

FIRST AMENDMENT TO AGREEMENT NO. E6604
BETWEEN THE CITY OF LOS ANGELES AND
CALIFORNIA DINING SERVICES

THIS FIRST AMENDMENT is made and entered into by and between the CITY OF LOS ANGELES, a municipal corporation (hereinafter called "City"), acting by and through its Board of Harbor Commissioners (hereinafter called "Board"), and CALIFORNIA DINING SERVICES, a California Corporation, (hereinafter called "Operator") as follows:

1. Section III is amended to read:

"III. EFFECTIVE DATE AND TERM OF AGREEMENT

This Agreement shall be in full force and effect commencing from the date of execution by the Executive Director and shall be for an initial period of two (2) years, subject to the following:

A. The Executive Director has the option to renew the term of the Agreement for one (1) renewal period of one (1) year for a total Agreement term not to exceed three (3) years from the effective date. Exercise of the option to renew shall be by written notice from the Executive Director to Operator prior to the end of the current term of the Agreement; or

B. The Board of Harbor Commissioners, in its sole discretion, may terminate and cancel all or part of this Agreement for any reason upon giving to Operator ten (10) days notice in writing of its election to cancel and terminate this Agreement."

2. Section V, subsection (B) is amended to read:

"The maximum payable under this Agreement, including reimbursable expenses (see Exhibit B), shall be Two Hundred Eighty Six Thousand Dollars (\$286,000)."

3. Exhibit A, entitled SCOPE OF WORK, subsection (3) under Operator's Financial Responsibilities is amended to read:

"3. Purchasing of Café Operations Supplies – Operator shall purchase and pay for all operation supplies and services utilized in operating the Café and providing catering, vending machine and coffee services. Operator shall purchase high quality products for the intended use. City reserves the right, at its expense, to audit this information. Operator shall give preference to the sale of healthy and sustainable foods, and is encouraged to purchase local and sustainably produced foods."

///

///

///

TRANSMITTAL 1

4. Exhibit B, entitled COMPENSATION, subsections (1), (2), (3), and (4) under Café Operations is amended to read:

- “1. Operator shall be entitled to charge patrons of the Café for food, snack, and beverage items listed on its standard menu at the subsidy prices shown in Exhibits B-1(a) and B-1(b).

2. City shall subsidize the operation of the Café by paying Operator twenty percent (20%) of the regular sale price (as reflected in Exhibits B-1(a) and B-1(b)), not including any applicable sales tax, for food items, snacks, and beverages sold at the Café.

3. The Executive Director, in his or her sole discretion, shall have the right to terminate and cancel the twenty percent (20%) subsidy, pursuant to Section X of this Agreement, upon giving the Operator ten (10) days advance, written notice. If the Executive Director elects to cancel the subsidy, Operator may increase the price of any food item, snack or beverage shown in Exhibit B-1 up to, but not more than, twenty percent (20%).

4. Operator shall include the twenty percent (20%) subsidy in the monthly invoices it submits to City under Section V of this Agreement. Operator shall submit itemized gross sales statements to the City in support of each monthly invoice for the Café subsidy. Operator shall maintain books and records for monthly gross sales in accordance with generally accepted accounting principles pursuant to established business practices.”

5. Exhibit B, entitled COMPENSATION, subsection (1), (2), and (3) under Maximum Payable is amended to read:

- “1. Following the first year of operation, the maximum amount payable under this Agreement for the Café operations subsidy and catering services combined shall be Forty Eight Thousand Dollars (\$48,000) per year.

2. The maximum amount payable under this Agreement for coffee service shall be Twenty Five Thousand Dollars (\$25,000) per year.

3. The total maximum amount payable under this Agreement, including the options period, for all services provided by Operator shall be Two Hundred Eighty Six Thousand Dollars (\$286,000).”

6. Exhibit B-1 is replaced in its entirety (see attached Exhibits B-1(a) and B-1(b)).

7. Exhibit B-2 is replaced in its entirety (see attached Exhibit B-2).

8. Subject to the provisions of Charter Section 245, the effective date of this Amendment shall be the date of its execution by Executive Director upon authorization of the Board. Operator is aware that the City Council, pursuant to Charter Section 245 of the City of Los Angeles, has the right to review this Amendment. Accordingly, in no event shall this Amendment become effective until the sixth Council meeting day after Board action or the City Council's approval of the Agreement.

9. Except as amended herein, all remaining terms and conditions of Agreement No. E6604 shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Agreement No. E6604 on the date to the left of their signatures.

THE CITY OF LOS ANGELES, by its
Board of Harbor Commissioners


Date: _____

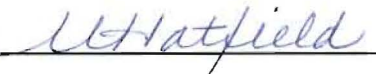
By: _____
Executive Director

Attest: _____
Secretary

CALIFORNIA DINING SERVICES

Date: 7/11/12

By: 
Ted Swantko, President
(Print/Type Name and Title)

Attest: 
Vicki Hatfield, Secretary
(Print/Type Name and Title)

APPROVED AS TO FORM AND LEGALITY

7/11/12, 2012
CARMEN A. TRUTANICH, City Attorney
THOMAS A. RUSSELL, General Counsel

By: 
MINAH PARK, Deputy City Attorney

MP
07/09/12
Attachments

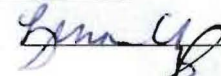
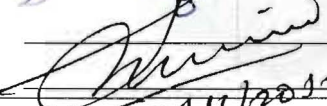
Account#	54290	W.O. #	_____
Ctr/Div#	0424/000	Job Fac.#	_____
Proj/Prog#	000		
Budget		Amount:	
FY:			
	12/13	\$	73,000
	13/14	\$	73,000
	TOTAL	\$	146,000
For Acct/Budget Div. Use Only			
Verified by:	<u></u>		
Verified Funds Available:	_____		
Date Approved:	<u></u> <u>7/11/2012</u>		

EXHIBIT A SCOPE OF WORK

Operator shall provide food services at various Harbor Department facilities for the benefit of Harbor Department employees and visitors as set forth more particularly below. Services shall include, but are not limited to, (1) operating a full service Café at the Harbor Administration Building (HAB); (2) providing non-exclusive catering services for special events and meetings as required; (3) providing vending machines; and (4) providing coffee and tea service.

Overview

Operator shall bear the responsibility for the daily management and operation of the Café and all personnel providing catering, vending machine, and coffee services as follows:

1. City and the Harbor Department shall have no direct supervision of or obligation to the employees of Operator. Any communication of employee matters shall be through the designated representatives of Operator and the Harbor Department. Operator shall operate upon its own credit and maintain a good credit rating.
2. Operator shall develop and manage the Café so that the potential for increased capacity and sales is realized.
3. Operator shall offer quality food and snacks at reasonable prices to maximize the patronage of the Café by employees and visitors.
4. Operator shall offer catering services for meetings and events at HAB or offsite, such as employee appreciation events, as well as Harbor Department marketing and customer meetings.
5. Operator shall provide vending machines for the convenience and necessity of Harbor Department employees and visitors.
6. Operator shall provide coffee services and equipment at various Harbor Department facilities for Harbor Department employees and visitors.
7. Operator's on-site management shall review their annual operating and marketing and outreach plans as well as quality assessment reports with the Harbor Department on a regular basis.
8. At the contract mid-point, the Harbor Department shall conduct a review and evaluation, through internal and external sources, of the Operator's performance

during the initial months of the Agreement. This intensive process shall include all aspects of the Agreement and Operator's performance in attaining the goals and objectives as outlined in the Agreement.

9. Operator shall maintain the equipment under a preventative maintenance contract and program paid for solely by Operator.

Program Development

Operator shall provide food and beverages in the Café, catering functions, vending machines, and coffee services as needed. Specifically, the offerings must:

- Be created to maximize sales;
- Offer uncompromising high quality food and selection;
- Maximize value to the employees and visitors of the Harbor Department;
- Have customer services standards on par with first class industry comparables; and
- Make the Café a must visit destination.

Café – Operator's Responsibilities

Operator shall operate the Café as follows:

1. Café Personnel – All personnel hired to provide any and all services of the Café shall be neat, clean and appropriately dressed at all times, and said personnel shall conduct themselves in a compatible manner with all personnel of City. Patrons of the Café have limited time for meals and should not be waiting in long lines for food. A sufficient number of staff persons should be assigned to the Café at all times during breakfast and lunch service hours, and a minimum of one staff person assigned at all times during snack service hours.

2. Menu Development – Operator shall create an inviting and diverse mix of food selections to maximize sales and provide profitable operation. Operator shall provide all food items, snacks and beverages on its regular menu (see Exhibit B-1) as well as two hot food entrées on Tuesdays, Wednesdays, and Thursdays and at least one hot food entrée on Mondays and Fridays.

3. Facility Operation – Operator shall take full charge of the facility's operation and all startup expenses including, but not limited to, sufficient labor, management and staff support, staff training, food procurement, and all operating supplies, utensils and cleaning products.

4. Maintenance of Kitchen Area – Operator shall be responsible for ordinary and ongoing operating requirements including daily custodial services in kitchen area,

cleaning all food service preparation areas, emergency cleanups of floors, and wiping down tables and chairs throughout the day as needed in the dining area. Operator shall place paper, food scraps, bottles, cans, paper cups and similar refuse in receptacles which will be provided by City near the areas where operations are placed.

5. Maintenance of Kitchen Equipment – Operator shall be responsible for maintenance and servicing of all kitchen and food service equipment. Operator shall provide copies of the maintenance plan or schedule and a copy of the maintenance contract.

6. Permits/Licenses – Operator shall procure all required licenses and permits necessary to operate the Café and must ensure continued validity of these licenses and permits throughout the term of the Agreement.

7. High Standards in Café – Operator shall maintain an “A” rating from the Los Angeles County Health Department in all Café operations, food preparation, serving and seating areas.

8. Housekeeping and Sanitation – Operator shall maintain high standards in general housekeeping and sanitation in food preparation, storage, serving areas and dining room including walls, ceilings, floors and seats.

9. Removal of Trash – Operator shall be responsible for maintaining a clean trash area within the Café premises. Operator shall be responsible for contracting with food waste oil collection agency to empty grease barrel on a regular basis.

10. Serve Safe Certification – Operator must have one staff person on duty at all times that is Serve Safe Certified.

11. Safety Requirements – Operator must meet all workplace safety requirements under Cal-OSHA.

12. Minimum Operation Hours – Operator shall provide breakfast service from 7:00 am to 10:30 am; lunch service from 11:00 am to 1:30 pm; and snacks, beverages, sandwiches and pre-prepared items from 7:00 am to 3:00 pm, Monday through Friday, except City holidays. Any adjustment in hours must be approved by the Executive Director of the Harbor Department.

13. Sales Equipment – Operator shall provide all point of sales equipment for efficient cash and debit/credit transaction operations.

14. Wares – Operator shall provide and maintain sufficient stock of small wares to include disposable ware used for food and beverage sales. Operator shall purchase and pay for all operational supplies and services utilized in the Café. Operator shall purchase high quality and environmentally responsible products for the intended use. City reserves the right, at its expense, to audit this information.

15. Laundry and Uniforms – Operator shall provide uniforms for Café staff including costs of laundry and uniform service.

16. Statements and Records - Operator shall submit gross sales statements to the Harbor Department for each Accounting period, and maintain books and records for gross sales in accordance with generally accepted accounting principles pursuant to established business practices. The Harbor Department, at its expense, reserves the right to audit all sales records and seek remedy for inaccurate or fraudulent records. Operator shall retain all such records for the period required under Section VI of this Agreement.

17. Operational Plan - Operator shall designate a Key Manager who will meet with the Harbor Department on a regular basis to present an Operating and Marketing/Outreach Plan, as well as to review external Quality Assessments (JD Powers or equal) on Customer Service, Food Quality and Operating Standards.

Café – City’s Responsibilities

City shall be responsible for the following:

1. City shall provide the Café as shown in Exhibit A-1.
2. City shall provide the kitchen equipment as described in Exhibit A-2.
3. City shall provide the electric, water, and gas utilities.
4. City shall be responsible for all building maintenance services for all facilities including the structure, floors, ceilings and membranes, and maintenance of the utility systems to the building. City shall promptly make all facility repairs and replacements it deems necessary, and shall be responsible for compliance with all federal, state, and local laws and regulations with respect to the facilities it provides under the Agreement. Operator shall notify City within ten (10) calendar days if such work is required and shall notify City immediately during an emergency.
5. City shall be responsible, at its expense for maintaining air conditioning, heat, and such utility services as are reasonably required for the efficient operation of the Café facility. City shall facilitate and coordinate the scheduling of these services. City shall be responsible, at its sole expense, to clean and maintain the kitchen ductwork, plenum chambers and roof fans.
6. City shall be responsible for contracting with trash collection agency to provide waterproof dumpster and schedule collection on a regular basis.
7. City shall be responsible for contracting for proper removal and disposal of oil interceptor tank.

8. City shall provide local telephone service.
9. City shall provide nightly cleaning of the dining and patio dining areas.
10. City shall provide nightly vacuuming of the service and dining carpeted areas, if any.
11. City shall provide pest control service.

Café – City’s Use

City shall have the right to use the Café, kitchen area and all kitchen equipment for City personnel, invitees, and/or contractors (hereinafter “City Use”) in accordance with the following provisions:

1. City Use is limited to all times after 4:00 pm Monday through Friday, and all times on weekends and City holidays.
2. City Use shall not include access to or use of refrigeration and storage areas used by Operator.
3. During City Use, Operator’s equipment such as utensils, pots, pans, and other cooking equipment may be used provided that all equipment used is signed out by the City and returned after each City Use in the same condition as before City Use.
4. At the conclusion of each City Use, the kitchen area shall be left in the same condition as found prior to the City Use.
5. City shall notify Operator no less than seven calendar days prior to City Use.
6. During City Use, Operator shall not be liable to City for injury to persons or property caused by the City, its personnel, invitees, or contractors.

Catering Services

Operator shall provide call-ahead, pick-up or delivery catering service at the request of the Executive Director or his or her designee. Operator shall provide reasonable call-ahead service for meetings or gatherings in HAB and for Harbor Department functions outside of HAB.

Vending Machines Services

Operator shall provide vending machine services located in HAB and at the new Port Police Headquarters Building as follows:

1. Vending machines must be available to staff 24-hours per day, seven days a week. The vending machines may provide, but not be limited to, cold canned soft drinks, juices, waters, snacks, candy, pastries and packaged sandwiches.
2. Operator shall provide directly or through a subcontractor at least five (5) reliable vending machines and services at HAB and the new Port Police Headquarters.
3. Operator or subcontractor shall be responsible for stocking, maintenance, and removal of cash receipts, free of charge to the Harbor Department.
4. Vending machines are to be fully stocked on a regular basis.
5. All vending machines must be approved by the Executive Director or his or her designee prior to installation. Operator shall be responsible for (1) general upkeep of the vending stations; (2) handling and recording all funds associated with the sales; and (3) emergency response service for vending machines.

Coffee Services

Operator shall provide coffee making equipment and services for Harbor Department employees and visitors as follows:

1. Operator shall provide directly or through its subcontractor (Coffee Provider) reliable coffee making equipment and service for various Harbor Department facilities as set forth on Exhibit A-3. Addition, deletion or changes in locations or equipment are allowable upon mutual agreement amongst City, Coffee Provider Subcontractor and Operator, if applicable.
2. Any changes of Coffee Provider must be approved by Executive Director or her designee.
3. Coffee service may include, but not be limited to, coffee, creamers, sugars, tea, stirrer sticks, coffee making equipment and coffee pots.
4. Coffee Provider shall retain title to all equipment during the term of the Agreement. At no time will any of the said equipment be disconnected, replaced or moved in any manner, by any services or person except authorized Coffee Provider personnel.

Operator's Financial Responsibilities

1. Startup Expense - Operator agrees to pay for all costs associated with startup labor and expenses associated with all operations of the Café. Startup cost shall be sufficient for labor, management and staff support, including wages and benefits prior to opening, as well as for recruitment, staff training, meals and supplies.

2. Operator Employee and Agent Wages, Benefits, Insurance and Taxes - Operator shall be solely responsible for all of its employees' and agents' wages, benefits, insurance and taxes. Operator shall pay all wages, salaries, and other amounts and benefits due to such personnel in connection with their performance of services under the Agreement and as required by law, including laws specific to the City of Los Angeles contracts which deal with living wage. Operator shall be responsible for all reports and obligations regarding such personnel, including, but not limited to, employee health and other benefits, social security taxes, income tax withholding, unemployment insurance, and worker's compensation insurance.

3. Purchasing of Café Operations Supplies - Operator shall purchase and pay for all operational supplies and services utilized in operating the Café and providing catering, vending machine and coffee services. Operator shall purchase high quality products for the intended use. City reserves the right, at its expense, to audit this information. Operator shall give preference to the sale of healthy and sustainable foods, and is encouraged to purchase local and sustainably produced foods.

4. Inventory of Food and Supplies - At the termination of the Agreement, all food, beverage and related perishable or disposable supplies shall be the sole property of Operator.

5. License and Permits - The operation of the Café shall include the procurement of all required licenses and permits necessary to operate the Café and Operator must ensure the continued validity of these licenses and permits throughout the term of the Agreement.

6. Prices - Operator shall offer Café menu, catering, vending machine and coffee service items at the regular prices set forth in Exhibits B, B-1, B-2, B-3 and B-4. Any price increases must be approved by the Executive Director or his or her designee.

Modifications

In addition to any authority or discretion delegated to the Executive Director or his or her designee in this Agreement, the Executive Director or his or her designee may:

1. Agree with Operator to modifications of operational requirements and procedures set forth in this Agreement and otherwise, including without limitation, operational hours, Café personnel, addition or deletion of equipment, addition or deletion of coffee-related products.

2. Any such modification shall be in writing, dated and executed by both the Executive Director or his or her designee and a duly authorized representative of Operator.

EXHIBIT B COMPENSATION

As compensation for the satisfactory performance of the serviced required by this Agreement, City agrees to pay and Operator agrees to accept in full satisfaction thereof, the following:

Café Operations

1. Operator shall be entitled to charge patrons of the Café for the food items, snacks, and beverages listed on its standard menu at the prices shown in Exhibit B-1.

2. City shall subsidize the operation of the Café by paying Operator twenty percent (20%) of the regular sale price (as reflected in Exhibit B-1), not including any applicable sales tax, for food items, snacks, and beverages sold at the Café.

3. The Executive Director, in his or her sole discretion, shall have the right to terminate and cancel the twenty percent (20%) subsidy, pursuant to Section X of this Agreement, upon giving the Operator ten (10) days advance, written notice. If the Executive Director elects to cancel the subsidy, Operator may increase the price of any food item, snack or beverage shown in Exhibit B-1 up to, but not more than, twenty percent (20%).

4. Operator shall include the twenty percent (20%) subsidy in the monthly invoices it submits to City under Section V of this Agreement. Operator shall submit itemized gross sales statements to the City in support of each monthly invoice for the Café subsidy. Operator shall maintain books and records for monthly gross sales in accordance with generally accepted accounting principles pursuant to established business practices.

Catering Services

1. Operator shall be entitled to charge City for catering service provided at the request of the Executive Director or his or her designee at the prices shown in Exhibit B-2.

2. Operator and the Executive Director or his or her designee may agree to change or supplement the items and prices listed on Exhibit B-2 at any time.

3. Any catering service provided that includes food items, snacks, beverages or prices not listed on Exhibit B-2 must be approved in writing by the Executive Director or his or her designee prior to providing such service.

4. Operator shall include any catering service provided to City in the monthly invoices it submits to the City under Section V of this Agreement as such billings are incurred. Supporting documentation submitted with each invoice shall include accounting records showing in reasonable detail any catering service provided, including any written authorization for any change or supplement to the items or prices listed on Exhibit B-2.

Vending Machines Services

1. Operator shall be entitled to collect all revenue generated from the vending machines.

2. Operator shall charge the prices shown in Exhibit B-3 for the items stocked in the vending machines.

Coffee Services

1. Operator shall be entitled to charge City for coffee service provided under this Agreement at the prices shown on Exhibit B-4.

2. Operator shall include coffee service provided to City in the monthly invoices it submits to the City under Section V of this Agreement as such billings are incurred. Supporting documentation submitted with each invoice shall include accounting records showing in reasonable detail the specific items provided as shown in Exhibit B-4.

Maximum Payable

1. Following the first year of operation, the maximum amount payable under this Agreement for the Café operations subsidy and catering services combined shall be Forty Eight Thousand Dollars (\$48,000) per year.

2. The maximum amount payable under this Agreement for coffee service shall be Twenty Five Thousand Dollars (\$25,000) per year.

3. The total maximum amount payable under this Agreement, including the options period, for all services provided by Operator shall be Two Hundred Eighty Six Thousand Dollars (\$286,000).

**PORT PANTRY
SAMPLE MENU PRICES**

Prices below may be used to reflect like items, combination plates and specials for any other items offered in cafeteria. This list is in no way intended to limit the items offered by the Operator. Prices listed below are pre-subsidy.

ITEM		MENU PRICES	
		SUBSIDY	REGULAR
Breakfast	All American Breakfast	\$ 3.06	\$ 3.82
	Country Style Breakfast	\$ 3.53	\$ 4.41
	English Muffin Sandwich	\$ 2.40	\$ 3.00
	Toast Sandwich	\$ 2.50	\$ 3.12
	Bagel Sandwich	\$ 2.59	\$ 3.24
	Croissant Sandwich	\$ 2.78	\$ 3.47
	Cheese Quesadilla	\$ 2.50	\$ 3.12
	Bacon or Sausage Quesadilla	\$ 3.25	\$ 4.06
	Big Breakfast Burrito	\$ 3.34	\$ 4.18
	Big Breakfast Quesadilla	\$ 3.43	\$ 4.29
	Breakfast Tacos Corn Tortillas	\$ 3.34	\$ 4.18
	Three Egg Omelet	\$ 3.43	\$ 4.29
	Veggie Omelet	\$ 3.06	\$ 3.82
	Mini Cheese Quesadilla	\$ 1.65	\$ 2.06
	Mini Bacon Quesadilla	\$ 1.74	\$ 2.18
	Mni Breakfast Burrito or Quesadilla	\$ 1.83	\$ 2.29
	Breakfast Burrito No Meat	\$ 2.59	\$ 3.24
	Grilled Cheese	\$ 2.40	\$ 3.00
	Grilled Ham and Cheese	\$ 3.06	\$ 3.82
	Cheese Omelet	\$ 2.78	\$ 3.47
	Oatmeal Small (8 oz)	\$ 1.08	\$ 1.35
	Oatmeal Large (12 oz)	\$ 1.46	\$ 1.82
Sides	Side of Bacon or Sausage (2)	\$ 1.03	\$ 1.29
	Side of Toast (2)	\$ 1.03	\$ 1.29
	Eggs Any Style (2)	\$ 1.03	\$ 1.29
	Bagel With Cream Cheese	\$ 1.46	\$ 1.82
	Side of Rice or Beans	\$ 1.27	\$ 1.59
	Side of Steamed Vegetables	\$ 1.27	\$ 1.59
	French Fries	\$ 1.27	\$ 1.59
	Onion Rings	\$ 1.27	\$ 1.59
	Side of Mashed Potatoes	\$ 1.27	\$ 1.59
	Side of Chips and Salsa	\$ 1.41	\$ 1.76
	Side of Chicken Breast	\$ 1.83	\$ 2.29
	Plain English Muffin	\$ 1.18	\$ 1.47
Salads	Spicy Oriental Salad	\$ 4.94	\$ 6.18
	Chipotle Chicken Salad	\$ 4.94	\$ 6.18
	Chicken California	\$ 4.94	\$ 6.18
	Garden Fresh Chicken	\$ 4.94	\$ 6.18
	Chef's Walnut Salad	\$ 4.94	\$ 6.18

**PORT PANTRY
SAMPLE MENU PRICES**

Prices below may be used to reflect like items, combination plates and specials for any other items offered in cafeteria. This list is in no way intended to limit the items offered by the Operator. Prices listed below are pre-subsidy.

ITEM		MENU PRICES	
		SUBSIDY	REGULAR
	Chef's Ceasar Salad	\$ 4.94	\$ 6.18
	Salad Bar By The Ounce	\$ 0.30	\$ 0.38
Sandwiches	Traditional Sandwich	\$ 4.00	\$ 5.00
	Club Style Sandwich	\$ 4.47	\$ 5.59
	Sandwich Wrap	\$ 4.47	\$ 5.59
	Half Sandwich	\$ 3.06	\$ 3.82
	Hot Sub Style Sandwich	\$ 4.47	\$ 5.59
	Chicken Breast Sandwich	\$ 3.53	\$ 4.41
	Crispy Chicken Breast Sandwich	\$ 3.43	\$ 4.29
Combos	Sandwich and Soup Combo	\$ 3.72	\$ 4.65
	Soup and Salad Combo	\$ 3.72	\$ 4.65
	Cheeseburger Daily Combo	\$ 4.66	\$ 5.82
	South of the Border Grill Combo	\$ 5.18	\$ 6.47
Burgers	1/4 lb Hamburger	\$ 2.68	\$ 3.35
	Hamburger w/cheese	\$ 2.78	\$ 3.47
	Double Cheeseburger	\$ 3.43	\$ 4.29
	Avocado Bacon Cheeseburger	\$ 3.43	\$ 4.29
	BBQ Western Cheeseburger	\$ 3.53	\$ 4.41
Grilled Items	Grilled Veggie Burger	\$ 3.43	\$ 4.29
	Grilled Tuna or Patty Melt	\$ 3.53	\$ 4.41
	Soft Shell Tacos (Corn Tortillas)	\$ 3.30	\$ 4.12
	Grilled Quesadilla	\$ 3.53	\$ 4.41
	Border Style Burrito	\$ 4.38	\$ 5.47
	Border Nachos	\$ 4.66	\$ 5.82
	Giant Taco Salad	\$ 4.66	\$ 5.82
	Bean and Cheese Burrito or (BRC)	\$ 2.59	\$ 3.24
	French Toast or Pancake	\$ 1.37	\$ 1.71
	Asada Taco Fries	\$ 3.06	\$ 3.82
	Grilled Asada Bowl	\$ 3.06	\$ 3.82
	Grilled Teriyaki Bowl	\$ 3.06	\$ 3.82
Entrees	Daily Breakfast Special	\$ 3.30	\$ 4.12
	Entrée Ala Carte	\$ 2.78	\$ 3.47
	Daily Lunch Entrée of The Day	\$ 5.60	\$ 7.00
	Daily Chef's Special	\$ 5.60	\$ 7.00
	Daily Deli Special	\$ 5.18	\$ 6.47
	Daily Grill Special	\$ 5.18	\$ 6.47
	Healthy Gourmet Special	\$ 5.41	\$ 6.76
Soups	Daily Soup Small (8 oz)	\$ 1.55	\$ 1.94
	Daily Soup Large (12 oz)	\$ 1.83	\$ 2.29

PORT PANTRY

SAMPLE SNACKS AND BEVERAGES PRICES

Prices below may be used to reflect like items offered in cafeteria. This list is in no way intended to limit the items offered by the Operator.

	ITEM	MENU PRICES	
		SUBSIDY	REGULAR
SNACKS	POP SECRET POP CORN (3 oz)	\$ 0.94	\$ 1.18
	CHEX MIX BAGS (2 oz)	\$ 0.57	\$ 0.71
	FAMOUS AMOS (2 oz)	\$ 0.70	\$ 0.88
	GRANDMAS COOKIES (2 oz)	\$ 0.70	\$ 0.88
	CHEEZ-IT SNACK BAGS (1.5 oz)	\$ 0.70	\$ 0.88
	HOT CHEETOS (2 oz)	\$ 0.70	\$ 0.88
	DORITOS SNACK BAGS (2 oz)	\$ 0.70	\$ 0.88
	FRITOS (2 oz)	\$ 0.70	\$ 0.88
	LAYS CLASSIC (2 oz)	\$ 0.70	\$ 0.88
	BAKED LAYS (2 oz)	\$ 0.70	\$ 0.88
	CHEETOS REGULAR (2 oz)	\$ 0.70	\$ 0.88
	RUFFLES (2 oz)	\$ 0.70	\$ 0.88
	RUFFLES CHEDDAR (2 oz)	\$ 0.70	\$ 0.88
	NATURE VALLEY GRANOLA (1.5oz)	\$ 0.70	\$ 0.88
	NATURE VALLEY PEANUT (1.5 oz)	\$ 0.70	\$ 0.88
	CANDY BARS ASSORTED (2 oz)	\$ 0.94	\$ 1.18
	SNYDER'S PRETZELS (1.5 oz)	\$ 0.70	\$ 0.88
	GUM PACKS LG (15 sticks)	\$ 1.18	\$ 1.47
	Altoides	\$ 1.83	\$ 2.29
	OREO COOKIES (1.5 oz)	\$ 0.70	\$ 0.88
	CHIPS AHOY	\$ 0.70	\$ 0.88
	KNOTT'S COOKIES (2 oz)	\$ 0.70	\$ 0.88
	CORN NUTS (1.7 oz)	\$ 0.94	\$ 1.18
	PLANTERS NUTS (2 oz)	\$ 0.94	\$ 1.18
	PISTACHIOS (1.5 oz)	\$ 0.94	\$ 1.18
	TRAIL MIX (2 oz)	\$ 1.18	\$ 1.47
	DIRTY CHIPS (2 oz)	\$ 1.18	\$ 1.47
	KETTLE CHIPS (2 oz)	\$ 1.18	\$ 1.47
	ISLAND SNACK	\$ 1.65	\$ 2.06
	PACKAGED DONUTS (4 oz)	\$ 0.94	\$ 1.18
	DANISH PACKAGED (4 oz)	\$ 0.94	\$ 1.18
	CINNAMON ROLLS (4 oz)	\$ 1.41	\$ 1.76
	PASTRIES ASSORTED (4 oz)	\$ 0.94	\$ 1.18
	BROWNIE TWIN PACK	\$ 1.41	\$ 1.76
	MUFFIN TWIN PACK	\$ 1.41	\$ 1.76
	CRUMB CAKE TWIN PACK	\$ 1.41	\$ 1.76
	SNICKERS	\$ 0.94	\$ 1.18
	KIT KAT	\$ 0.94	\$ 1.18
	3 MUSKATEERS	\$ 0.94	\$ 1.18
	MILKY WAY	\$ 0.94	\$ 1.18

PORT PANTRY
SAMPLE SNACKS AND BEVERAGES PRICES

Prices below may be used to reflect like items offered in cafeteria. This list is in no way intended to limit the items offered by the Operator.

ITEM		MENU PRICES	
		SUBSIDY	REGULAR
	RESSES	\$ 0.94	\$ 1.18
	HERSEYS	\$ 0.94	\$ 1.18
ICE CREAM	STRWBERRY SHORTCAKE	\$ 1.83	\$ 2.29
	COOKIES AND CREAM	\$ 0.94	\$ 1.18
	CRUNCH	\$ 1.41	\$ 1.76
	FRUIT BAR	\$ 1.41	\$ 1.76
	BUTTERFINGER KING SIZE	\$ 2.35	\$ 2.94
	ICE CREAM SANDWICH KING SIZE	\$ 2.35	\$ 2.94
	HAAGEN-DAZS	\$ 2.35	\$ 2.94
	DIBS	\$ 2.35	\$ 2.94
	TALL HOUSE	\$ 2.35	\$ 2.94
	DRUMSTICK KING SIZE	\$ 2.35	\$ 2.94
	DRUMSTICK REGULAR	\$ 1.83	\$ 2.29
	GOURMET LEMON TEA CAKE	\$ 1.88	\$ 2.35
	ISABELLA COOKIE	\$ 3.53	\$ 4.41
BAKED ITEMS	GOURMET COOKIES	\$ 0.70	\$ 0.88
	MUFFINS	\$ 1.41	\$ 1.76
	SLICED CAKES	\$ 1.65	\$ 2.06
	PIE SLICES	\$ 1.65	\$ 2.06
	PASTRIES	\$ 1.41	\$ 1.76
	FRUIT BOXES (SEASONAL)	\$ 2.12	\$ 2.65
DRINKS	STARBUCKS COFFEE DRINKS (10 oz)	\$ 2.35	\$ 2.94
	MILK INDIVIDUAL (16 oz)	\$ 1.83	\$ 2.29
	FAT FREE MILK (10 oz)	\$ 1.41	\$ 1.76
	YOPLAIT YOGURT SMOTHIE	\$ 1.88	\$ 2.35
	GREEK YOGURT	\$ 1.88	\$ 2.35
	V8 CANS (12 oz)	\$ 0.94	\$ 1.18
	V8 SPLASH (20 oz)	\$ 1.83	\$ 2.29
	KERNS NECTARS (12 oz)	\$ 1.18	\$ 1.47
	RED BULL ENERGY DRINK (16 oz)	\$ 2.35	\$ 2.94
	ROCKSTAR ENERGY DRINK (16 oz)	\$ 2.35	\$ 2.94
	MONSTER ENERGY DRINK (16 oz)	\$ 2.35	\$ 2.94
	SNAPPLE ASSORTED (16 oz)	\$ 1.41	\$ 1.76
	SOBE DRINKS (16 oz)	\$ 2.35	\$ 2.94
	FUZE DRINKS (16 oz)	\$ 2.35	\$ 2.94
	KNUDSEN ORANGE JUICE (16 oz)	\$ 1.83	\$ 2.29
	SM. ORANGE (10 oz)	\$ 1.18	\$ 1.47
	SM APPLE JUICE (10 oz)	\$ 1.18	\$ 1.47
	CRANBERRY JUICE (16 oz)	\$ 1.83	\$ 2.29
	CRANGRAPE JUICE (16 oz)	\$ 1.83	\$ 2.29

PORT PANTRY

SAMPLE SNACKS AND BEVERAGES PRICES

Prices below may be used to reflect like items offered in cafeteria. This list is in no way intended to limit the items offered by the Operator.

ITEM		MENU PRICES	
		SUBSIDY	REGULAR
	NAKED JUICE DRINKS	\$ 3.53	\$ 4.41
	ARIZONA GREEN TEA (16 oz)	\$ 1.83	\$ 2.29
	ARROWHEAD WATER (1 pint)	\$ 0.94	\$ 1.18
	ARROWHEAD WATER (1 QT)	\$ 1.41	\$ 1.76
	AQUA FINA WATER (1 pint)	\$ 0.94	\$ 1.18
	DASANI (20 oz)	\$ 1.41	\$ 1.76
	DASANI (1 liter)	\$ 1.83	\$ 2.29
	GATORADE (20 oz)	\$ 1.41	\$ 1.76
	POWERADE (20 oz)	\$ 1.83	\$ 2.29
	FRUIT 2'O WATER (12 oz)	\$ 1.18	\$ 1.47
	CAN SODAS	\$ 0.94	\$ 1.18
	BOTTLE PEPSI PRODUCTS (20 oz)	\$ 1.65	\$ 2.06
	BOTTLE COKE PRODUCTS (20 oz)	\$ 1.65	\$ 2.06
	SMART WATER (1LITER)	\$ 2.12	\$ 2.65
	SMART WATER (20 oz)	\$ 1.41	\$ 1.76
	VITAMIN WATER (16 oz)	\$ 1.88	\$ 2.35
	SPARKLING WATER	\$ 1.65	\$ 2.06
	HONEST TEA PRODUCT (16 oz)	\$ 1.88	\$ 2.35
	FUSE ASSORTED FLAVORS (16 oz)	\$ 2.35	\$ 2.94
	MINUTE MAID APPLE JUICE	\$ 1.88	\$ 2.35
	MINUTE MAID ORANGE JUICE	\$ 1.88	\$ 2.35
FOUNTAIN SODAS	16 oz cup	\$ 1.08	\$ 1.35
	32 oz cup	\$ 1.65	\$ 2.06
FOUNTAIN REFILLS	16 oz	\$ 0.57	\$ 0.71
	32 oz	\$ 0.94	\$ 1.18
COFFEE	16 oz Cup (Gourmet)	\$ 1.65	\$ 2.06
	TAZO TEA	\$ 1.65	\$ 2.06
ENERGY BARS	POWER CRUNCH	\$ 1.88	\$ 2.35
	ATKIN	\$ 1.88	\$ 2.35
	DUILDERN	\$ 1.88	\$ 2.35

Hors D'oeuvres

Assorted Cheese Platter

With Monterey Jack, Swiss, Gouda and Brie served with gourmet crackers or sliced baguette.

\$3.50 per person

Fruit and Cheese Platter

The cheese platter with red and green grapes and seasonal fruit.

\$4.95 per person

Fresh Grilled Antipasto

Delicious grilled marinated Italian vegetables, Italian sliced meats, olives, cheeses and fresh herbs with Italian bread.

\$4.95 per person

Fresh Seasonal Fruit Platter

\$3.75 per person

Fresh Vegetable Platter

Served with two different dips.

\$3.75 per person

Nachos

Served with guacamole, salsa and sour cream.

\$3.50 per person

Chicken Taquitos (2)

Served with guacamole and salsa.

\$2.50 per person

Cheese or Veggie Quesadilla

With mixed cheeses and fresh cilantro.

\$3.95 per person



Exhibit B-2
(Page 1 of 2)

Hot Entrées

Priced Per Person

Add \$2.50 for dessert and beverage

The Pasta Bar

Choose two pastas: Fettuccine, linguine or penne. Top with your choice of sauce:

Alfredo, creamy pesto, marinara or meat sauce, accompanied by fresh baked dinner rolls or garlic cheese bread and a green or Caesar salad.

\$8.95 per person

The Southwestern Tostada or Taco Bar

Delicious chicken or beef filling with crisp tortilla shells or hot tortillas, lettuce, tomatoes, cheese, onions, sour cream, salsa, guacamole, Spanish rice and refried beans.

\$8.95 per person

Oriental Buffet

Teriyaki Chicken served with steamed rice, Chinese chicken salad, egg roll and fortune cookies.

\$9.95 per person

Boneless Breast of Chicken

Grilled chicken breast with a number of sauces to choose from served with mashed potatoes, steamed vegetables, salad and dinner rolls.

\$9.95 per person

GREAT FOOD & SERVICES

We request 24 hour notice for cold food and 48 hour notice for hot food service. We will, however, do our best to service any catering request.

Cafeteria Phone: 310-732-7799

Port Pantry

Catering & Special Events



Your Catering Department has prepared this menu as a guide to assist you in planning your special events.

We welcome the opportunity to serve you. The wonderful possibilities are endless.

Please feel free to contract us for consultation on making your event special. This brochure is designed to acquaint you with our services by presenting you a small sampling of those items most frequently requested.

For further information contact:
Mimi Yoon, Manager

To place your order call
the Port Pantry between
7:00 AM and 3:00 PM

Catering Request Forms Available

Continental Breakfast

Priced Per Person

The Budget Continental

Danish or muffin with orange juice, coffee and tea service.
\$4.95

or

Bagel with cream cheese with orange juice, coffee and tea service.
\$5.50

The Gourmet Continental

Assorted muffins, bagels, croissants with spreads, or Danish with fresh fruit platter, orange juice, coffee and tea service.
\$6.95

California Dining Breakfast Burrito

A flour tortilla stuffed with fluffy scrambled eggs, hash browns, onions, green peppers, mixed cheeses and a choice of bacon, sausage, ham chorizo or veggies served with fresh home made salsa and sour cream.
\$4.50

The American Style Breakfast

Fluffy scrambled eggs with bacon, country potatoes, toast with spreads and a fresh fruit platter.
\$5.50

California Dining VIP Breakfast

Fluffy scrambled eggs with mixed cheeses, bacon, sausage, mini-croissants with spreads, fresh fruit platter, orange juice, gourmet coffee and tea service.
\$7.95



Exhibit B-2
(Page 2 of 2)

The Bakery

Priced Per Person

Bakery

Cinnamon Rolls ...\$1.50
Danish ...\$1.25
Mini Bagel with Cream Cheese ...\$1.50

Beverage Selections

Bottled Water ...\$1.00
Bottled Juices ...\$1.50
Milk (pt) ...\$1.00
Pitcher of Orange Juice ...\$7.95
One Air Pot of Coffee ...\$15.00
(serves up to 10)



Desserts, Afternoon Snacks, Beverages

Desserts

Cookies \$.85
Cheesecake \$3.95

Afternoon Delight

Mixed assortment of trail mix, nuts, plain M&M's, peanut M&M's, pretzels, dry fruit \$3.95

Beverages

Canned Sodas \$1.00
Bottled Water \$1.00
Sparkling Water \$1.50
Bottled Juice \$1.50
Snapple \$1.75
Sobe \$1.99
Arizona Iced Tea \$1.99
Vitamin Water \$1.99

Box Lunches

Priced Per Person

The Mini Box Lunch

A sandwich of your choice, served with assorted chips and a beverage.
\$6.95

The Gourmet Box Lunch

A sandwich of your choice, served with a deli salad, chips and a beverage.
\$7.95

California Dining VIP Box Lunch

Gourmet sandwich served on a French roll or wheat roll with a deli salad, chips and a gourmet milk and white chocolate macadamia nut cookie.
\$9.95

Deli Sandwiches

The Budget Sandwich Platter

Assorted Sandwiches served on a platter accompanied with assorted chips.
\$6.95

The Gourmet Sandwich Platter

Assorted sandwiches on different breads with your choice of one deli salad and a beverage.
\$7.95

California Dining VIP Platter

Gourmet meat & cheese sandwiches on French or wheat rolls served with one deli salad, assorted chips, a beverage and a gourmet cookie.
\$9.95

Sides

Pasta, Potato or Macaroni Salad \$1.50
Gourmet Chips \$1.50

AGREEMENT NO. ES 604

AGREEMENT BETWEEN
THE CITY OF LOS ANGELES AND
CALIFORNIA DINING SERVICES

THIS AGREEMENT is made and entered into by and between the CITY OF LOS ANGELES, a municipal corporation ("City"), acting by and through its Executive Director of the Harbor Department ("Executive Director"), and CALIFORNIA DINING SERVICES, a California corporation, 2070 Business Center Drive, Suite 255, Irvine, California 92613 ("Operator").

WHEREAS, City requires a qualified firm to operate the Café at the Harbor Administration Building and to provide catering, coffee and beverage, and vending machine services at various Harbor Department facilities; and

WHEREAS, Executive Director requires the professional, expert and technical services of Operator on a temporary or occasional basis to assist the City in providing such food services for Harbor Department employees and visitors that complies with all local, state, and federal regulations; and

WHEREAS, Operator possesses extensive experience in dealing with the food service industry; and

WHEREAS, Operator, by virtue of training and experience, is well qualified to provide such services to City; and

WHEREAS, City does not employ personnel with the required expertise nor is it feasible to do so on a temporary or occasional basis;

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

I. SERVICES TO BE PERFORMED BY OPERATOR

A. Operator hereby agrees to render to City, as an independent contractor, certain professional, technical and expert services of a temporary and occasional character as set forth in Exhibits A, A-1, A-2 and A-3 (collectively "Scope of Work").

B. Operator, at its sole cost and expense, shall furnish all services, materials, equipment, subsistence, transportation and all other items necessary to perform the Scope of Work. As between City and Operator, Operator is solely responsible for any taxes or fees which may be assessed against it or its employees resulting from performance of the Scope of Work, whether social security, payroll or other, and regardless of whether assessed by the federal government, any state, the City, or any other governmental entity.

C. Operator acknowledges and agrees that it lacks authority to perform any services outside the Scope of Work. Operator further acknowledges and agrees that any services it performs outside the Scope of Work are performed as a volunteer and shall not be compensable under this Agreement.

D. The Scope of Work shall be performed by personnel qualified and competent in the sole reasonable discretion of the Executive Director or his or her designee, whether performance is undertaken by Operator or third-parties with whom Operator has contracted ("Subcontractors"). Obligations of this Agreement, whether undertaken by Operator or Subcontractors, are and shall be the responsibility of Operator. Operator acknowledges and agrees that this Agreement creates no rights in Subcontractors with respect to City and that obligations that may be owed to Subcontractors, including, but not limited to, the obligation to pay Subcontractors for services performed, are those of Operator alone. Upon Executive Director's written request, Operator shall supply City's Harbor Department ("Department") with all agreements between it and its Subcontractors.

II. SERVICES TO BE PERFORMED BY CITY

A. City shall furnish Operator, upon its request, all documents and papers in possession of City which may lawfully be supplied to Operator and which are necessary for it to perform its obligations.

B. The Executive Director or his or her designee is designated as the contract administrator for City and shall also decide any and all questions which may arise as to the quality or acceptability of the services performed and the manner of performance, the interpretation of instructions to Operator and the acceptable completion of this Agreement and the amount of compensation due. Notwithstanding the preceding, the termination of this Agreement shall be governed by the provisions of Article X (Termination) hereof.

III. TERM OF AGREEMENT

The term of this Agreement shall be a period of one year from the date of execution of this Agreement by Executive Director.

IV. TERMINATION DUE TO NON-APPROPRIATION OF FUNDS

This Agreement is subject to the provisions of the Los Angeles City Charter which, among other things, precludes the City from making any expenditure of funds or incurring any liability, including contractual commitments, in excess of the amount appropriated thereof.

The City, in awarding this Agreement, is expected to appropriate sufficient funds to meet the estimated expenditure of funds through June 30 of the current fiscal year and to make further appropriations in each succeeding fiscal year during the life of the Agreement. However, the City is under no legal obligation to do so.

The City, its boards, officers, and employees are not bound by the terms of this Agreement or obligated to make payment thereunder in any fiscal year in which the City does not appropriate funds therefore. The Operator is not entitled to any compensation in any fiscal year in which funds have not been appropriated for the Agreement by the City.

Although the Operator is not obligated to perform any work under the Agreement in any fiscal year in which no appropriation for the Agreement has been made, the Operator agrees to resume performance of the work required by the Agreement on the same terms and conditions for a period of sixty (60) days after the end of the fiscal year if an appropriation therefore is approved by the City within that 60-day period. The Operator is responsible for maintaining all insurance and bonds during this 60-day period until the appropriation is made; however, such extension of time is not compensable.

If in any subsequent fiscal year funds are not appropriated by the City for the work required by the Agreement, the Agreement shall be terminated. However, such termination shall not relieve the parties of liability for any obligation previously incurred.

V. COMPENSATION AND PAYMENT

A. As compensation for the satisfactory performance of the services required by this Agreement, City shall pay and reimburse Operator at the rates set forth in Exhibits B, B-1, B-2, B-3 and B-4.

B. The maximum payable under this Agreement, including reimbursable expenses (see Exhibit B), shall be One Hundred Forty Thousand Dollars (\$140,000).

C. Operator shall submit invoices in quadruplicate to City monthly following the effective date of this Agreement for services performed during the preceding month. Each such invoice shall be signed by the Operator and shall include the following certification:

"I certify under penalty of perjury that the above bill is just and correct according to the terms of Agreement No. _____ and that payment has not been received. I further certify that I have complied with the provisions of the City's Living Wage Ordinance.

(Operator's Signature)

D. Operator must include on the face of each itemized invoice submitted for payment its Business Tax Registration Certificate number, as required at Article VIII of this Agreement. No invoice will be processed for payment by City without this number shown thereon. All invoices shall be approved by the Executive Director or his or her designee prior to payment. All invoices due and payable and found to be in order shall

be paid as soon as, in the ordinary course of City business, the same may be approved, audited and paid.

Operator shall submit appropriate supporting documents with each invoice. Such documents may include provider sales receipts, invoices, payrolls, and time sheets. The City may require, and Operator shall provide, all documents reasonably required to determine whether amounts on the invoice are allowable expenses under this Agreement.

Further, where the Operator employs Subcontractors under this Agreement, the Operator shall submit to City, with each monthly invoice, a Monthly Subcontractors Monitoring Report Form (Exhibit C) listing SBE/MBE/WBE/OBE amounts. Operator shall provide an explanation for any item that does not meet or exceed the anticipated participation levels for this Agreement, with specific plans and recommendations for improved Subcontractor utilization. Invoices will not be paid without a completed Monthly Subcontractor Monitoring Report Form. All invoices are subject to audit. Operator is not required to submit support for direct costs items of \$25 or less.

E. For payment and processing, all invoices should be mailed to the following address:

Accounts Payable Section
Harbor Department, City of Los Angeles
P.O. Box 191
San Pedro, CA 90733-0191

VI. RECORDKEEPING AND AUDIT RIGHTS

A. Operator shall keep and maintain full, complete and accurate books of accounts and records of the services performed under this Agreement in accordance with generally accepted accounting principles consistently applied, which books and records shall be readily accessible to and open for inspection and copying at the premises by City, its auditors or other authorized representatives. Notwithstanding any other provision of this Agreement, failure to do so shall constitute a conclusive waiver of any right to compensation for such services as are otherwise compensable hereunder. Such books and records shall be maintained by Operator for a period of three (3) years after completion of services to be performed under this Agreement or until all disputes, appeals, litigation or claims arising from this Agreement have been resolved.

B. During the term of this Agreement, City may audit, review and copy any and all writings (as that term is defined in Section 250 of the California Evidence Code) of Operator and Subcontractors arising from or related to this Agreement or performance of the Scope of Work, whether such writings are (a) in final form or not, (b) prepared by Operator, Subcontractors or any individual or entity acting for or on behalf of Operator or a Subcontractor, and (c) without regard to whether such writings have previously been provided to City. Operator shall be responsible for obtaining

access to and providing writings of Subcontractors. Operator shall provide City at Operator's sole cost and expense a copy of all such writings within fourteen (14) calendar days of a written request by City. City's right shall also include inspection at reasonable times of the Operator's office or facilities which are engaged in the performance of the Scope of Work. Operator shall, at no cost to City, furnish reasonable facilities and assistance for such review and audit. Operator's failure to comply with this Article VI shall constitute a material breach of this Agreement and shall entitle City to withhold any payment due under this Agreement until such breach is cured.

VII. INDEPENDENT CONTRACTOR

Operator, in the performance of the work required by this Agreement, is an independent contractor and not an agent or employee of City. Operator shall not represent itself as an agent or employee of the City and shall have no power to bind the City in contract or otherwise.

VIII. BUSINESS TAX REGISTRATION CERTIFICATE

The City of Los Angeles Office of Finance requires the implementation and enforcement of Los Angeles Municipal Code Section 21.09 et seq. This Code Section provides that every person, other than a municipal employee, who engages in any business within the City of Los Angeles, is required to obtain the necessary Business Tax Registration Certificate and pay business taxes. The City Controller has determined that this Code Section applies to consulting firms that are doing work for the Department. See Exhibit D.

IX. INDEMNIFICATION AND INSURANCE

A. Indemnification

Except for the sole negligence or willful misconduct of the City, or any of its Boards, Officers, Agents, Employees, Assigns and Successors in Interest, Operator undertakes and agrees to defend, indemnify and hold harmless the City and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the City, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including Operator'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 the negligent acts, errors, omissions or willful misconduct incident to the performance of this Agreement by Operator or its subcontractors of any tier. Rights and remedies available to the City under this provision are cumulative of those provided for elsewhere in this Agreement and those allowed under the laws of the United States, the State of California, and the City.

B. Acceptable Evidence and Approval of Insurance

Electronic submission is the required method of submitting Operator's insurance documents. Operator's insurance broker or agent shall register with the City's online insurance compliance system **Track4LA**™ at <http://track4la.lacity.org/> and submit the appropriate proof of insurance on Operator's behalf.

C. Commercial General Liability Insurance

Operator shall procure and maintain in effect throughout the term of this Agreement, without requiring additional compensation from the City, commercial general liability insurance covering personal and advertising injury, bodily injury, and property damage providing contractual liability, independent contractors, products and completed operations, and premises/operations coverage written by an insurance company authorized to do business in the State of California rated VII, A- or better in Best's Insurance Guide (or an alternate guide acceptable to City if Best's is not available) within Operator's normal limits of liability but not less than Five Million Dollars (\$5,000,000) combined single limit for injury or claim. Said limits shall provide first dollar coverage except that Executive Director may permit a self-insured retention or self-insurance in those cases where, in his or her judgment, such retention or self-insurance is justified by the net worth of Operator. The retention or self-insurance provided shall provide that any other insurance maintained by Department shall be excess of Operator's insurance and shall not contribute to it. In all cases, regardless of any deductible or retention, said insurance shall contain a defense of suits provision and a severability of interest clause. Where Operator provides or dispenses alcoholic beverages, coverage shall be provided as above. Additionally, each policy shall include a Waiver of Subrogation in favor of the Port, and an additional insured endorsement (CG 2010 or equivalent) naming the City of Los Angeles Harbor Department, its officers, agents and employees as Primary additional insureds, a 10-days notice of cancellation for nonpayment of premium, and a 30-days notice of cancellation for any other reasons.

D. Fire Legal Liability

In addition to and concurrently with the aforesaid insurance coverage, Operator shall also secure and maintain, either by an endorsement thereto or by a separate policy, fire legal liability insurance with a minimum limit of Two Hundred Fifty Thousand Dollars (\$250,000), covering legal liability of Operator for damage or destruction to the works, buildings and improvements owned by City provided that said minimum limits of liability shall be subject to adjustments by Executive Director to conform with the deductible amount of the fire insurance policy maintained by Board, with waiver of subrogation in favor of Operator so long as permitted by Board's fire insurance policy, upon thirty (30) days' prior written notice thereof to Operator at any time during the term of this Agreement. Neither City nor Board should be named as additional insureds on this policy.

E. Business and Personal Property Insurance

Operator shall secure, and shall maintain at all times during the term of this Agreement, Business and Personal Property Insurance covering ninety percent (90%) of the replacement value of all business and personal property including peril of food spoilage, with such provision in the policies issued to cover the same, or in riders attached thereto, as will provide for all losses over One Hundred Thousand Dollars (\$100,000) to be payable to Board to be held in trust for replacement costs. In the event of loss or damage to all business and personal property including peril of food spoilage, Operator shall undertake replacement within ninety (90) days following any such loss. In the event Operator shall undertake such replacement within said period of ninety (90) days, such proceeds shall be released by Board to Operator as payments are required for said purpose. Upon the completion of such replacement to the satisfaction of Executive Director, any balance thereof remaining shall be paid to said Operator forthwith. In the event Operator fails to undertake such replacement within said period of ninety (90) days, such proceeds shall be retained by the City.

F. Automobile Liability Insurance

Operator shall procure and maintain at its expense and keep in force at all times during the term of this Agreement, automobile liability insurance written by an insurance company authorized to do business in the State of California rated VII, A- or better in Best's Insurance Guide (or an alternate guide acceptable to City if Best's is not available) within Operator's normal limits of liability but not less than One Million Dollars (\$1,000,000) covering damages, injuries or death resulting from each accident or claim arising out of any one claim or accident. Said insurance shall protect against claims arising from actions or operations of the insured, or by its employees. Coverage shall contain a defense of suits provision and a severability of interest clause. Additionally, each policy shall include an additional insured endorsement (CG 2010 or equivalent) naming the City of Los Angeles Harbor Department, its officers, agents and employees as Primary additional insureds, a 10-days notice of cancellation for nonpayment of premium, and a 30-days notice of cancellation for any other reasons.

G. Workers' Compensation and Employer's Liability

Operator shall certify that it is aware of the provisions of Section 3700 of the California Labor code which requires 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 Operator shall comply with such provisions before commencing the performance of the tasks under this Agreement. Coverage for claims under U.S. Longshore and Harbor Workers' Compensation Act, if required under applicable law, shall be included. Operator shall submit Workers' Compensation policies whether underwritten by the state insurance fund or private carrier, which provide that the public or private carrier waives its right of subrogation against the City in any circumstance in which it is alleged that actions or omissions of the City contributed to the accident. Such Worker's Compensation and occupational disease

requirements shall include coverage for all employees of Operator, and for all employees of any subcontractor or other vendor retained by Operator.

H. Carrier Requirements

All insurance which Operator is required to provide pursuant to this Agreement shall be placed with insurance carriers authorized to do business in the State of California and which are rated A-, VII or better in Best's Insurance Guide. Carriers without a Best's rating shall meet comparable standards in another rating service acceptable to City.

I. Notice of Cancellation

Each insurance policy described above shall provide that it will not be canceled or reduced in coverage until after the Board of Harbor Commissioners, Attention: Risk Manager and the City Attorney of City have each been given thirty (30) days' prior written notice by registered mail addressed to 425 S. Palos Verdes Street, San Pedro, California 90731.

J. Modification of Coverage

Executive Director, at his or her discretion, based upon recommendation of independent insurance consultants to City, may increase or decrease amounts and types of insurance coverage required hereunder at any time during the term hereof by giving ninety (90) days' prior written notice to Operator.

K. Renewal of Policies

At least thirty (30) days prior to the expiration of each policy, Operator shall direct their insurance broker or agent to submit to the City's online insurance compliance system **Track4LA**™ at <http://track4la.lacity.org/> a renewal endorsement or renewal certificate showing that the policy has been renewed or extended or, if new insurance has been obtained, evidence of insurance as specified above. If Operator neglects or fails to secure or maintain the insurance required above, Executive Director may, at his or her own option but without any obligation, obtain such insurance to protect City's interests. The cost of such insurance will be deducted from the next payment due Operator.

L. Right to Self-Insure

Upon written approval by the Executive Director, Operator may self-insure if the following conditions are met:

1. Operator has a formal self-insurance program in place prior to execution of this Agreement. If a corporation, Operator must have a formal resolution of its board of directors authorizing self-insurance.

2. Operator agrees to protect the City, its boards, officers, agents and employees at the same level as would be provided by full insurance with respect to types of coverage and minimum limits of liability required by this Agreement.
3. Operator agrees to defend the City, its boards, officers, agents and employees in any lawsuit that would otherwise be defended by an insurance carrier.
4. Operator agrees that any insurance carried by Department is excess of Operator's self-insurance and will not contribute to it.
5. Operator provides the name and address of its claims administrator.
6. Operator submits a Financial Statement or Balance Sheet prior to Executive Director's consideration of approval of self-insurance and annually thereafter evidence of financial capacity to cover the self-insurance.
7. Operator agrees to inform Department in writing immediately of any change in its status or policy which would materially affect the protection afforded Department by this self-insurance.
8. Operator has complied with all laws pertaining to self-insurance.

M. Accident Reports

Operator shall report in writing to Executive Director within fifteen (15) calendar days after it, its officers or managing agents have knowledge of any accident or occurrence involving death of or injury to any person or persons, or damage in excess of Five Hundred Dollars (\$500.00) to property, occurring upon the premises, or elsewhere within the Port of Los Angeles if Operator's officers, agents or employees are involved in such an accident or occurrence. Such report shall contain to the extent available (1) the name and address of the persons involved, (2) a general statement as to the nature and extent of injury or damage, (3) the date and hour of occurrence, (4) the names and addresses of known witnesses, and (5) such other information as may be known to Operator, its officers or managing agents.

X. TERMINATION PROVISION

The Executive Director, in his or her sole discretion, shall have the right to terminate and cancel all or any part of this Agreement for any reason upon giving the Operator ten (10) days' advance, written notice of the City's election to cancel and terminate this Agreement. It is agreed that any Agreement entered into shall not limit the right of the City to hire additional consultants or perform the services described in this Agreement either during or after the term of this Agreement.

XI. PERSONAL SERVICE CONTRACT

A. During the term hereof, Operator agrees that it will not enter into other contracts or perform any work without the written permission of the Executive Director where the work may conflict with the interests of the Department.

B. Operator acknowledges that it has been selected to perform the Scope of Work because of its experience, qualifications and expertise. Any assignment or other transfer of this Agreement or any part hereof shall be void provided, however, that Operator may permit Subcontractors(s) to perform portions of the Scope of Work in accordance with Article I. All Subcontractors whom Operator utilizes, however, shall be deemed to be its agents. Subcontractors' performance of the Scope of Work shall not be deemed to release Operator from its obligations under this Agreement or to impose any obligation on the City to such Subcontractor(s) or give the Subcontractor(s) any rights against the City.

XII. AFFIRMATIVE ACTION

The Operator, during the performance of this Agreement, shall not discriminate in its employment practices against any employee or applicant for employment because of employee's or applicant's race, religion, national origin, ancestry, sex, age, sexual orientation, disability, marital status, domestic partner status, or medical condition. The provisions of Section 10.8.4 of the Los Angeles Administrative Code shall be incorporated and made a part of this Agreement. All subcontracts awarded shall contain a like nondiscrimination provision. See Exhibit E.

XIII. SMALL/VERY SMALL BUSINESS DEVELOPMENT PROGRAM

It is the policy of the Department to provide Small Business Enterprises (SBE) and Minority-Owned, Women-Owned and all Other Business Enterprises (MBE/WBE/OBE) an equal opportunity to participate in the performance of all City contracts in all areas where such contracts afford such participation opportunities. Operator shall assist the City in implementing this policy and shall use its best efforts to afford the opportunity for SBEs, MBEs, WBEs, and OBEs to achieve participation in subcontracts where such participation opportunities present themselves and attempt to ensure that all available business enterprises, including SBEs, MBEs, WBEs, and OBEs, have equal participation opportunity which might be presented under this Agreement. See Exhibit F.

NOTE: Prior to being awarded a contract with the City, Operator and all Subcontractors must be registered on the City's Contracts Management and Opportunities Database, Los Angeles Business Assistance Virtual Network (LABAVN), at <http://www.labavn.org>.

XIV. CONFLICT OF INTEREST

It is hereby understood and agreed that the parties to this Agreement have read and are aware of the provisions of Section 1090 et seq. and Section 87100 et seq. of the California Government Code relating to conflict of interest of public officers and employees, as well as the Los Angeles Municipal Code (LAMC) Municipal Ethics and Conflict of Interest provisions of Section 49.5.1 et seq. and the Conflict of Interest Codes of the City and the Department. All parties hereto agree that they are unaware of any financial or economic interest of any public officer or employee of City relating to this Agreement. Notwithstanding any other provision of this Agreement, it is further understood and agreed that if such financial interest does exist at the inception of this Agreement, City may immediately terminate this Agreement by giving written notice thereof.

XV. COMPLIANCE WITH APPLICABLE LAWS

Operator shall at all times in the performance of its obligations comply with all applicable laws, statutes, ordinances, rules and regulations, and with the reasonable requests and directions of Executive Director.

XVI. GOVERNING LAW / VENUE

This Agreement shall be governed by and construed in accordance with the laws of the State of California, without reference to the conflicts of law, rules and principles of such State. The parties agree that all actions or proceedings arising in connection with this Agreement shall be tried and litigated exclusively in the State or Federal courts located in the County of Los Angeles, State of California, in the judicial district required by court rules.

XVII. TRADEMARKS, COPYRIGHTS, AND PATENTS

Operator agrees to save, keep, hold harmless, protect and indemnify the City and any of its officers or agents from any damages, cost, or expenses in law or equity from infringement of any patent, trademark, service mark or copyright of any person or persons, or corporations in consequence of the use by City of any materials supplied by Operator in the performance of this Agreement.

XVIII. PROPRIETARY INFORMATION

A. Writings, as that term is defined in Section 250 of the California Evidence Code (including, without limitation, drawings, specifications, estimates, reports, records, reference material, data, charts, documents, renderings, computations, computer tapes or disks, submittals and other items of any type whatsoever, whether in the form of writing, figures or delineations), which are obtained, generated, compiled or derived in connection with this Agreement (collectively hereafter referred to as "property"), are owned by City as soon as they are developed, whether in draft or final form. City has

the right to use or permit the use of property and any ideas or methods represented by such property for any purpose and at any time without compensation other than that provided in this Agreement. Operator hereby warrants and represents that City at all times owns rights provided for in this section free and clear of all third-party claims whether presently existing or arising in the future, whether or not presently known. Operator need not obtain for City the right to use any idea, design, method, material, equipment or other matter which is the subject of a valid patent, unless such patent is owned by Operator or one of its employees, or its Subcontractor or the Subcontractor's employees, in which case such right shall be obtained without additional compensation. Whether or not Operator's initial proposal or proposals made during this Agreement are accepted by City, it is agreed that all information of any nature whatsoever connected with the Scope of Work, regardless of the form of communication, which has been or may be given by Operator, its Subcontractors or on either's behalf, whether prior or subsequent to this Agreement becoming effective, to the City, its boards, officers, agents or employees, is not given in confidence. Accordingly, City or its designees may use or disclose such information without liability of any kind, except as may arise under valid patents.

B. If research or development is furnished in connection with this Agreement and if, in the course of such research or development, patentable work product is produced by Operator, its officers, agents, employees, or Subcontractors, the City shall have, without cost or expense to it, an irrevocable, non-exclusive royalty-free license to make and use, itself or by anyone on its behalf, such work product in connection with any activity now or hereafter engaged in or permitted by City. Upon City's request, Operator, at its sole cost and expense, shall promptly furnish or obtain from the appropriate person a form of license satisfactory to the City. It is expressly understood and agreed that, as between City and Operator, the referenced license shall arise for City's benefit immediately upon the production of the work product, and is not dependent on the written license specified above. City may transfer such license to its successors in the operation or ownership of any real or personal property now or hereafter owned or operated by City.

XIX. CONFIDENTIALITY

The data, documents, reports, or other materials which contain information relating to the review, documentation, analysis and evaluation of the work described in this Agreement and any recommendations made by Operator relative thereto shall be considered confidential and shall not be reproduced, altered, used or disseminated by Operator or its employees or agents in any manner except and only to the extent necessary in the performance of the work under this Agreement. In addition, Operator is required to safeguard such information from access by unauthorized personnel.

XX. NOTICES

In all cases where written notice is to be given under this Agreement, service shall be deemed sufficient if said notice is deposited in the United States mail, postage prepaid. When so given, such notice shall be effective from the date of mailing of the

same. For the purposes hereof, unless otherwise provided by notice in writing from the respective parties, notice to the Department shall be addressed to Director of Real Estate, Los Angeles Harbor Department, P.O. Box 151, San Pedro, California 90733-0151, and notice to Operator shall be addressed to it at the address set forth above. Nothing herein contained shall preclude or render inoperative service of such notice in the manner provided by law.

XXI. TAXPAYER IDENTIFICATION NUMBER (TIN)

The Internal Revenue Service (IRS) requires that all consultants and suppliers of materials and supplies provide a TIN to the party that pays them. Operator declares that its authorized TIN is 33-0498456. No payments will be made under this Agreement without a valid TIN.

XXII. SERVICE CONTRACTOR WORKER RETENTION POLICY AND LIVING WAGE POLICY REQUIREMENTS

The Board of Harbor Commissioners of the City of Los Angeles adopted Resolution No. 5771 on January 13, 1999, agreeing to adopt the provisions of Los Angeles City Ordinance No. 171004 relating to Service Contractor Worker Retention (SCWR), Section 10.36 et seq. of the Los Angeles Administrative Code, as the policy of the Department. Further, Charter Section 378 requires compliance with the City's Living Wage requirements as set forth by ordinance, Section 10.37 et seq. of the Los Angeles Administrative Code. Operator shall comply with the policy wherever applicable. Violation of this provision, where applicable, shall entitle the City to terminate this Agreement and otherwise pursue legal remedies that may be available.

XXIII. WAGE AND EARNINGS ASSIGNMENT ORDERS / NOTICES OF ASSIGNMENTS

The Operator and/or any Subcontractor are obligated to fully comply with all applicable state and federal employment reporting requirements for the Operator and/or Subcontractor's employees.

The Operator and/or Subcontractor shall certify that the principal owner(s) are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignments applicable to them personally. The Operator and/or Subcontractor will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignments in accordance with Cal. Family Code Sections 5230 et seq. The Operator or Subcontractor will maintain such compliance throughout the term of this Agreement.

XXIV. EQUAL BENEFITS POLICY

The Board of Harbor Commissioners of the City of Los Angeles adopted Resolution No. 6328 on January 12, 2005, agreeing to adopt the provisions of

Los Angeles City Ordinance No. 172,908, as amended, relating to Equal Benefits, Section 10.8.2.1 et seq. of the Los Angeles Administrative Code, as a policy of the Department. Operator shall comply with the policy wherever applicable. Violation of this policy shall entitle the City to terminate any Agreement with Operator and pursue any and all other legal remedies that may be available. See Exhibit G.

XXV. COMPLIANCE WITH LOS ANGELES CITY CHARTER SECTION 470(c)(12)

The Operator and/or any Subcontractor are obligated to fully comply with City of Los Angeles Charter Section 470(c)(12) and related ordinances, regarding limitations on campaign contributions and fundraising by Operator and any Subcontractor for certain elected City officials or candidates for elected City office. Operator and any Subcontractors shall comply with these limitations wherever applicable. Violation of this provision shall entitle the City to terminate this Agreement and pursue any and all legal remedies that may be available.

XXVI. STATE TIDELANDS GRANTS

This Agreement is entered into in furtherance of and as a benefit to the State Tidelands Grant and the trust created thereby. Therefore, this Agreement is at all times subject to the limitations, conditions, restrictions and reservations contained in and prescribed by the Act of the Legislature of the State of California entitled "An Act Granting to the City of Los Angeles the Tidelands and Submerged Lands of the State Within the Boundaries of Said City," approved June 3, 1929 (Stats. 1929, Ch. 651), as amended, and provisions of Article VI of the Charter of the City of Los Angeles relating to such lands. Operator agrees that any interpretation of this Agreement and the terms contained herein must be consistent with such limitations, conditions, restrictions and reservations.

XXVII. INTEGRATION

This Agreement contains the entire understanding and agreement between the parties hereto with respect to the matters referred to herein. No other representations, covenants, undertakings, or prior or contemporaneous agreements, oral or written, regarding such matters which are not specifically contained, referenced, and/or incorporated into this Agreement by reference shall be deemed in any way to exist or bind any of the parties. Each party acknowledges that it has not been induced to enter into the Agreement and has not executed the Agreement in reliance upon any promises, representations, warranties or statements not contained, referenced, and/or incorporated into the Agreement. **THE PARTIES ACKNOWLEDGE THAT THIS AGREEMENT IS INTENDED TO BE, AND IS, AN INTEGRATED AGREEMENT.**

XXVIII. SEVERABILITY

Should any part, term, condition or provision of this Agreement be declared or determined by any court of competent jurisdiction to be invalid, illegal or incapable of

being enforced by any rule of law, public policy, or city charter, the validity of the remaining parts, terms, conditions or provisions of this Agreement shall not be affected thereby, and such invalid, illegal or unenforceable part, term, condition or provision shall be treated as follows: (a) if such part, term, condition or provision is immaterial to this Agreement, then such part, term, condition or provision shall be deemed not to be a part of this Agreement; or (b) if such part, term, condition or provision is material to this Agreement, then the parties shall revise the part, term, condition or provision so as to comply with the applicable law or public policy and to effect the original intent of the parties as closely as possible.

XXIX. CONSTRUCTION OF AGREEMENT

This Agreement shall not be construed against the party preparing the same, shall be construed without regard to the identity of the person who drafted such and shall be construed as if all parties had jointly prepared this Agreement and it shall be deemed their joint work product; each and every provision of this Agreement shall be construed as though all of the parties hereto participated equally in the drafting hereof; and any uncertainty or ambiguity shall not be interpreted against any one party. As a result of the foregoing, any rule of construction that a document is to be construed against the drafting party shall not be applicable.

XXX. TITLES AND CAPTIONS

The parties have inserted the Article titles in this Agreement only as a matter of convenience and for reference, and the Article titles in no way define, limit, extend or describe the scope of this Agreement or the intent of the parties in including any particular provision in this Agreement.

XXXI. MODIFICATION IN WRITING

This Agreement may be modified only by written agreement of all parties. Any such modifications are subject to all applicable approval processes required by, without limitation, City's Charter and City's Administrative Code.

XXXII. WAIVER

A failure of any party to this Agreement to enforce the Agreement upon a breach or default shall not waive the breach or default or any other breach or default. All waivers shall be in writing.

XXXIII. EXHIBITS; ARTICLES

All exhibits to which reference is made in this Agreement are deemed incorporated in this Agreement, whether or not actually attached. To the extent the terms of an exhibit conflict with or appear to conflict with the terms of the body of the Agreement, the terms of the body of the Agreement shall control. References to Articles are to Articles of this Agreement unless stated otherwise.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date to the left of their signatures.

Dated: 7/28/11

THE CITY OF LOS ANGELES
HARBOR DEPARTMENT

By [Signature]
Executive Director

CALIFORNIA DINING SERVICES

Dated: 7/22/11

By [Signature]

Type Name: Ted Swantko
Type Title: President

Attest [Signature]

Type Name: Vicki Hatfield
Type Title: Secretary

APPROVED AS TO FORM AND LEGALITY

July 26, 2011
CARMEN A. TRUTANICH, City Attorney
Thomas A. Russell, General Counsel

By [Signature]
JANET KARKANEN, Deputy

Account #	54290	W.O. #	
Ctr/Div #	000/0424	Job Fac. #	
Proj/Prog #	000		
Budget FY:		Amount:	
	2011/12		\$128,000
	2012/13		\$12,000
	TOTAL		\$140,000
For Acct/Budget Div. Use Only:			
Verified by:	<u>T. GREEN</u>		
Verified Funds Available:	<u>[Signature]</u>		
Date Approved:	<u>8/25/2011</u>		

EXHIBIT A

SCOPE OF WORK

Operator shall provide food services at various Harbor Department facilities for the benefit of Harbor Department employees and visitors as set forth more particularly below. Services shall include, but are not limited to, (1) operating a full service Café at the Harbor Administration Building (HAB); (2) providing non-exclusive catering services for special events and meetings as required; (3) providing vending machines; and (4) providing coffee and tea service.

Overview

Operator shall bear the responsibility for the daily management and operation of the Café and all personnel providing catering, vending machine, and coffee services as follows:

1. City and the Harbor Department shall have no direct supervision of or obligation to the employees of Operator. Any communication of employee matters shall be through the designated representatives of Operator and the Harbor Department. Operator shall operate upon its own credit and maintain a good credit rating.
2. Operator shall develop and manage the Café so that the potential for increased capacity and sales is realized.
3. Operator shall offer quality food and snacks at reasonable prices to maximize the patronage of the Café by employees and visitors.
4. Operator shall offer catering services for meetings and events at HAB or offsite, such as employee appreciation events, as well as Harbor Department marketing and customer meetings.
5. Operator shall provide vending machines for the convenience and necessity of Harbor Department employees and visitors.
6. Operator shall provide coffee services and equipment at various Harbor Department facilities for Harbor Department employees and visitors.
7. Operator's on-site management shall review their annual operating and marketing and outreach plans as well as quality assessment reports with the Harbor Department on a regular basis.
8. At the contract mid-point, the Harbor Department shall conduct a review and evaluation, through internal and external sources, of the Operator's performance

during the initial months of the Agreement. This intensive process shall include all aspects of the Agreement and Operator's performance in attaining the goals and objectives as outlined in the Agreement.

9. Operator shall maintain the equipment under a preventative maintenance contract and program paid for solely by Operator.

Program Development

Operator shall provide food and beverages in the Café, catering functions, vending machines, and coffee services as needed. Specifically, the offerings must:

- Be created to maximize sales;
- Offer uncompromising high quality food and selection;
- Maximize value to the employees and visitors of the Harbor Department;
- Have customer services standards on par with first class industry comparables; and
- Make the Café a must visit destination.

Café – Operator's Responsibilities

Operator shall operate the Café as follows:

1. Café Personnel – All personnel hired to provide any and all services of the Café shall be neat, clean and appropriately dressed at all times, and said personnel shall conduct themselves in a compatible manner with all personnel of City. Patrons of the Café have limited time for meals and should not be waiting in long lines for food. A sufficient number of staff persons should be assigned to the Café at all times during breakfast and lunch service hours, and a minimum of one staff person assigned at all times during snack service hours.

2. Menu Development – Operator shall create an inviting and diverse mix of food selections to maximize sales and provide profitable operation. Operator shall provide all food items, snacks and beverages on its regular menu (see Exhibit B-1) as well as two hot food entrées on Tuesdays, Wednesdays, and Thursdays and at least one hot food entrée on Mondays and Fridays.

3. Facility Operation – Operator shall take full charge of the facility's operation and all startup expenses including, but not limited to, sufficient labor, management and staff support, staff training, food procurement, and all operating supplies, utensils and cleaning products.

4. Maintenance of Kitchen Area – Operator shall be responsible for ordinary and ongoing operating requirements including daily custodial services in kitchen area, cleaning all food service preparation areas, emergency cleanups of floors, and wiping down tables and chairs throughout the day as needed in the dining area. Operator shall

place paper, food scraps, bottles, cans, paper cups and similar refuse in receptacles which will be provided by City near the areas where operations are placed.

5. Maintenance of Kitchen Equipment – Operator shall be responsible for maintenance and servicing of all kitchen and food service equipment. Operator shall provide copies of the maintenance plan or schedule and a copy of the maintenance contract.

6. Permits/Licenses – Operator shall procure all required licenses and permits necessary to operate the Café and must ensure continued validity of these licenses and permits throughout the term of the Agreement.

7. High Standards in Café – Operator shall maintain an “A” rating from the Los Angeles County Health Department in all Café operations, food preparation, serving and seating areas.

8. Housekeeping and Sanitation – Operator shall maintain high standards in general housekeeping and sanitation in food preparation, storage, serving areas and dining room including walls, ceilings, floors and seats.

9. Removal of Trash – Operator shall be responsible for maintaining a clean trash area within the Café premises. Operator shall be responsible for contracting with food waste oil collection agency to empty grease barrel on a regular basis.

10. Serve Safe Certification – Operator must have one staff person on duty at all times that is Serve Safe Certified.

11. Safety Requirements – Operator must meet all workplace safety requirements under Cal-OSHA.

12. Minimum Operation Hours – Operator shall provide breakfast service from 7:00 am to 10:30 am; lunch service from 11:00 am to 1:30 pm; and snacks, beverages, sandwiches and pre-prepared items from 7:00 am to 3:00 pm, Monday through Friday, except City holidays. Any adjustment in hours must be approved by the Executive Director of the Harbor Department.

13. Sales Equipment – Operator shall provide all point of sales equipment for efficient cash and debit/credit transaction operations.

14. Wares – Operator shall provide and maintain sufficient stock of small wares to include disposable ware used for food and beverage sales. Operator shall purchase and pay for all operational supplies and services utilized in the Café. Operator shall purchase high quality and environmentally responsible products for the intended use. City reserves the right, at its expense, to audit this information.

15. Laundry and Uniforms – Operator shall provide uniforms for Café staff

including costs of laundry and uniform service.

16. Statements and Records - Operator shall submit gross sales statements to the Harbor Department for each Accounting period, and maintain books and records for gross sales in accordance with generally accepted accounting principles pursuant to established business practices. The Harbor Department, at its expense, reserves the right to audit all sales records and seek remedy for inaccurate or fraudulent records. Operator shall retain all such records for the period required under Section VI of this Agreement.

17. Operational Plan - Operator shall designate a Key Manager who will meet with the Harbor Department on a regular basis to present an Operating and Marketing/Outreach Plan, as well as to review external Quality Assessments (JD Powers or equal) on Customer Service, Food Quality and Operating Standards.

Café – City’s Responsibilities

City shall be responsible for the following:

1. City shall provide the Café as shown in Exhibit A-1.
2. City shall provide the kitchen equipment as described in Exhibit A-2.
3. City shall provide the electric, water, and gas utilities.
4. City shall be responsible for all building maintenance services for all facilities including the structure, floors, ceilings and membranes, and maintenance of the utility systems to the building. City shall promptly make all facility repairs and replacements it deems necessary, and shall be responsible for compliance with all federal, state, and local laws and regulations with respect to the facilities it provides under the Agreement. Operator shall notify City within ten (10) calendar days if such work is required and shall notify City immediately during an emergency.
5. City shall be responsible, at its expense for maintaining air conditioning, heat, and such utility services as are reasonably required for the efficient operation of the Café facility. City shall facilitate and coordinate the scheduling of these services. City shall be responsible, at its sole expense, to clean and maintain the kitchen ductwork, plenum chambers and roof fans.
6. City shall be responsible for contracting with trash collection agency to provide waterproof dumpster and schedule collection on a regular basis.
7. City shall be responsible for contracting for proper removal and disposal of oil interceptor tank.
8. City shall provide local telephone service.

9. City shall provide nightly cleaning of the dining and patio dining areas.
10. City shall provide nightly vacuuming of the service and dining carpeted areas, if any.
11. City shall provide pest control service.

Café – City’s Use

City shall have the right to use the Café, kitchen area and all kitchen equipment for City personnel, invitees, and/or contractors (hereinafter “City Use”) in accordance with the following provisions:

1. City Use is limited to all times after 4:00 pm Monday through Friday, and all times on weekends and City holidays.
2. City Use shall not include access to or use of refrigeration and storage areas used by Operator.
3. During City Use, Operator’s equipment such as utensils, pots, pans, and other cooking equipment may be used provided that all equipment used is signed out by the City and returned after each City Use in the same condition as before City Use.
4. At the conclusion of each City Use, the kitchen area shall be left in the same condition as found prior to the City Use.
5. City shall notify Operator no less than seven calendar days prior to City Use.
6. During City Use, Operator shall not be liable to City for injury to persons or property caused by the City, its personnel, invitees, or contractors.

Catering Services

Operator shall provide call-ahead, pick-up or delivery catering service at the request of the Executive Director or his or her designee. Operator shall provide reasonable call-ahead service for meetings or gatherings in HAB and for Harbor Department functions outside of HAB.

Vending Machines Services

Operator shall provide vending machine services located in HAB and at the new Port Police Headquarters Building as follows:

1. Vending machines must be available to staff 24-hours per day, seven days a week. The vending machines may provide, but not be limited to, cold canned soft drinks, juices, waters, snacks, candy, pastries and packaged sandwiches.

2. Operator shall provide directly or through a subcontractor at least five (5) reliable vending machines and services at HAB and the new Port Police Headquarters.

3. Operator or subcontractor shall be responsible for stocking, maintenance, and removal of cash receipts, free of charge to the Harbor Department.

4. Vending machines are to be fully stocked on a regular basis.

5. All vending machines must be approved by the Executive Director or his or her designee prior to installation. Operator shall be responsible for (1) general upkeep of the vending stations; (2) handling and recording all funds associated with the sales; and (3) emergency response service for vending machines.

Coffee Services

Operator shall provide coffee making equipment and services for Harbor Department employees and visitors as follows:

1. Operator shall provide directly or through its subcontractor (Coffee Provider) reliable coffee making equipment and service for various Harbor Department facilities as set forth on Exhibit A-3. Addition, deletion or changes in locations or equipment are allowable upon mutual agreement amongst City, Coffee Provider Subcontractor and Operator, if applicable.

2. Any changes of Coffee Provider must be approved by Executive Director or her designee.

3. Coffee service may include, but not be limited to, coffee, creamers, sugars, tea, stirrer sticks, coffee making equipment and coffee pots.

4. Coffee Provider shall retain title to all equipment during the term of the Agreement. At no time will any of the said equipment be disconnected, replaced or moved in any manner, by any services or person except authorized Coffee Provider personnel.

Operator's Financial Responsibilities

1. Startup Expense - Operator agrees to pay for all costs associated with startup labor and expenses associated with all operations of the Café. Startup cost shall be sufficient for labor, management and staff support, including wages and benefits prior to opening, as well as for recruitment, staff training, meals and supplies.

2. Operator Employee and Agent Wages, Benefits, Insurance and Taxes - Operator shall be solely responsible for all of its employees' and agents' wages, benefits, insurance and taxes. Operator shall pay all wages, salaries, and other

amounts and benefits due to such personnel in connection with their performance of services under the Agreement and as required by law, including laws specific to the City of Los Angeles contracts which deal with living wage. Operator shall be responsible for all reports and obligations regarding such personnel, including, but not limited to, employee health and other benefits, social security taxes, income tax withholding, unemployment insurance, and worker's compensation insurance.

3. Purchasing of Café Operations Supplies - Operator shall purchase and pay for all operational supplies and services utilized in operating the Café and providing catering, vending machine and coffee services. Operator shall purchase high quality products for the intended use. City reserves the right, at its expense, to audit this information.

4. Inventory of Food and Supplies - At the termination of the Agreement, all food, beverage and related perishable or disposable supplies shall be the sole property of Operator.

5. License and Permits - The operation of the Café shall include the procurement of all required licenses and permits necessary to operate the Café and Operator must ensure the continued validity of these licenses and permits throughout the term of the Agreement.

6. Prices - Operator shall offer Café menu, catering, vending machine and coffee service items at the regular prices set forth in Exhibits B, B-1, B-2, B-3 and B-4. Any price increases must be approved by the Executive Director or his or her designee.

Modifications

In addition to any authority or discretion delegated to the Executive Director or his or her designee in this Agreement, the Executive Director or his or her designee may:

1. Agree with Operator to modifications of operational requirements and procedures set forth in this Agreement and otherwise, including without limitation, operational hours, Café personnel, addition or deletion of equipment, addition or deletion of coffee-related products.

2. Any such modification shall be in writing, dated and executed by both the Executive Director or his or her designee and a duly authorized representative of Operator.

