BEVERAGE SERVICES  
CONCESSION AGREEMENT**

---

**EXHIBIT E**

**CUSTOMER SERVICE SURVEY /  
QUESTIONNAIRE**



Customer Service Survey / Questionnaire

The City of Los Angeles, Department of Recreation and Parks, appreciates your choice in selecting our facility to host or celebrate your special event. We are hoping that your experience with us is enjoyable and memorable.

As service provider to our community, one of our goals is to provide the public the highest quality of service as much as possible.

Please set aside a few minutes of your time and complete the questionnaire below and return it to us or fax it to our office at (213) 202-3280. Your opinion will be highly appreciated.

\*\*\*\*\*

**Place of Event:** (circle one) Friendship Auditorium, Grace E. Simon Lodge, Ramona Hall, Orcutt Ranch, Cabrillo Beach Bath House, Griffith Park Visitor Center Auditorium, and Wattles Mansion

<u>Rate of Bar and Beverage Service:</u>	<u>Excellent</u>	<u>Good</u>	<u>Acceptable</u>	<u>Poor</u>
1) Availability of printed brochure at rental hall detailing service plan and detailed cost options.	4	3	2	1
2) Response time to customer inquiries within 24 hours.	4	3	2	1
3) Clearly explained product and bar service options.	4	3	2	1
4) Promptness of confirmation on customer's service requested and schedule.	4	3	2	1
5) Bartender and concessionaire staff 's familiarity and knowledge of goods and services sold.	4	3	2	1
6) Courteousness of bar service representative.	4	3	2	1
7) Flexibility and accommodation of reasonable requests.	4	3	2	1
8) Variety of products offered.	4	3	2	1
9) Prices.	4	3	2	1

**Compliments and Recommendations:**

- 1) What do you like best about your Bar and Beverage Service provider? \_\_\_\_\_
- 2) On area(s) where you rated the service as "poor", please give detailed explanation: \_\_\_\_\_
- 3) What are your recommendations to improve our bar service? \_\_\_\_\_

Name

Date

**BAR AND BEVERAGE SERVICES  
CONCESSION AGREEMENT**

---

**EXHIBIT F**

**FORM GENERAL NO. 87  
"NON-EMPLOYEE ACCIDENT OR  
ILLNESS REPORT"**

ORIG.—City Attorney  
 DUP.—Safety Engineer  
 TRIP.—Department

NON-EMPLOYEE ACCIDENT OR ILLNESS REPORT

DEPARTMENT REPORTING

**INSTRUCTIONS:** All accidents, illnesses or injuries, no matter how minor, involving non-employees while on City property, must be reported by the City employee or department in proximity. Be complete as possible. The information provided may be needed by the City Attorney in preparing the case if legal action is necessary. Use typewriter or print carefully.

**PART I — PERSONAL DATA**

1. NAME OF PERSON INJURED (Last) (First) (MI)		2a. HOME ADDRESS (Street) (City) (Zone)		3a. PHONE NO.	
		2b. BUSINESS ADDRESS (Street) (City) (Zone)		3b. PHONE NO.	
4. SEX <input type="checkbox"/> M <input type="checkbox"/> F		5. DATE OF BIRTH		6. IF MINOR, NAME OF PARENT OR GUARDIAN	
				7. PHONE NO.	

**PART II — ACCIDENT/INJURY**

8. DATE		9. TIME A.M. P.M.		10. LOCATION OF PUBLIC PROPERTY INVOLVED		11. WAS FIRST AID GIVEN? <input type="checkbox"/> YES <input type="checkbox"/> NO	
12. FIRST AID GIVEN BY (NAME)				(ADDRESS)		(PHONE NO.)	
13. PHYSICIAN/HOSPITAL INJURED TAKEN TO				(ADDRESS)		(PHONE NO.)	
14. NATURE OF INJURIES (BE SPECIFIC)							
15. DESCRIBE ACCIDENT (IN DETAIL)							
16. NAME AND POSITION OF PERSON IMMEDIATELY IN CHARGE OF FACILITY				17. WHERE WAS RESPONSIBLE PERSON AT TIME OF ACCIDENT?			

**PART III — WITNESSES**

18. NAME (Last) (First) (MI)	19. ADDRESS (Street) (City) (Zone)	20. PHONE NO.	CITY EMPLOYEE <input type="checkbox"/> YES <input type="checkbox"/> NO
a.			<input type="checkbox"/> YES <input type="checkbox"/> NO
b.			<input type="checkbox"/> YES <input type="checkbox"/> NO
c.			<input type="checkbox"/> YES <input type="checkbox"/> NO
d.			<input type="checkbox"/> YES <input type="checkbox"/> NO

**PART IV — STATEMENT OF INJURED PARTY OR WITNESS**

21.

**PART V — EMPLOYEE FILING REPORT**

22. NAME AND POSITION	23. SIGNATURE	24. DATE
-----------------------	---------------	----------

**BAR AND BEVERAGE SERVICES  
CONCESSION AGREEMENT**

**EXHIBIT G**

---

**INSURANCE REQUIREMENTS**

### Required Insurance and Minimum Limits

Name: \_\_\_\_\_ Date: 08/11/2009

Agreement/Reference: Request for ~~33020546~~ Bar and Beverage Service Provider Concession

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

\_\_\_\_\_  
Limits

Workers' Compensation - Workers' Compensation (WC) and Employer's Liability (EL) \_\_\_\_\_

WC Statutory  
El. \$1,000,000

Waiver of Subrogation in Favor of City

Longshore & Harbor Workers  
Jones Act

General Liability \_\_\_\_\_ \$1,000,000

Products/Completed Operations

Sexual Misconduct \_\_\_\_\_

Fire Legal Liability \$100,000

Liquor Liability \$1,000,000

Automobile Liability (for any and all vehicles used for this contract, other than commuting (to/from) work) \_\_\_\_\_ \$1,000,000

\_\_\_\_\_  
Professional Liability (Errors and Omissions) \_\_\_\_\_

Discovery Period 12 Months After Completion of Work or Date of Termination

\_\_\_\_\_  
Property Insurance (to cover replacement cost of building - as determined by insurance company) \_\_\_\_\_

All Risk Coverage  
 Flood  
 Earthquake

Boiler and Machinery  
 Builder's Risk

\_\_\_\_\_  
Pollution Liability  
 \_\_\_\_\_

\_\_\_\_\_  
Surety Bonds - Performance and Payment (Labor and Materials) Bonds \_\_\_\_\_ 100% of the contract price

\_\_\_\_\_  
Crime Insurance \_\_\_\_\_

Other: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**CITY OF LOS ANGELES**  
**INSTRUCTIONS AND INFORMATION**  
**ON COMPLYING WITH CITY INSURANCE REQUIREMENTS**

(Share this information with your insurance agent or broker.)

**1. Agreement/Reference** All evidence of insurance must identify the nature of your business with the CITY. Clearly show any assigned number of a bid, contract, lease, permit, etc. or give the project name and the job site or street address to ensure that your submission will be properly credited. Provide the types of coverage and minimum dollar amounts specified on the Required Insurance and Minimum Limits sheet (Form Gen. 146) included in your CITY documents.

**2. When to submit** Normally, no work may begin until a CITY insurance certificate approval number ("OA number") has been obtained, so insurance documents should be submitted as early as practicable. For As-needed Contracts, insurance need not be submitted until a specific job has been awarded. Design Professionals coverage for new construction work may be submitted simultaneously with final plans and drawings, but before construction commences.

**3. Acceptable Evidence and Approval** Electronic submission is the preferred method of submitting your documents. Track4LA™ is the CITY's online insurance compliance system and is designed to make the experience of submitting and retrieving insurance information quick and easy. The system is designed to be used primarily by insurance brokers and agents as they submit client insurance certificates directly to the City. It uses the standard insurance industry form known as the ACORD 28 Certificate of Liability Insurance in electronic format. Track4LA™ advantages include standardized, universally-accepted forms, paperless approval transactions (24 hours, 7 days per week), and security checks and balances. The easiest and quickest way to obtain approval of your insurance is to have your insurance broker or agent access Track4LA™ at <http://track4la.lacounty.org> and follow the instructions to register and submit the appropriate proof of insurance on your behalf.

Insurance industry certificates other than the ACORD 28 may be accepted. All Certificates must provide a thirty (30) days' cancellation notice provision (ten (10) days for non-payment of premium) AND an Additional Insured Endorsement naming the CITY an additional insured completed by your insurance company or its designee. If the policy includes an automatic or blanket additional insured endorsement, the Certificate must state the CITY is an automatic or blanket additional insured. An endorsement naming the CITY an Additional Named Insured and Loss Payee as its interests may appear is required on property policies. All evidence of insurance must be authorized by a person with authority to bind coverage, whether that is the authorized agent/broker or insurance underwriter.

**Acceptable Alternatives to Acord Certificates and other insurance Certificates:**

- A copy of the full insurance policy which contains a thirty (30) days' cancellation notice provision (ten (10) days for non-payment of premium) and additional insured and/or loss-payee status, when appropriate, for the CITY.
- Binders and Cover Notes are also acceptable as interim evidence for up to 90 days from date of approval.

**Additional Insured Endorsements DO NOT apply to the following:**

- Indication of compliance with statute, such as Workers' Compensation Law.
- Professional Liability Insurance.

Completed Insurance Industry Certificates other than ACORD 28 Certificates can be sent electronically ([OAC.insurance.bonds@lacounty.org](mailto:OAC.insurance.bonds@lacounty.org)) or faxed to the Office of the City Administrative Officer, Risk Management (213) 978-7816. Please note that submissions other than through

TrackOLA™ will delay the insurance approval process as documents will have to be manually processed.

Verification of approved insurance and bonds may be obtained by checking TrackOLA™, the CITY's online insurance compliance system, at <http://trackola.lacity.org>.

4. **Renewal** When an existing policy is renewed, have your insurance broker or agent submit a new Acor 25 Certificate through TrackOLA™ at <http://trackola.lacity.org> or submit an Insurance Industry Certificate or a renewal endorsement as outlined in Section 3 above. If your policy number changes you must also submit a new Additional Insured Endorsement with an Insurance Industry Certificate.

5. **Alternative Programs/Self-Insurance** Risk financing mechanisms such as Risk Retention Groups, Risk Purchasing Groups, off-shore carriers, captive insurance programs and self-insurance programs are subject to separate approval after the CITY has reviewed the relevant audited financial statements. To initiate a review of your program, you should complete the Applicant's Declaration of Self Insurance form (<http://cao.lacity.org/disk/InsuranceForms.htm>) to the Office of the City Administrative Officer, Risk Management for consideration.

6. **General Liability Insurance** covering your operations (and products, where applicable) is required whenever the CITY is at risk of third-party claims which may arise out of your work or your presence or special event on City premises. Sexual Misconduct coverage is a required coverage when the work performed involves minors. Fire Legal Liability is required for persons occupying a portion of CITY premises. (Information on two CITY insurance programs, the SPARTA program, an optional source of low-cost insurance which meets the most minimum requirements, and the Special Events Liability Insurance Program, which provides liability coverage for short-term special events on CITY premises or streets, is available at ([www.sparta.com](http://www.sparta.com)), or by calling (800) 420-0865.)

7. **Automobile Liability Insurance** is required only when vehicles are used in performing the work of your Contract or when they are driven off-road on CITY premises; it is not required for simple commuting unless CITY is paying mileage. However, compliance with California law requiring auto liability insurance is a contractual requirement.

8. **Errors and Omissions coverage** will be specified on a project-by-project basis if you are working as a licensed or other professional. The length of the claims discovery period required will vary with the circumstances of the individual job.

9. **Workers' Compensation and Employer's Liability Insurance** are not required for single-person contractors. However, under state law these coverages (or a copy of the state's Consent To Self Insure) must be provided if you have any employees at any time during the period of this contract. Contractors with no employees must complete a Request for Waiver of Workers' Compensation Insurance Requirement (<http://cao.lacity.org/disk/InsuranceForms.htm>). A Waiver of Subrogation on the coverage is required only for jobs where your employees are working on CITY premises under hazardous conditions, e.g., uneven terrain, scaffolding, caustic chemicals, toxic materials, power tools, etc. The Waiver of Subrogation waives the insurer's right to recover (from the CITY) any workers' compensation paid to an injured employee of the contractor.

10. **Property Insurance** is required for persons having exclusive use of premises or equipment owned or controlled by the CITY. Builder's Risk/Course of Construction is required during construction projects and should include building materials in transit and stored at the project site.

11. **Surety coverage** may be required to guarantee performance of work and payment to vendors and suppliers. A Crime Policy may be required to handle CITY funds or securities, and under certain other conditions. Specialty coverages may be needed for certain operations. For assistance in obtaining the CITY required bid, performance and payment surety bonds, please see the City of Los Angeles Bond Assistance Program website address at <http://cao.lacity.org/disk/BondAssistanceProgram.pdf> or call (213) 327-0208 for more information.